

EXPANDING HORIZONS

2025 | SUSTAINABLE DEVELOPMENT REPORT
for the year ended 30 June

MINING FOR A FUTURE

THE HONEY BADGER

The honey badger is one of the toughest animals in the wild. It's not the biggest or strongest, but it's known for being fearless, smart and relentless. It doesn't back down from anything that stands in its way – and when knocked down, it gets back up, again and again. That's resilience.

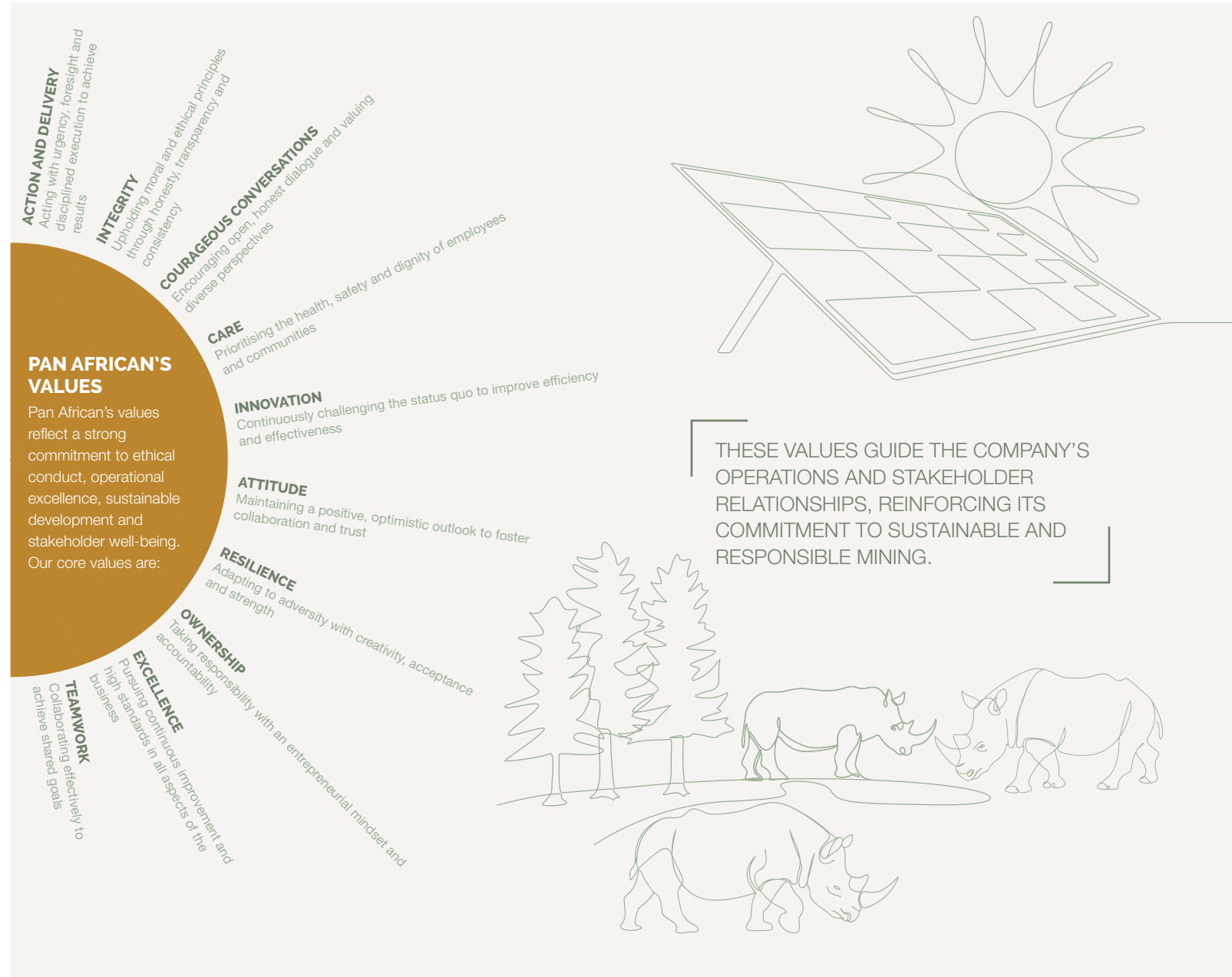
That's the mindset we bring to mining.

At Pan African, we are a small team with a big job. We operate in some of the oldest, most complex sites – where others see waste or walk away, we see opportunity. We venture into spaces the big players have left behind and work smart to recover what is still there.

We are not here to compete by size. We compete with grit. We are used to doing more with less, finding value in the overlooked and pushing through challenges that others avoid.

Like the honey badger, we are tough, adaptable and focused. We embody resilience – one of our core values – by staying the course when things get hard, innovating when the path is not clear and trusting our people to deliver. We do not just talk about excellence, ownership and teamwork – we live it, every day, in every ounce of gold we mine.

We are the honey badger. And we get the job done.



CONTENTS

Report navigation	4
About this report	5

EXECUTIVE SUMMARY 9

Overview of sustainable development activities	10
Key achievements and highlights	11

INTRODUCTION 14

About Pan African	15
Message from the chairman of the social and ethics committee	17
Our operating environments	19

SUSTAINABILITY IN CONTEXT 21

Our key stakeholders and engagement	22
Material sustainable development topics	23
Advancing the UN SDGs through action	31
Value created and distributed in FY25	33

STRATEGY, PERFORMANCE INDICATORS AND RISK MANAGEMENT 35

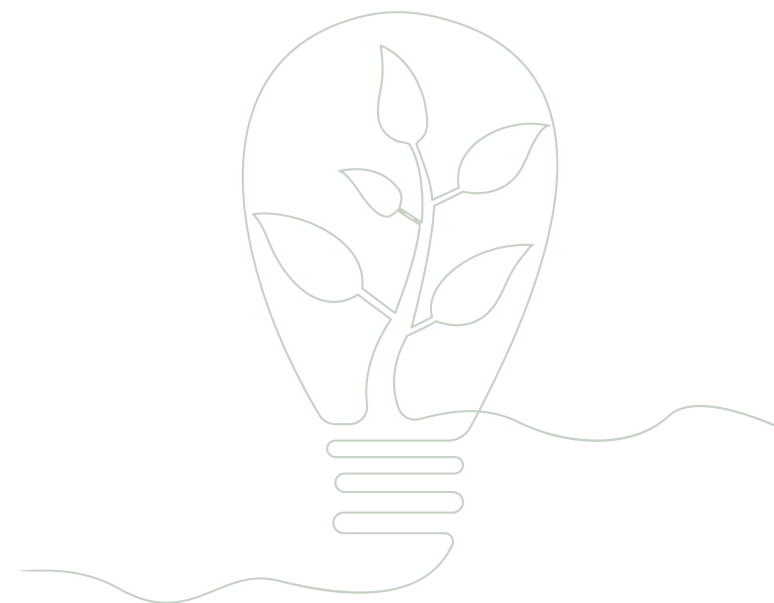
Sustainable development strategy	36
Pan African's sustainable development pillars	37
How our strategy contributes to resilience	38
Integration of sustainability into business strategy	39
Innovation and technology for sustainability	39
Performance indicators	40
Risk management	41

ENVIRONMENTAL, SOCIAL, ECONOMIC AND CORPORATE GOVERNANCE 43

The environment	44
Climate change, energy and emissions management	46
Air quality	48
Biodiversity management	49
Water management	51
Waste management	53
Tailings management	55
Operational report – the environment	59
Social	60
Mining as a platform for inclusive growth and community empowerment	60
Social performance indicators	61
Community engagement	62
Operational report – social initiatives	63
Supplier development and broad-based black economic empowerment	65
Workforce profile	66
Learning and development	68
Health, safety and well-being	71
Occupational health	72
Human rights	75
Security management	77
Economic	79
Regulatory reporting requirements for Pan African to the DMPPR	79
Local procurement	81
Corporate governance	82
Sustainable corporate governance	82
Sustainability governance framework	83



OTHER INFORMATION 84

Assurance report	85
Methodologies	88
Key performance indicators	90
GRI index	92
Sustainability reporting boundary	95
Glossary	96
Corporate information	98







REPORT NAVIGATION

The following tools will assist you throughout this report:









-  Find more information on our website, www.panafricanresources.com/
-  Reported values containing the gold seal of approval indicate limited assurance granted by PricewaterhouseCoopers Inc. (PwC Inc.). The limited assurance report from PwC Inc. can be found on **pages 85 to 87** of this report.

THE SIX CAPITALS

- | | |
|--|---|
|  Financial capital |  Human capital |
|  Manufactured capital |  Social and relationship capital |
|  Intellectual capital |  Natural capital |














Refer to **pages 26 to 30**.

STAKEHOLDERS

- | | |
|--|---|
|  Providers of capital |  Communities |
|  Customers |  Governments and regulatory bodies |
|  Suppliers |  Collaboration partners |
|  Employees and unions |  The environment |

Refer to **page 22**.

PAN AFRICAN'S MATERIAL MATTERS

-  Strategic delivery
-  Growth aspirations
-  Dynamic business model
-  Cost consciousness
-  Energy management
-  Infrastructural constraints
-  Depleting reserves
-  Water management
-  Innovation and opportunity
-  Safety and security
-  Skills attraction and retention
-  Tailings management
-  Responsible sourcing
-  Social licence
-  Climate change, decarbonisation and biodiversity

Refer to **pages 36 to 57** in the **integrated annual report** at for a detailed discussion on Pan African's material matters.

MATERIAL SUSTAINABLE DEVELOPMENT TOPICS

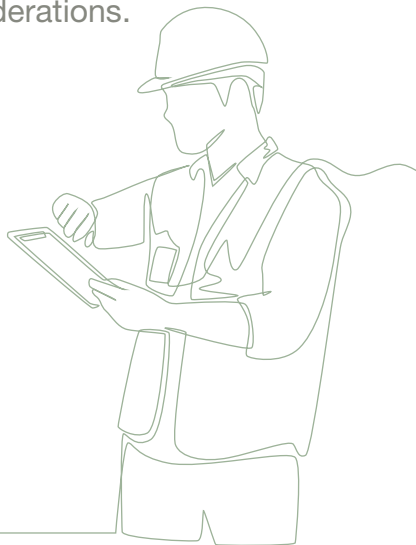
- ### Environmental
-  Biodiversity and ecosystem services
 -  Climate change – adaptation and mitigation
 -  Emissions management
 -  Energy management – security and efficiency
 -  Tailings management
 -  Land use
 -  Water management – usage, availability, discharge and lack of pollutants
 -  Waste management
 -  Promotion of recycling and circular economy
- ### Social
-  Social licence to operate
 -  Local procurement and economic development
 -  Syndicated crime and corruption
 -  Health and safety
 -  Diversity and equal opportunity
 -  Working with local policy and judicial services
 -  Security technology and capacity
 -  Community engagement and relations
 -  Enterprise and supplier development
 -  Skills attraction and retention
 - Training and development

ABOUT THIS REPORT

We are pleased to present the 2025 sustainable development report of Pan African Resources PLC (Pan African or the Company or the Group). The purpose of this report is to provide our stakeholders with a transparent account of our performance related to material sustainability risks, opportunities and impacts.

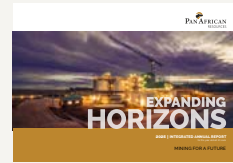
The content is intended for all our stakeholders, primarily current and future investors, our employees, our host communities, our suppliers, our partners, our customers, governments and relevant authorities.

We are committed to building a sustainable future through responsible mining. We understand that our business success depends on our ability to balance economic, environmental and social considerations.



This sustainable development report accompanies Pan African's integrated annual report, including the annual financial statements for the year ended 30 June 2025, and must be read in conjunction with the entire reporting suite of documents. The entire suite of documents is available on our website at <https://www.panafricanresources.com/investors/fy2025-key-documents>

OUR REPORTING SUITE



Our **integrated annual report** includes our annual financial statements



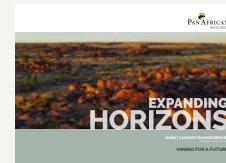
Our **summarised audited results**



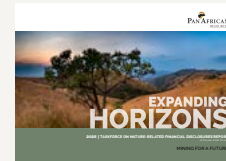
Our **Mineral Resources and Mineral Reserves report** provides technical information in compliance with the SAMREC Code



Our **notice of annual general meeting** will be available on our website on 28 October 2025



Our **climate change report**




Our inaugural **Taskforce on Nature-related Financial Disclosures report** contains additional non-financial disclosures



Our **corporate governance report**, including a comprehensive King IV™ index

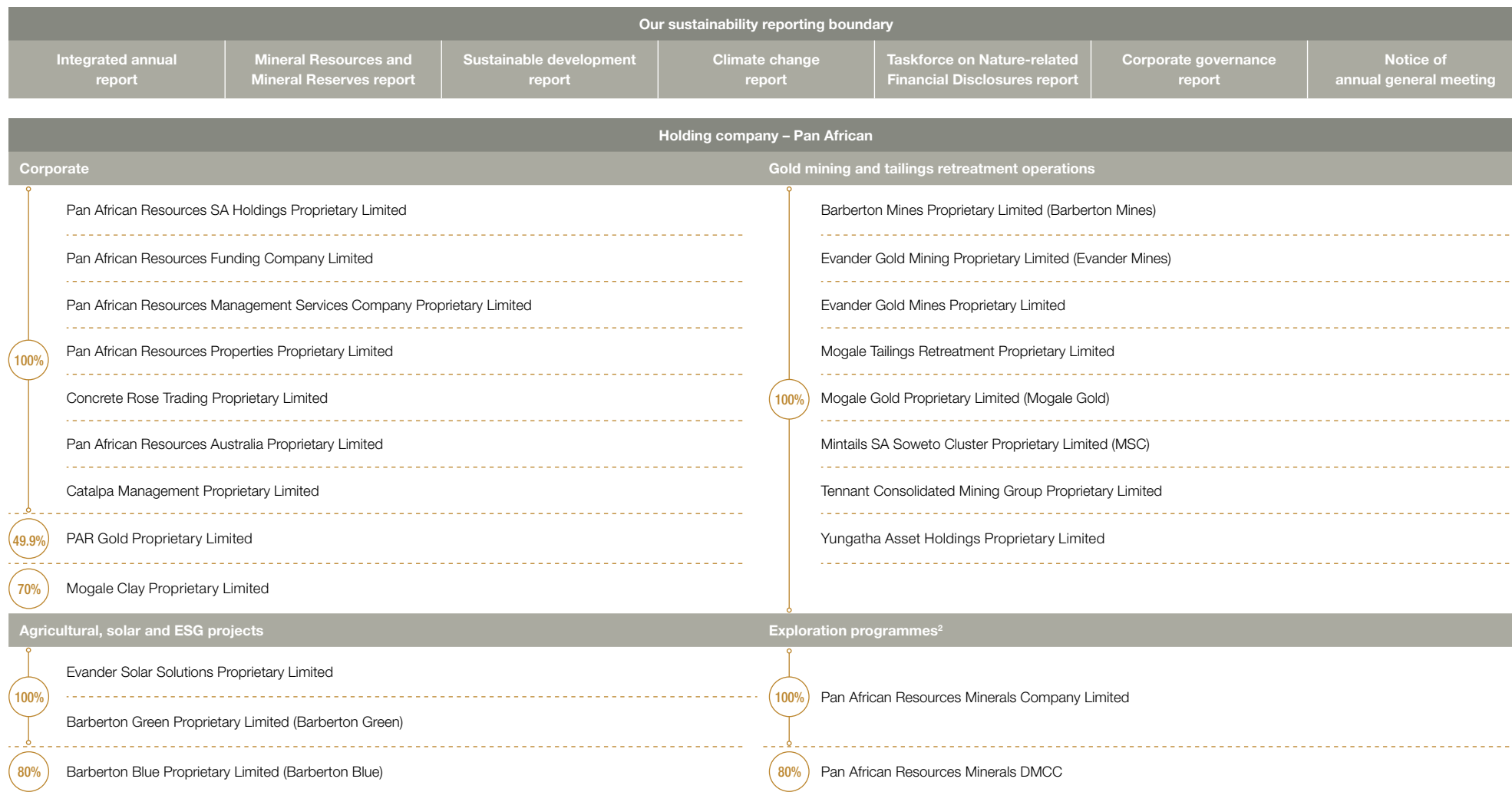
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Click here for our **FY25 webcast** 

ABOUT THIS REPORT continued

BOUNDARY AND SCOPE

The report covers the financial year 1 July 2024 to 30 June 2025 and provides an overview of our sustainable development performance and journey. Our sustainability disclosures cover the activities of the Group and our operating subsidiaries located in the Mpumalanga and Gauteng provinces, South Africa, and the Northern Territory, Australia. This includes exploration projects, active mines and closure sites.



¹ Results for this acquisition has been included from acquisition date of 1 November 2024 to 30 June 2025.

² This report covers all our assets other than the exploration opportunity in Sudan, where activities have been put on hold.

The agricultural assets are excluded from the boundary of all mining-related social key performance indicators (KPIs). Furthermore, the Australian asset, Tennant Mines, is excluded from the boundary for social KPIs related to the Mining Charter III such as employment equity and procurement of goods and services from historically disadvantaged person (HDP)-owned companies. For comparability with global peers, the intensity-related computations per ounce of gold sold only include operational gold mining and tailings retreatment operations.

ABOUT THIS REPORT continued

GUIDING SUSTAINABILITY FRAMEWORKS

The sustainable development and environmental, social and governance (ESG) landscapes are evolving, with stakeholders across our operational geographies and globally calling for more integrated, transparent and meaningful reporting. While we support the development of transparent and consistent standards, we apply these frameworks where they enhance value for our business and our broader stakeholders. We are working towards voluntary alignment with the IFRS® Sustainability Disclosure Standards. Our reporting at this early stage only partially reflects all the requirements of IFRS S1 and S2.

Our disclosures are guided by:

- Global Reporting Initiative (GRI) Standards and sector-specific guidelines
- IFRS Sustainability Disclosure Standards S1 and S2 of the International Sustainability Standards Board (ISSB)
- JSE Limited (JSE) Sustainability Disclosure Guidance
- Principles of the United Nations Global Compact
- South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves, 2016 edition (SAMREC Code)
- Australian Corporations Act, 50 of 2001
- United Nations Sustainable Development Goals (UN SDGs)
- Task Force on Climate-related Financial Disclosures (TCFD) recommendations
- TNFD guidance
- Non-financial and sustainability information statement disclosure requirements
- King IV Report on Corporate Governance for South Africa, 2016™ (King IV™).

MATERIALITY APPROACH

We recognise that sustainability is not only about how external factors impact our business, but also how our operations impact the environments around us. Our double materiality approach reflects this dual perspective, ensuring that our governance, strategy, risk management, performance and reporting are aligned with both financial and impact materiality. This allows us to manage risk and the associated impacts, identify opportunities and create value both from an internal and external perspective.

The material matters and sustainable development topics on which we report are identified through our understanding of the sustainable development risks and opportunities arising from our operating environment and our key stakeholder relationships, and those which are strategically important for the realisation of our business strategy.

A DOUBLE MATERIALITY APPROACH
ADDS VALUE BY HELPING US MANAGE
RISKS AND SEIZE OPPORTUNITIES WHILE
DEMONSTRATING ACCOUNTABILITY
FOR OUR ENVIRONMENTAL AND SOCIAL
IMPACTS.

For information regarding the material sustainable development topics related to each material matter, refer to **pages 23 to 30**.

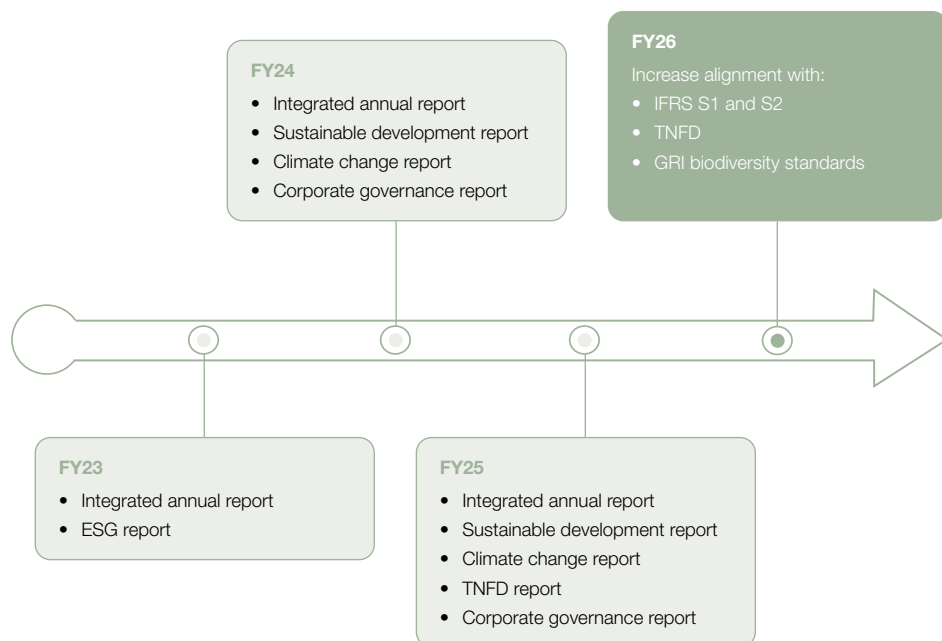
ALIGNMENT WITH THE UN SDGs



We are committed to advancing the UN SDGs by embedding sustainability into every aspect of our operations. From reducing our environmental footprint and promoting biodiversity to supporting inclusive economic growth and community development and employee well-being, our actions are guided by a long-term vision of shared value. Through innovation, responsible resource management, social responsibility and strong stakeholder partnerships, we strive to ensure that our mining activities contribute meaningfully to a more sustainable and equitable future.

ABOUT THIS REPORT continued

OUR SUSTAINABILITY REPORTING JOURNEY



Transparency is a cornerstone of our sustainable development journey. Each year, we expand and refine our reporting suite to provide stakeholders with deeper insights into our sustainability and ESG performance. This year-on-year progress reflects our commitment to continuous improvement, regulatory alignment and stakeholder engagement. By broadening the scope of our disclosures and adopting globally recognised frameworks, we aim to build trust, demonstrate accountability and ensure that our reporting evolves in step with the expectations of our stakeholders.

COMBINED ASSURANCE

A combined assurance model has been implemented, incorporating assurance obtained from management and external assurance providers.

The board and the social and ethics committee evaluated the effectiveness of controls for the year ended 30 June 2025, deeming them satisfactory based on formal confirmations from executive management, as well as reports from internal audit and other assurance providers. PwC Inc. has provided external assurance for key sustainability indicators in our sustainable development report.

The execution of our combined assurance model is overseen by the audit and risk committee, which annually reports to the board on the implementation of the combined assurance plan.

FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements that reflect Pan African's current expectations, plans and projections regarding future operations, sustainability performance and strategic initiatives. These statements are based on assumptions and estimates as of the date of publication and are subject to risks, uncertainties and changes in circumstances that may cause actual outcomes to differ materially. Factors such as regulatory developments, market conditions, environmental events and stakeholder expectations may influence future results.

The directors and management of the Group believe that the expectations expressed in such forward-looking statements or forward-looking information are based on reasonable assumptions, expectations, estimates and projections. These statements, however, should not be construed as being guarantees or warranties (whether expressed or implied) of future performance.

Pan African undertakes no obligation to update these statements, except as required by applicable laws or reporting standards.

REPORT APPROVAL

The board takes full responsibility for the report's integrity, confirming it covers all material matters and accurately reflects the Group's performance for the financial year from 1 July 2024 to 30 June 2025. It also aligns with our strategic goals.

The board believes the 2025 sustainable development report meets all relevant reporting commitments. Senior management supervises its preparation, subject to internal and external reviews. The social and ethics committee reviews the content and collation process, ensuring oversight and governance at all reporting levels.

On the recommendation of the social and ethics committee and the audit and risk committee, the board approved the sustainable development report on 10 September 2025.

Keith Spencer
Chairman

Dawn Earp
Lead independent director

Thabo Mosololi
Director

Yvonne Themba
Director

Charles Needham
Director

Cobus Loots
*Executive director
(chief executive officer)*

Marileen Kok
Executive director (financial director)

FEEDBACK

We welcome feedback stakeholders may have on our reports. Send any feedback to info@paf.co.za.



Overview of sustainable development activities

10

Key achievements and highlights

11

Pan African is a sustainable, safe, high-margin and long-life gold producer.

EXECUTIVE SUMMARY

OVERVIEW OF SUSTAINABLE DEVELOPMENT ACTIVITIES

The report provides a transparent account of the material sustainability risks, opportunities and impacts of Pan African. The sustainability journey covers the financial year from 1 July 2024 to 30 June 2025.

Pan African has continued to embed sustainability into its core operations, guided by a robust ESG framework and governance structure. The Group's diversified growth strategy (including low-risk gold mining through tailings), by its nature, drives our social licence to operate and environmental sustainability and is boosted by our 'beyond compliance' approach.

PAN AFRICAN IS MINING FOR A FUTURE BY TRANSFORMING LEGACY SITES INTO ENGINES OF SUSTAINABILITY, RESILIENCE AND SHARED PROSPERITY – WHERE EVERY OUNCE RECOVERED CONTRIBUTES TO LONG-TERM ENVIRONMENTAL AND SOCIAL VALUE.

The Group's ESG performance scorecard for FY25 delivered on

nine key projects

which comprised

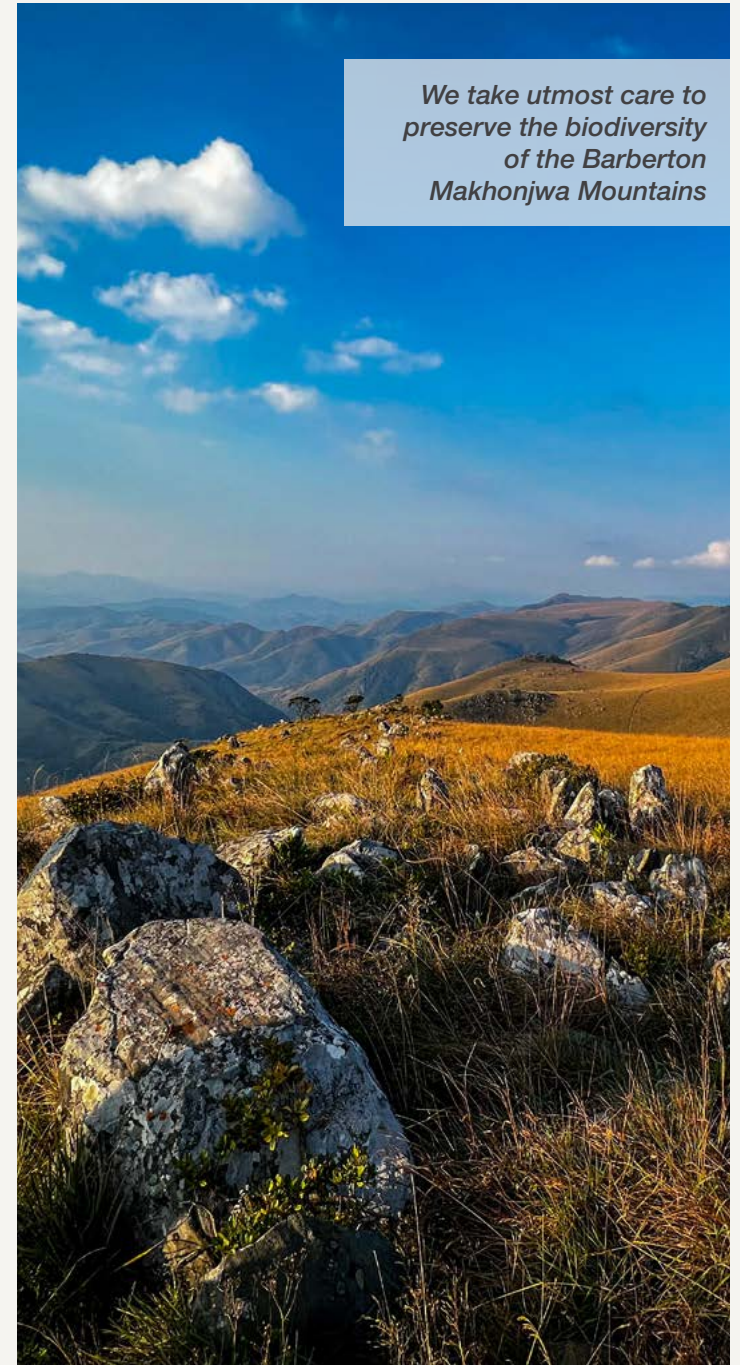
four environmental, three social

and

two governance

domains.

Oversight was strengthened through regular committee reviews, PwC Inc. assurance audits and alignment with global standards such as the ISSB, the GRI, the TCFD and the TNFD.



We take utmost care to preserve the biodiversity of the Barberton Makhonjwa Mountains

KEY ACHIEVEMENTS AND HIGHLIGHTS

ENVIRONMENTAL STEWARDSHIP

Renewable energy and emissions reduction

Pan African achieved a renewable energy mix of

8.8% [Ⓢ]

in FY25, up from

6.1%

in FY24.

Our efforts in this regard are slightly lagging our FY25 target of 12% as a result of the delay in securing sign-off from state and regulatory bodies for project commissioning. The Group commissioned Fairview Mine's 8.75MW solar plant in August 2024 and continued operations at Evander Mines' 9.975MW phase 1 solar plant. These investments have returned significant sustainability and financial benefits. Combined, these projects saved over

US\$4.2 million

and avoided

35.4ktCO₂e [Ⓢ]

in emissions.

Feasibility studies for the Evander Mines phase 2 and Mogale Tailings Retreatment (MTR) solar projects were completed, with Evander Mines' phase 2 solar plant receiving board approval and construction planned for FY26. MTR is awaiting final board approval. In addition, a solar feasibility study at Tennant Mines is being concluded, and most recently, the Group has negotiated a 40MW power purchase agreement (PPA) with NOA Group, a renewable energy service provider.

Water management

The operational performance of Evander Mines' water treatment plant remained strong, producing

920.0ML

of potable water produced in FY25.

Evander Mines' phase 2 expansion and the MTR 3ML/day projects were approved by the board to meet growing demand and enhance water security. Evander Mines' phase 2 construction commenced in June 2025, while MTR will begin construction in September 2025. In April 2025, our Australian asset, Tennant Mines, commissioned a 0.05ML/day water treatment plant.

Land rehabilitation and biodiversity

MTR met the

17.1% [Ⓢ]

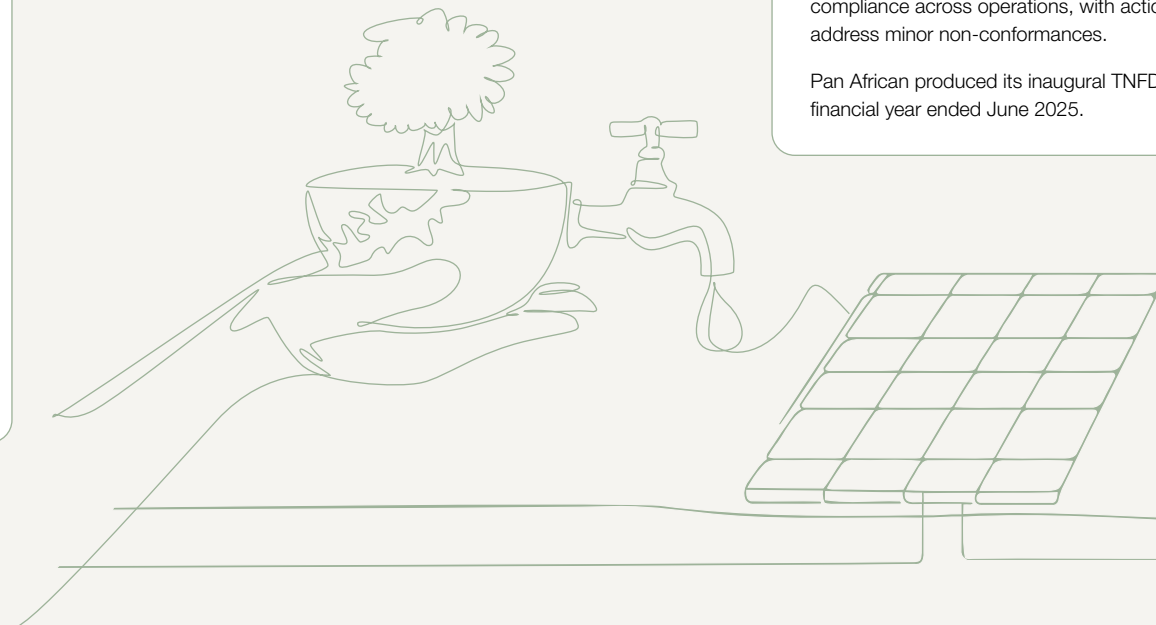
land rehabilitation target (204ha) set through our sustainability-linked bond finance requirement in FY25.

Biodiversity partnerships with local non-governmental organisations (NGOs) and authorities supported our conservation efforts.

Barberton Mines is committed to strengthening its partnerships with Care for Wild, Barberton Nature Reserve, Mpumalanga Tourism and Parks Agency and the Barberton Tourism and Biodiversity Corridor. It is critical to ensure the successful coexistence of the mines within the protected areas, which include and surround our mining rights.

Environmental compliance: Annual audits showed high compliance across operations, with action plans in place to address minor non-conformances.

Pan African produced its inaugural TNFD report for the financial year ended June 2025.



KEY ACHIEVEMENTS AND HIGHLIGHTS continued

SOCIAL IMPACT AND COMMUNITY DEVELOPMENT

Social and Labour Plans

All South African operations submitted updated Social and Labour Plans (SLPs) to the Department of Mineral and Petroleum Resources (DMPR). Barberton Mines' 2019 SLP was closed out, and new five-year plans were provisionally approved for the period 2024 to 2028. Both Evander Mines' and MTR's SLPs were approved by the DMPR.

Enterprise and supplier development

To date, over 135 local small and medium-sized enterprises (SMEs) have been engaged across the Group's operations for further development and potential inclusion in the vendor list or supply chain.

Barberton Mines has implemented structured enterprise and supplier development (ESD) programmes through specialist third-party service providers, incorporating incubation centres, mentorship and ring-fenced procurement. Evander Mines is scheduled to follow suit in FY26.

MTR launched its ESD strategy with a focus on co-working spaces and supplier development hubs.

Percentage of the total services procurement spend on South African companies that are 50% + 1 vote HDP-owned and controlled companies

63.4% [Ⓢ]

Barberton Blueberries project (Barberton Blue)

17
permanent and
320
seasonal jobs were created on the
15ha
blueberry farm.

Community partnerships included pollination services and training programmes.

Frost mitigation plans were implemented, and infrastructure was invested in (~ ZAR6 million) to improve yield resilience.

Wellness highlights

Pan African has made significant strides in promoting employee health and wellness across its operations. The wellness programme, led by Hamlett Sport & Wellness, focuses on three KPIs: education and induction, movement initiatives and health data monitoring. The programme has reached thousands of employees and is showing measurable health improvements.

Group wellness initiatives in FY25 included integrating health education into induction training, promoting active events like walks and hikes, improving digital health data collection and engaging over

3,673
employees in wellness activities.

Education and skills development

More than
100 bursaries
were awarded across our operations, inclusive of community beneficiaries.

Learnerships, internships and adult education programmes supported local workforce development and youth empowerment.

Pan African's employee value proposition is deeply rooted in our core values, strategic priorities and commitment to sustainability and people development. We encourage courageous conversations while respecting the safety and dignity of our people. Respect and a commitment to care and safety build trust within our operations and communities.

Governance and assurance

PwC Inc. assurance: All 16 ESG KPIs received limited assurance.

Equator Principles compliance: MTR progressed well on its action plan, with regular audits confirming alignment.

Pan African is developing an environmental management system to embed environmental and social accountability into governance, ensuring compliance, managing risks and supporting transparent sustainability reporting. The environmental management system will enhance oversight, drive continuous improvement and reinforce Pan African's commitment to sustainable and responsible mining.

Safety highlights

The Group achieved a notable improvement in its total recordable injury frequency rate (TRIFR), which decreased to

6.56 [Ⓢ]

– well below the target of

7.75

The lost time injury frequency rate (LTIFR) also improved, reducing to

1.58 from **1.82**

in the previous year.

The reportable injury frequency rate (RIFR) increased slightly to

0.85 from **0.78**

in the previous year.

Tragically, the Company recorded two fatalities during the year. These losses are deeply regretted, and the Group extends its sincere condolences to the families, colleagues and communities affected.



KEY ACHIEVEMENTS AND HIGHLIGHTS continued

FUTURE GOALS AND COMMITMENTS

- Achieve a 15% Group renewable energy mix by FY27
- Land rehabilitation targets of 470ha or 41% of MTR's environmental footprint by FY29
- Achieve water security at all operations
- Continue to integrate the sustainable development strategy into business strategy and operations
- Enhance stakeholder engagement and employee and local community development initiatives aligned towards sustainable development for social change and meaningful impact by delivering on our SLPs
- Pan African is preparing for expanded ESG assurance in FY26, including new KPIs on water consumption and usage intensity
- The Group is aligning its reporting with IFRS S1 and S2 – strategic focus areas include climate change, biodiversity management, artificial intelligence (AI), ethics and stakeholder engagement
- Evander Mines' phase 2 and Tennant Mines' solar project construction to commence in FY26.



About Pan African	15
Message from the chairman of the social and ethics committee	17
Our operating environments	19



The Company's core purpose is to safely and efficiently extract value from its Mineral Resources for its stakeholders while prioritising environmental stewardship, employee and community development, and economic inclusion.

INTRODUCTION






ABOUT PAN AFRICAN

Pan African is a leading mid-tier gold producer in Africa and Australia. The Company is dual-listed on the London AIM (London Stock Exchange: PAF) and the Johannesburg Stock Exchange (JSE: PAN) and is guiding gold production of 275 000oz in FY26. With a strategic focus on low-cost, high-margin operations, Pan African is committed to delivering long-term value for its stakeholders through sustainable and responsible mining practices.

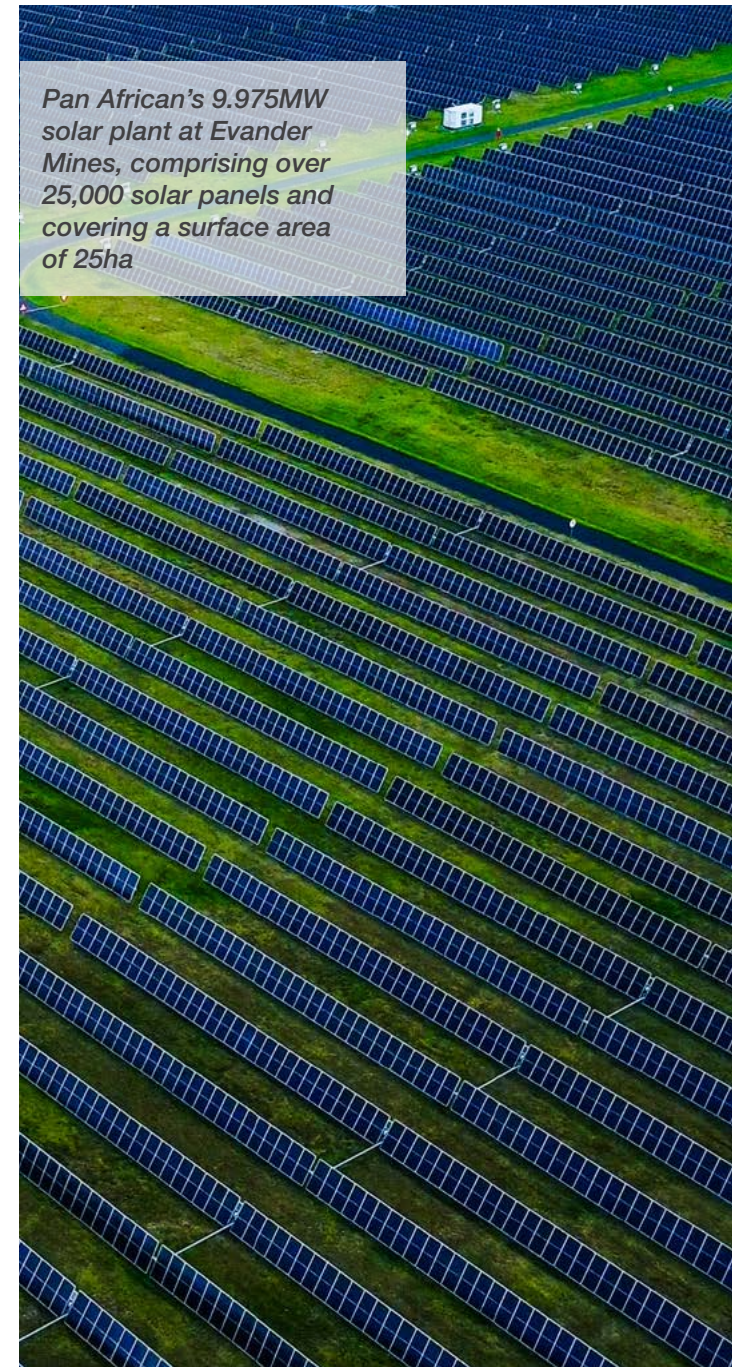
The Company's core purpose is to safely and efficiently extract value from its Mineral Resources for its stakeholders while prioritising environmental stewardship, employee and community development, and economic inclusion. Its operations include some of South Africa's most historic and productive gold assets, such as Barberton Mines and Evander Mines, as well as innovative tailings retreatment projects such as the Elikhulu Tailings Retreatment Plant (Elikhulu) and the MTR operation. The Group acquired Tennant Mines, located in Australia's Northern Territory, in December 2024.

The Company is recognised for its forward-thinking approach to sustainable development, change and impact management, including investments in renewable energy, water treatment, land rehabilitation, land and fauna conservation and local community upliftment and development, positioning it as a future-focused leader in sustainable gold mining.

This report covers all our assets other than the exploration opportunity in Sudan, where activities have been put on hold. The five sites included in this report are:

 <p>BARBERTON MINES</p> <p>Barberton Mines' three underground mines, the Barberton Tailings Retreatment Plant (BTRP) and the Barberton Blueberries project</p>	 <p>EVANDER MINES</p> <p>Evander Mines' underground mine</p>	 <p>ELIKHULU TAILINGS RETREATMENT</p> <p>Elikhulu tailings retreatment operations</p>	 <p>MOGALE TAILINGS RETREATMENT</p> <p>The MTR operation is located in the Mogale district in Gauteng</p>	 <p>TENNANT MINES</p> <p>Tennant Mines' operations in Australia</p>
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Refer to the **integrated annual report** for a full overview of our assets at <https://www.panafricanresources.com/investors/financial-reports/>





As Pan African expands its horizons through high-margin surface operations and world-class tailings retreatment, it is not only unlocking value but also breathing new life into legacy mine sites.

By prioritising concurrent rehabilitation, we transform once-abandoned mine dumps into land with future potential, restoring ecosystems and preparing for productive post-mining use.

This evolution away from energy-intensive underground mining reflects our commitment to sustainability, community upliftment and responsible stewardship.

From the moment operations begin, we invest in people – creating jobs, driving socio-economic development and building resilient communities. Our market performance reflects the market’s confidence in this vision, and our board and management remain steadfast in delivering long-term value for all stakeholders.

MESSAGE FROM THE CHAIRMAN OF THE SOCIAL AND ETHICS COMMITTEE



It is with great pride that I present Pan African's 2025 sustainable development report. This report reflects our performance over the past year and our unwavering commitment to sustainable and responsible mining, environmental stewardship and social impact aligned with the UN SDGs.

In a world marked by volatility and uncertainty, Pan African continues to demonstrate that sustainability and profitability are not mutually exclusive, but mutually reinforcing.

A YEAR OF RESILIENCE AND PROGRESS

FY25 was defined by both global uncertainty and local complexity. Geopolitical tensions, inflationary pressures and the accelerating energy transition are reshaping the global mining landscape. In South Africa, persistent infrastructure challenges, regulatory uncertainty and social pressures continue to test the resilience of the mining sector. In contrast, our expansion into the Northern Territory of Australia has provided a stable and promising platform for growth and expansion, underpinned by regulatory clarity and a strong demand for responsibly sourced minerals.

Despite these headwinds, Pan African delivered a strong performance. We advanced our sustainability-linked bond finance framework and increased our renewable energy mix to 8.8% through the commissioning of the 8.75MW Fairview solar plant. Construction on Evander Mines' phase 2 solar plant is expected to commence in FY26, and the MTR solar plant is awaiting board approval. Our water treatment facilities at Evander Mines and Tennant Mines produced 920.0ML of potable water, reducing reliance on municipal supply and enhancing community resilience. Further expansions to the water treatment facilities at Evander Mines and MTR were also approved by the board. These achievements are not just operational milestones – they confirm our commitment to our strategy in action and commitment to advance the sustainable development of our business.

EMBEDDING SUSTAINABILITY INTO STRATEGY

Sustainability is embedded in our business model, governance, risk management and capital allocation. Our ESG performance scorecard for FY25 tracked nine key projects across environmental, social and governance domains, all of which are delivering significant impact and are aligned with global frameworks such as the GRI, IFRS S1 and S2, the TCFD and the TNFD.

We continued to integrate climate and biodiversity risk into our enterprise risk management system, conducted LEAP (Locate, Assess, Evaluate, Prepare) analyses across all sites and aligned our reporting with the latest international standards, releasing the Group's inaugural TNFD report in 2025. Our commitment to transparency was reinforced through limited assurance by PwC Inc. on 16 ESG KPIs.

Pan African is advancing its sustainability agenda with a target to achieve a 15% Group renewable energy mix by FY27, supported by Evander Mines' upcoming phase 2 solar plant expansion and the recently agreed PPA for 40MW delivered by NOA Group. The Group is committed to land rehabilitation, ensuring water security across all operations, and embedding sustainability into its core business strategy. Enhanced stakeholder engagement and community development will remain key priorities. In preparation for expanded ESG assurance in FY26, new KPIs on water consumption and intensity are being introduced. Pan African is aligning its reporting with IFRS S1 and S2 standards, with strategic focus areas including climate change, biodiversity, AI, ethics and stakeholder engagement.

MESSAGE FROM THE CHAIRMAN OF THE SOCIAL AND ETHICS COMMITTEE continued

CREATING SHARED VALUE

Our social performance in FY25 reflects our belief that mining must be a force for inclusive development. Across our operations, we invested in infrastructure, education, health and enterprise development.

The Barberton Blueberries project created 320 seasonal jobs and 17 permanent positions, while our ESD programmes supported over 130 local SMEs. We are proud of our work on advancing our SLPs in all operations. They are developed in partnership with communities, municipalities and employees, demonstrating how important our social licence to operate is to Pan African and living up to our mantra of 'beyond compliance'.

We completed the Fairview Community Hall, launched youth-focused training programmes and expanded our bursary and internship offerings. Rather than acts of charity, these initiatives are investments in the long-term resilience of our host communities and the future sustainability of our operations.

SAFETY AND WELL-BEING

Safety remains our highest priority. While we deeply regret the two fatalities recorded during the year, we also acknowledged the significant improvements in our safety performance. Our TRIFR improved to 6.56[Ⓢ] which is below the sustainability-linked bond target set for FY25, and our LTIFR declined to 1.58. We launched targeted safety

campaigns such as 'Pasopa Lomazandla' and 'What Good Looks Like', and several operations achieved major safety milestones, including 4.1 million fatality-free shifts at Fairview Mine and 3.5 million fatality-free shifts at Consort Mine.

Our health and wellness endeavours across all operations are gaining traction, with our sporting programmes offering employees wonderful opportunities and promoting healthy lifestyle choices and social cohesion across the operations.

LOOKING AHEAD

As we look to the future, our strategic priorities are clear. The Group will continue to de-risk and decarbonise its operations, with a target of achieving a 15% renewable energy mix by FY27. We will expand our land rehabilitation efforts, deepen our biodiversity partnerships, improve our water independence and scale our social impact initiatives for meaningful improvements. Our focus will remain on efficiency, innovation, resilience and stakeholder engagement.

We are also preparing for the next phase of our growth. Construction of the Evander Mines phase 2, MTR and Tennant Mines solar and water projects is scheduled to commence in FY26, and we are exploring sustainable agriculture and circular economy opportunities on rehabilitated land. These projects reflect our belief that mining can coexist and be regenerative and constructive, not just extractive.

We are dedicated to creating long-term impact aligned with the UN SDGs through the implementation and delivery of our projects.

A WORD OF THANKS

None of our efforts and achievements would be possible without the dedication, courage and professionalism of our people. I extend my deepest gratitude to every employee, contractor and community partner who contributed to our success in FY25. Your commitment to excellence, safety and sustainability is the foundation of our progress.

I also thank our board of directors, executive leadership and stakeholders for their guidance, oversight and trust. Together, we are building a company that not only extracts gold but also creates enduring value and prosperity for people and the planet.

As we move forward, we do so with humility, determination and a clear sense of purpose. We are proud of what we have achieved, but we are even more excited about what lies ahead.

Thabo Mosololi

Chairman of the social and ethics committee

10 September 2025



OUR OPERATING ENVIRONMENTS

GLOBAL DEVELOPMENTS AND INDUSTRY TRENDS

The global mining industry in 2025 is undergoing a profound transformation, driven by the accelerating energy transition, geopolitical realignments and technological innovation. The demand for critical minerals – such as copper, lithium, cobalt and rare earth elements – continues to surge, fuelled by the rapid expansion of renewable energy technologies, electric vehicles and digital infrastructure. While gold is not always classified as a critical mineral, its role over time as a store of value and a safe-haven asset has been reinforced by global economic uncertainty, inflationary pressures and central bank accumulation.

Technological advancements are reshaping mining operations worldwide. Automation, AI and data analytics are improving productivity, safety and environmental performance. The adoption of digital twins, predictive maintenance and autonomous haulage systems is becoming standard practice at leading operations. These innovations are particularly relevant in remote and high-cost jurisdictions like the Northern Territory of Australia and parts of South Africa.

At the same time, the mining sector is under increasing pressure to decarbonise. Investors, regulators and communities are demanding stronger ESG performance. The Consolidated Mining Standard Initiative, set to be released in 2025, aims to harmonise ESG reporting across the industry, covering nearly 100 companies and 600 operations globally.

ECONOMIC OUTLOOK

Gold surged to an all-time high of over US\$3,400 per ounce in 2025, reaffirming its role as a contrarian investment in times of economic instability. As fiat currencies face inflationary pressures and cryptocurrencies remain volatile, gold stands out as a tangible, time-tested store of value. In a world marked by geopolitical uncertainty and shifting monetary policies, investors are increasingly turning to gold not just for portfolio diversification but as a hedge against systemic risk. Its performance underscores a broader trend: in uncertain times, gold continues to shine as a reliable and resilient financial safe-haven asset.

South Africa

South Africa's mining sector remains a cornerstone of the national economy, contributing approximately 7.3% to gross domestic product (GDP) in 2024. However, the sector is under strain due to falling commodity prices in certain sectors, rising operational costs and persistent infrastructure challenges. The South African Revenue Service reported a sharp decline in corporate income tax revenue from mining companies in 2024, reversing gains from the previous two years.

The country's fiscal position is fragile. National Treasury's 2025 Budget Review projects a gross debt-to-GDP ratio of 77.4% for the 2025/26 fiscal year, with nominal GDP growth revised downward to 1.4%. Power curtailment, rail inefficiencies and port constraints continue to erode mining profitability. For example, electricity supply disruptions led to a 12% loss in production time in 2024, while coal exports through Richards Bay fell by 22% due to equipment failures.

Despite these challenges, the global demand for critical minerals presents a strategic opportunity. South Africa holds 75% of the world's platinum group metal reserves and significant deposits of manganese, chrome and battery metals. Foreign direct investment in 'green metals' reached US\$2.1 billion in 2024 to 2025, underscoring the country's potential.

Australia

The Northern Territory of Australia is benefiting from a more stable economic environment. Australia's mining sector is supported by robust infrastructure, transparent regulatory frameworks and strong global demand for minerals. The Northern Territory Government has prioritised mining as a key pillar of its economic development strategy, with a focus on gold, rare earths and battery minerals.

Exploration activity in the Northern Territory has increased, supported by government incentives and high gold prices. The region's proximity to Asian markets and its reputation for regulatory certainty make it an attractive destination for investment. However, the Northern Territory also faces challenges, including skills shortages, high energy costs and the need to balance development with indigenous land rights and environmental protection.

POLITICAL AND REGULATORY ENVIRONMENT

South Africa

The political environment in South Africa remains complex. While the government has reaffirmed its commitment to mining-led growth, policy uncertainty and regulatory delays continue to hinder investment. The Draft Mineral Resources Development Bill, published in May 2025, aims to modernise the sector by enhancing provisions for beneficiation, regulating associated minerals and formalising artisanal and small-scale mining.

While the Bill is part of a broader Critical Minerals and Metals Strategy, it has drawn criticism for ambiguous clauses on community ownership and the slow pace of permitting. Aspects of the Bill are being lobbied by the Minerals Council on behalf of mining companies, as well as through independent legal action, to prevent the Bill being passed in its current form. Pan African has also formally expressed concern on a number of proposals included in this draft legislation.

Currently, new mining permits take 18 to 24 months to process, compared to six to eight months in Australia.

OUR OPERATING ENVIRONMENTS continued

Australia

Australia's regulatory environment is widely regarded as one of the most stable and transparent in the world. The Northern Territory Government has streamlined permitting processes and introduced measures to support indigenous engagement and environmental stewardship. The Aboriginal Land Rights Act and the Native Title Act provide a framework for negotiating land access and benefit-sharing agreements with traditional owners.

In 2025, the Northern Territory Government introduced new sustainability guidelines for mining projects, aligning with national commitments to net zero emissions by 2050. These include requirements for climate risk disclosure, water management and biodiversity offsets. The Northern Territory is also participating in the national Critical Minerals Strategy, which aims to position Australia as a global supplier of responsibly sourced minerals.

SUSTAINABILITY AND ESG REGULATIONS

Globally, the mining industry is moving toward more rigorous ESG standards. The Consolidated Mining Standard Initiative, expected to be finalised in 2025, will unify existing frameworks from the Copper Mark, the International Council on Mining and Metals (ICMM), the Mining Association of Canada and the World Gold Council. This initiative will enhance transparency, comparability and stakeholder confidence.

In South Africa, the DMPR has launched a Critical Minerals Strategy that emphasises inclusive development, local beneficiation and environmental protection. The strategy includes incentives for downstream processing and mandates for community development.

Australia has also strengthened its ESG regulations. The federal government's Safeguard Mechanism requires large emitters, including mining companies, to reduce emissions intensity over time. The Northern Territory Government has adopted complementary measures, including mandatory environmental impact assessments (EIAs) and post-closure rehabilitation plans.

Both jurisdictions are seeing increased scrutiny from investors and civil society. Mining companies are expected to demonstrate not only compliance but also leadership in areas such as indigenous engagement, gender equity and climate resilience.

FUTURE EXPECTATIONS AND STRATEGIC OUTLOOK

South Africa

The outlook for gold mining in South Africa is cautiously optimistic. While structural challenges persist, the sector's long-term viability will depend on:

- resolving energy and logistics bottlenecks
- implementing regulatory reforms to reduce permitting delays
- leveraging critical mineral resources to attract investment
- enhancing community relations and ESG performance.

Operation Vulindlela, a government-led reform initiative, is making progress in areas such as energy liberalisation, rail corridor upgrades and water infrastructure. If fully implemented, it is estimated that these reforms could unlock ZAR45 billion in annual export potential.

The gold sector is also expected to benefit from sustained global demand, particularly as central banks continue to diversify reserves and investors seek inflation hedges. However, cost pressures and social unrest remain key risks.

Australia

The Northern Territory is well positioned to capitalise on the global shift toward sustainable mining. Key strengths include:

- a stable political and regulatory environment
- rich endowment of gold and critical minerals
- strong indigenous engagement frameworks
- access to renewable energy and low-emission technologies.

Mining companies in the Northern Territory are increasingly adopting hybrid power solutions, combining solar, battery storage and diesel generation to reduce emissions and operating costs. The region is also investing in workforce development and digital infrastructure to support the next generation of mining operations.

Looking ahead, the Northern Territory is expected to play a growing role in global supply chains for gold and critical minerals. Strategic partnerships with Asian and Western markets will be essential to secure investment and ensure long-term sustainability.

Tennant Mines' Nobles Gold plant in Tennant Creek, Australia



Our key stakeholders and engagement	22
Material sustainable development topics	23
Advancing the UN SDGs through action	31
Value created and distributed in FY25	33

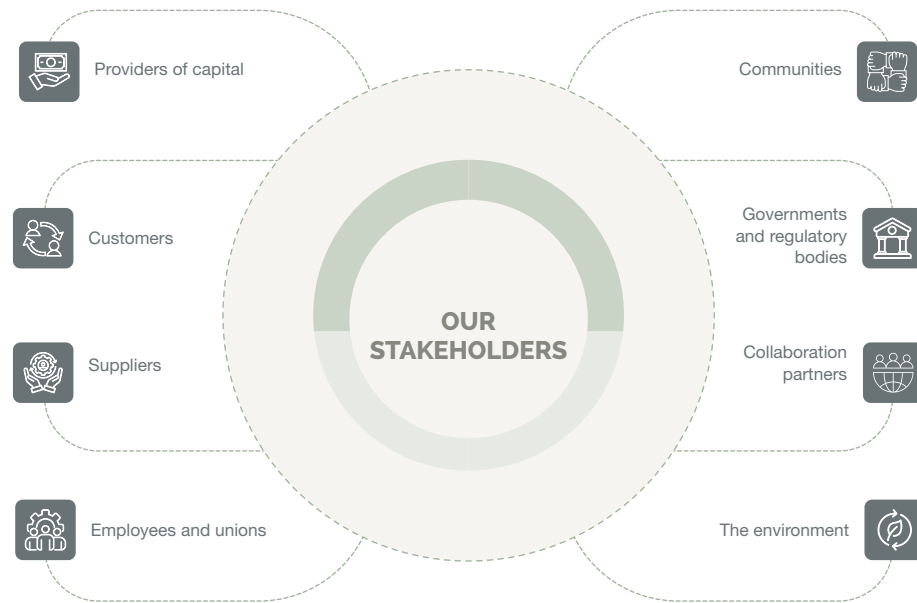
We measure and respond to our KPIs, which cover all of the six capitals that we employ in our value creation and preservation, not only financial.

SUSTAINABILITY IN CONTEXT



OUR KEY STAKEHOLDERS AND ENGAGEMENT

Pan African is committed to engaging with its stakeholders in a transparent and inclusive manner. Our stakeholder engagement framework includes regular consultations, feedback mechanisms and performance monitoring to ensure that stakeholder interests are identified and addressed.



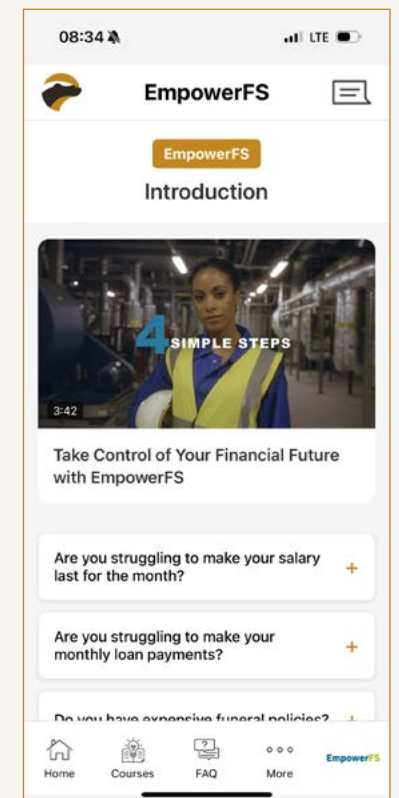
Our stakeholder engagement initiatives include community consultations through established stakeholder engagement forums (comprising elected community representatives, ward councillors, tribal authorities, business forums, etc.), investor briefings and roadshows, and feedback mechanisms through Future Forum discussions with unions, community leaders, employees and other stakeholders. These initiatives are designed to ensure that our stakeholders are informed and engaged, and that their feedback and interests are considered in our decision-making processes.

For detailed information regarding stakeholder engagement, their concerns, the actions and activities we are taking to address their concerns and the value we have created, preserved or eroded during FY25, refer to **pages 58 to 65** of the **integrated annual report**.

WHATSAPP AND TRELLO

Stakeholder engagement has been a cornerstone of MTR's strategy. The operation has mapped and classified stakeholders across influence and interest levels, integrating forums such as the Future Forum into its engagement plan. Stakeholder communication innovations included launching a WhatsApp channel with nearly 400 community members for real-time updates, with plans to expand to 2,000 to 3,000 members for broader reach.

Trello, a cloud-based project management and collaboration tool, is used to track engagements and commitments made to community members, NGOs and local authorities. This helped ensure transparency, accountability and timely follow-up on actions, especially when paired with the WhatsApp channel for real-time communication.



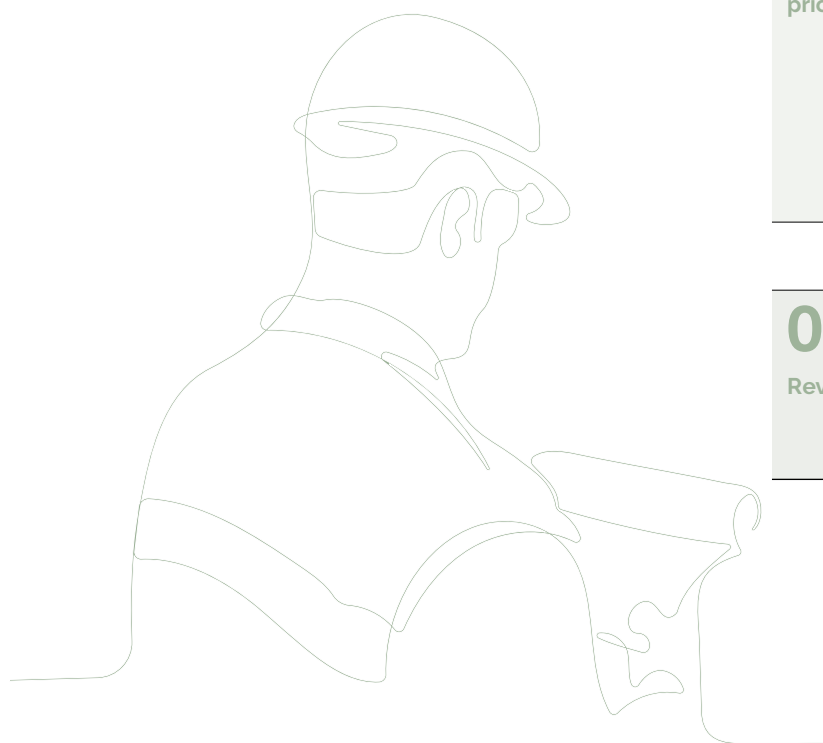
MATERIAL SUSTAINABLE DEVELOPMENT TOPICS

Identifying and prioritising material sustainable development topics is essential to how we operate responsibly and create long-term value.

Material sustainable development topics are the issues that have the greatest potential to influence our business success and impact our stakeholders, from local communities and employees to investors and regulators. These topics guide our governance, strategy, risk management, performance and reporting.

We continuously assess materiality through structured engagement with stakeholders, regular internal reviews and alignment with global standards.

This double materiality approach ensures our focus remains relevant, responsive and aligned with the evolving operational landscapes and expectations of the regions in which we operate.



OUR MATERIALITY FRAMEWORK

<p>01. Identity</p>	<p>Pan African undertakes an annual materiality assessment process to identify its material matters.</p> <p>A materiality workshop was held with Group senior management to review and assess the following:</p> <ul style="list-style-type: none"> • Existing material matters • Additional topics introduced to the GRI Standards • Emerging industry risks and trends • Stakeholder concerns and issues raised during the year. <p>The outputs of the workshop identify the universe of material matters applicable to Pan African. Pan African's material matters are identified based on their importance to stakeholders and their impact on the business.</p>
<p>02. Evaluate and prioritise</p>	<p>The material matters identified are evaluated and prioritised according to strategic importance and their potential impact on the core business and stakeholders. The Sustainability Accounting Standards Board framework was used as a basis for evaluating the relevance of the universe of material matters.</p> <p>The significance of each material matter is assessed in relation to:</p> <ul style="list-style-type: none"> • Financial risk and impacts • Environmental risks and impacts • Social risks and impacts • Stakeholder concerns and issues • Industry best practice and competitive drivers • Legal, regulatory and policy drivers and trends • Opportunities for innovation.
<p>03. Review</p>	<p>The Group ESG manager reviewed and approved the results from the evaluation and prioritisation exercise. These results were then presented to the Pan African executive committee as input for the overall materiality assessment to determine Pan African's material matters and sustainable development topics. The final material matters and sustainable development topics were approved once the Pan African executive committee confirmed the quality of the process followed and the outcomes of the process.</p> <p>The key sustainable development topics identified are discussed in further detail on pages 26 to 30.</p>

Financial risks and impacts: The potential direct and measurable impact on near- or medium-term financial performance.

Environmental risks and impacts: The potential impact of business activities on the natural world, including resource consumption, emissions and biodiversity protection, and the potential impact of climate change on business performance.

Social risks and impacts: The potential impact of our business activities on our employees and our host communities.

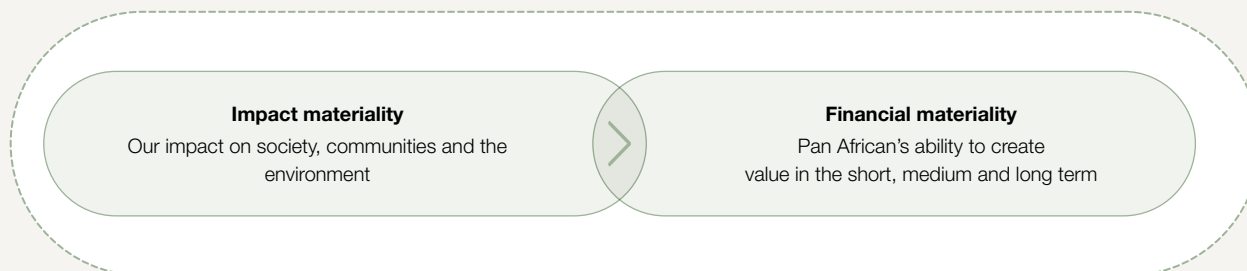
Stakeholder concerns: The potential impact of issues and concerns on performance, such as reputational damage, erosion of our licence to operate, changing customer needs and disruption to business activities.

Industry best practice and competitive drivers: The potential impact of a topic on the business to align with industry best practice and its potential to influence competitive positioning and long-term resilience.

Legal, regulatory and policy drivers: The changing regulatory landscape may impact performance because of increased requirements and associated costs and/or by creating opportunities associated with new products, markets or business models that become viable under a different regulatory regime.

Opportunities for innovation: New products, technologies and business models to address sustainability challenges can improve efficiencies and enable market expansion, and provide a competitive advantage. Financial impacts and risks associated with these opportunities may be of interest to investors.

DISCIPLINED APPROACH TO DOUBLE MATERIALITY



A disciplined and strategic approach to environmental and social responsibility is no longer optional for Pan African – it is a source of competitive advantage. This approach aligns with both financial materiality (how sustainability issues affect the Company's financial performance) and impact materiality (how the Company's operations affect the environment and society). Together, these dimensions form the foundation of double materiality, a key principle in global sustainability reporting standards.

Impact materiality Managing externalities and stakeholder expectations	Financial materiality Protecting and enhancing shareholder value	Return on investment Turning sustainability into strategic value
<ul style="list-style-type: none"> • Biodiversity stewardship: Mining often occurs in ecologically sensitive areas. Protecting biodiversity helps maintain ecosystem services and reduces conflict with local communities and regulators • Climate responsibility: Demonstrating a credible path to decarbonisation aligns with global climate goals and enhances Pan African's social licence to operate • Community relations: Transparent and responsible practices build trust with host communities, reducing the risk of protests, delays or reputational damage. 	<ul style="list-style-type: none"> • Risk mitigation: Climate-related risks – such as water scarcity, extreme weather and regulatory changes – can disrupt operations and increase costs. A proactive sustainability strategy reduces exposure to these risks • Cost efficiency: Investments in energy efficiency, water recycling and biodiversity offsets can reduce long-term operational costs • Capital access: ESG performance is now a key criterion for institutional investors and lenders. Strong sustainability credentials can lower the cost of capital and improve access to green financing. 	<ul style="list-style-type: none"> • Operational resilience: Climate-adaptive infrastructure and sustainable resource management reduce downtime and improve productivity • Brand and market differentiation: Sustainability leadership enhances brand equity and can be a deciding factor in securing offtake agreements, especially with ESG-conscious buyers • Regulatory foresight: Early compliance with emerging standards (e.g. the GRI, IFRS S1 and S2) avoids future penalties and positions the Company as a leader in responsible and sustainable mining.

By embedding sustainability into its core strategy, Pan African not only safeguards its licence to operate but also creates long-term value for shareholders, communities and ecosystems. This dual focus on financial and impact materiality ensures that sustainability is not a cost centre, but a driver of resilience, profitability and reputation.

MATERIAL SUSTAINABLE DEVELOPMENT TOPICS continued

OUR MATERIAL SUSTAINABLE DEVELOPMENT TOPICS

The sustainability-related material matters and key sustainable development topics identified through our double materiality approach are as follows:

MATERIAL SUSTAINABLE DEVELOPMENT TOPICS

Environmental

-  Biodiversity and ecosystem services
-  Climate change – adaptation and mitigation
-  Emissions management
-  Energy management – security and efficiency
-  Tailings management
-  Land use
-  Water management – usage, availability, discharge and lack of pollutants
-  Waste management
-  Promotion of recycling and circular economy

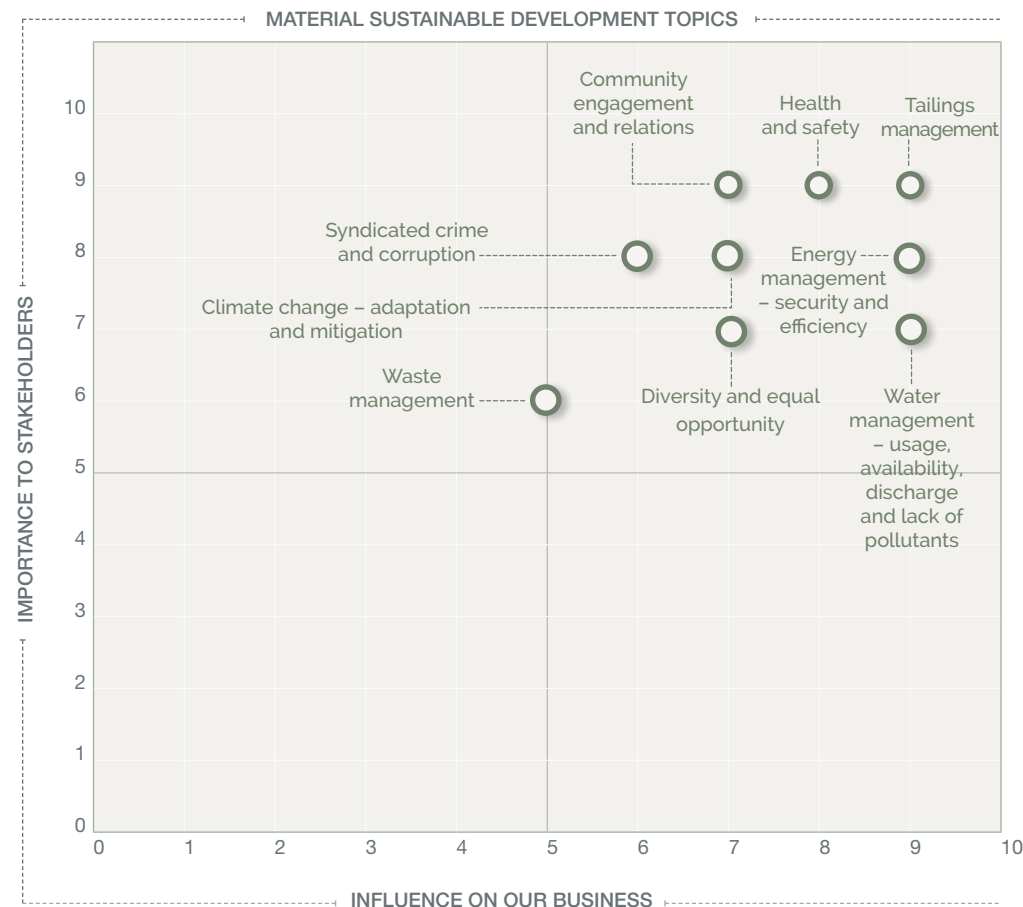
Social

-  Social licence to operate
-  Local procurement and economic development
-  Syndicated crime and corruption
-  Health and safety
-  Diversity and equal opportunity
-  Working with local policy and judicial services
-  Security technology and capacity
-  Community engagement and relations
-  Enterprise and supplier development
-  Skills attraction and retention
-  Training and development

For more information regarding all our material matters, refer to the listing on **page 36** and our **2025 integrated annual report** at <https://www.panafricanresources.com/investors/financial-reports/>

The sustainable development topic matrix maps our key sustainable development topics according to importance to stakeholders (y-axis) and business impact (x-axis), with those placed in the top right quadrant as having the highest potential impact.

Materiality matrix FY25




MATERIAL SUSTAINABLE DEVELOPMENT TOPICS continued

We have provided insight into the identified risks and opportunities specific to the **high** and **medium** impact material sustainable development topics.






Tailings management ●

Risks	Opportunities
<ul style="list-style-type: none"> Injury or loss of life Safety and structural risks Environmental risks Regulatory and legal risks with potential fines or litigation Production and operational disruptions Damage to property, surrounding communities and the environment High remediation costs Reputational damage Investor divestment and the ability to attract capital investment Increased insurance premiums and/or limited appetite from insurers prepared to underwrite the Group's risk exposure 	<ul style="list-style-type: none"> Innovation and efficiency gains through technologies to enhance operational control and predictive maintenance Strengthened social licence to operate through transparent and responsible tailings practices and proactive engagement Regulatory and ESG leadership Ensure long-term sustainability of operations and the surrounding environment Improve safety performance and reduce the environmental impact, especially in the surrounding communities Resource recovery and a circular economy can unlock additional gold or critical minerals Risk reduction and cost avoidance through sound management practices

Link to material matter

 Tailings management

Link to strategic objectives










-  Ensure adequate, competitively priced and flexible financial resources for the funding of operations and disciplined capital allocation for sustainable long-term value creation
-  Attract, cultivate and retain exceptional talent while fostering a culture of safety, respect and continuous learning
-  Unlock the full potential of our Mineral Resources and Mineral Reserves through sustainable extraction and processing, while embracing renewable energy, to pave the way for a responsible and prosperous mining future
-  Optimise the use of technology and harness the expertise of our teams to consistently deliver safe, reliable, efficient and responsible mining operations
-  Manage our operations with climate-conscious practices that preserve and protect natural resources, namely water, and promote sustainability

Trade-offs



- In the short term, our expansion activities will increase our environmental footprint and resource consumption
- In the medium to long term, this presents an opportunity to improve our social licence to operate and build on our reputation through responsible production, minimising environmental impact, ensuring compliance and high standards of health and safety for our mining operations, employees and host communities

Read more about tailings management on **pages 55 to 58**.

Capitals		Level of risk
 Financial capital	 Human capital	 High
 Manufactured capital	 Social and relationship capital	 Medium
 Intellectual capital	 Natural capital	 Low




Health and safety ●

Risks	Opportunities
<ul style="list-style-type: none"> Loss of life and serious injury Increase in health and safety incidents Production and operational interruptions Reputational damage Increased insurance premiums and financial exposure Investor divestment and the ability to attract capital investment Increased insurance premiums and/or limited appetite from insurers Underwrite the Group's risk exposure Regulatory and legal risks with potential fines or litigation Employee wellness Emergency response Contractor and third-party risks Community health and safety 	<ul style="list-style-type: none"> Enhanced workforce productivity through improved employee wellness and morale, reduced absenteeism and improved retention Strengthened reputation and social licence to operate Operational continuity and cost savings Competitive advantage in talent retention and acquisition Compliance and ESG leadership Creating and enabling safe and healthy working environments Visible Felt Leadership on health and safety topics

Link to material matter

 Safety and security

Link to strategic objectives

-  Attract, cultivate and retain exceptional talent while fostering a culture of safety, respect and continuous learning
-  Optimise the use of technology and harness the expertise of our teams to consistently deliver safe, reliable, efficient and responsible mining operations
-  Engage stakeholders to build positive relationships, maintain our social licence to operate and create sustainable value


Trade-offs



- In the short term, our resource and capital investments in health and safety may impact profitability
- In the medium to long term, these investments will support employee engagement and retention, reduce operating expenses and increase productivity
- A strong safety record will enhance reputation, investor confidence and long-term sustainability

Read more about health and safety on **pages 71 to 74**.

MATERIAL SUSTAINABLE DEVELOPMENT TOPICS continued

Capitals		Level of risk
 Financial capital	 Human capital	 High
 Manufactured capital	 Social and relationship capital	 Medium
 Intellectual capital	 Natural capital	 Low



Diversity and equal opportunity ●

Risks	Opportunities
<ul style="list-style-type: none"> • Reputational risk • Legal and compliance risk with local labour laws, anti-discrimination regulations or employment equity requirements • Talent attraction and retention, and high turnover rates impacting profitability and operations 	<ul style="list-style-type: none"> • Broader talent pool and workforce resilience • Stronger community relationships • Promote, attract, retain and develop our employees • Enhanced reputation and ESG performance • Safer and more cohesive workplace • Compliance and competitive advantage • Improved decision-making and innovation through diverse experiences and viewpoints

Link to material matter

-  Skills attraction and retention

Link to strategic objectives

-  Attract, cultivate and retain exceptional talent while fostering a culture of safety, respect and continuous learning
-  Engage stakeholders to build positive relationships, maintain our social licence to operate and create sustainable value

Trade-offs




- Diversity, equity and inclusion programmes may require upfront investment in training, policy development and inclusive infrastructure, but in the medium to long term will lead to a more engaged workforce, stronger community relations and improved ESG performance
- This will support a more resilient, innovative and collaborative organisation

Read more about diversity and equal opportunity on [page 57](#).





Water management – usage, availability, discharge and lack of pollutants ●

Risks	Opportunities
<ul style="list-style-type: none"> • Water scarcity due to climate variability and overuse in water-stressed regions like Mpumalanga, Gauteng and Australia's Northern Territory • Regulatory non-compliance with water use licences (WULs) and discharge standards • Operational disruptions from insufficient water supply or flooding • Reputational damage from community conflict over water access • Increased costs from reliance on municipal water or emergency supply 	<ul style="list-style-type: none"> • Investment in water treatment infrastructure (e.g. Evander Mines, MTR, Tennant Mines) enhances operational resilience and community relations • Reduced reliance on municipal supply through recycling and underground water capture • Wetland restoration and runoff management improve ecosystem services and biodiversity • Collaboration with state entities (e.g. Trans-Caledon Tunnel Authority) strengthens water governance and shared value creation • Potential to become water positive by FY30, aligning with global sustainability leadership

Link to material matter

-  Water management

Link to strategic objectives





-  Manage operations with climate-conscious practices that preserve and protect natural resources, namely water
-  Unlock the full potential of Mineral Resources through sustainable extraction and processing
-  Engage stakeholders to build positive relationships and maintain our social licence to operate
-  Ensure adequate, competitively priced and flexible financial resources for sustainable long-term value creation

Trade-offs



- Short-term capital expenditure on water treatment plants and infrastructure upgrades may impact profitability
- Medium- to long-term benefits include reduced operational risk, improved community trust and cost savings from reduced third-party water use
- Increased discharge of treated water may raise scrutiny but enhances environmental compliance and resilience

MATERIAL SUSTAINABLE DEVELOPMENT TOPICS continued

Capitals		Level of risk
 Financial capital	 Human capital	 High
 Manufactured capital	 Social and relationship capital	 Medium
 Intellectual capital	 Natural capital	 Low




Community engagement and relations ●

Risks	Opportunities
<ul style="list-style-type: none"> Loss of social licence to operate Reputational damage Conflict and social unrest Regulatory and legal risk associated with non-compliance with local consultation laws, indigenous rights or land access agreements, which can result in legal challenges, fines or project suspensions Project delays and cost overruns Misinformation and miscommunication 	<ul style="list-style-type: none"> Strengthened social licence to operate Stronger community relationships Local economic development and shared value creation Enhanced reputation and ESG performance Improved risk management Innovation through local knowledge

Link to material matter

-  Social licence

Link to strategic objectives

-  Attract, cultivate and retain exceptional talent while fostering a culture of safety, respect and continuous learning
-  Engage stakeholders to build positive relationships, maintain our social licence to operate and create sustainable value
-  Ensure adequate, competitively priced and flexible financial resources for the funding of operations and disciplined capital allocation for sustainable long-term value creation

Trade-offs




- Ongoing community engagement is necessary to maintain our licence to operate and identify opportunities to strengthen stakeholder relationships
- In the medium to long term, this promotes sustainable employment, operations and economic growth, however, ongoing investment in financial and non-financial resources is required
- Open communication with communities may require sharing sensitive information, but transparency builds credibility and strengthens stakeholder relationships in the long term

Read more about community engagement and relations on **page 62**.





Energy management – security and efficiency ●

Risks	Opportunities
<ul style="list-style-type: none"> Energy supply disruptions Damage to electrical equipment and infrastructure Rising energy costs Regulatory and compliance risks associated with decarbonisation and climate and energy regulations, including investor pressure Reputational risk associated with high energy consumption and greenhouse gas (GHG) emissions 	<ul style="list-style-type: none"> Invest in renewable energy and more energy-efficient projects, such as tailings treatment plants Reduce reliance on Eskom Improve energy efficiency and cost reductions Initiatives to reduce carbon emissions Enhance reputation and social licence to operate Reduce all-in sustaining costs (AISC)

Link to material matter

-  Energy management

Link to strategic objectives

-  Ensure adequate, competitively priced and flexible financial resources for the funding of operations and disciplined capital allocation for sustainable long-term value creation
-  Unlock the full potential of our Mineral Resources and Mineral Reserves through sustainable extraction and processing, while embracing renewable energy, to pave the way for a responsible and prosperous mining future
-  Optimise the use of technology and harness the expertise of our teams to consistently deliver safe, reliable, efficient and responsible mining operations
-  Manage our operations with climate-conscious practices that preserve and protect natural resources and promote sustainability



Trade-offs



- In the short term, our investments could impact cash flows and profitability
- In the medium to long term, these investments will support our profitability, competitiveness and resilience through cost efficiency and energy security
- This will also support our sustainability ambitions beyond just our energy and climate goals
- Our results demonstrate that our energy infrastructure investments begin delivering benefits almost immediately

Read more about energy management on **pages 46 and 47**.





MATERIAL SUSTAINABLE DEVELOPMENT TOPICS continued

Capitals		Level of risk
 Financial capital	 Human capital	● High
 Manufactured capital	 Social and relationship capital	● Medium
 Intellectual capital	 Natural capital	● Low

Waste management ●

Risks	Opportunities
<ul style="list-style-type: none"> Environmental contamination from improper disposal of hazardous and non-hazardous waste Reputational and regulatory risks from non-compliance with waste legislation Increased costs from landfill use and hazardous waste handling Community health and safety concerns from legacy waste and illegal dumping Missed opportunities for circular economy integration 	<ul style="list-style-type: none"> 25% increase in waste diversion through improved classification and recovery 60% of total waste recycled, demonstrating progress toward circular economy goals Collaboration with National Cleaner Production Centre South Africa (NCP-C-SA) and potential participation in industrial symbiosis programmes Community engagement in waste management builds awareness and local capacity Reduced closure liabilities through responsible waste rock reuse and rehabilitation

Link to strategic objectives

-  Optimise the use of technology and harness team expertise for responsible mining
-  Manage operations with climate-conscious practices that promote sustainability
-  Engage stakeholders to build positive relationships and maintain our social licence to operate
-  Ensure disciplined capital allocation for long-term value creation

Trade-offs



- Initial investment in waste audits, training and infrastructure may increase short-term costs
- Long-term benefits include reduced environmental impact, enhanced sustainable development performance and potential revenue from waste reuse
- Increased waste reporting and transparency may expose legacy issues but builds trust and accountability






Climate change – adaptation and mitigation ●

Risks	Opportunities
<ul style="list-style-type: none"> Increased costs associated with damage to infrastructure, equipment and disruption to operations from extreme weather events Supply chain disruptions Transition risks including carbon pricing, regulatory changes, energy transition and investor pressure Reputational risk Corporate social responsibility initiatives for vulnerable communities impacted by extreme weather events 	<ul style="list-style-type: none"> Reduce long-term energy costs and emissions by investing in solar, wind or hydro power Enhanced social licence to operate and ESG performance Climate adaptation drives innovation in energy efficiency, water recycling and low-impact mining techniques Positioning as a climate-responsible miner can enhance brand value and stakeholder trust Early compliance with climate regulations reduces future liabilities and avoids penalties Partnering with local communities on climate resilience (e.g. water conservation, reforestation) builds strong community relationships and social licence to operate

Link to material matter

-  Climate change, decarbonisation and biodiversity

Link to strategic objectives

-  Ensure adequate, competitively priced and flexible financial resources for the funding of operations and disciplined capital allocation for sustainable long-term value creation
-  Unlock the full potential of our Mineral Resources and Mineral Reserves through sustainable extraction and processing, while embracing renewable energy, to pave the way for a responsible and prosperous mining future
-  Optimise the use of technology and harness the expertise of our teams to consistently deliver safe, reliable, efficient and responsible mining operations
-  Manage our operations with climate-conscious practices that preserve and protect natural resources and promote sustainability
-  Attract, cultivate and retain exceptional talent while fostering a culture of safety, respect and continuous learning

Trade-offs



- In the short term, our investments could impact cash flows and profitability
- In the medium to long term, these investments will support our profitability, competitiveness and resilience through cost efficiency and improved climate resilience
- This will also support our sustainability ambitions and climate goals

Read more about climate change on **pages 44 to 52** and in our **climate change report** at <https://www.panafricanresources.com/investors/gri-and-sustainability/>

MATERIAL SUSTAINABLE DEVELOPMENT TOPICS continued

Syndicated crime and corruption ●


Risks

- Illegal mining adversely affects production and increases costs, and the safety and security of our employees and communities
- Legal and compliance risks
- Reputational damage
- Theft resulting in financial losses
- Community and social risks due to the exploitation of vulnerable communities
- Environmental risks
- Divestment and investor pressure





Opportunities

- Continuous investment is required, but it impacts cash flows and profitability
- Enhanced ESG performance
- Positioning as a compliant and socially responsible miner can enhance brand value and stakeholder trust
- Partnering with local communities on illegal mining, crime and corruption builds strong community relationships and our social licence to operate

Link to material matter

-  Safety and security

Link to strategic objectives

-  Ensure adequate, competitively priced and flexible financial resources for the funding of operations and disciplined capital allocation for sustainable long-term value creation
-  Optimise the use of technology and harness the expertise of our teams to consistently deliver safe, reliable, efficient and responsible mining operations
-  Attract, cultivate and retain exceptional talent while fostering a culture of safety, respect and continuous learning
-  Engage stakeholders to build positive relationships, maintain our social licence to operate and create sustainable value

Trade-offs






- Continuous investment to manage these risks and increased security costs could impact cash flows and profitability
- In the medium to long term, these investments will support our profitability, competitiveness and resilience through reduced theft and impact on operations
- This will also build trust with regulators, investors and communities

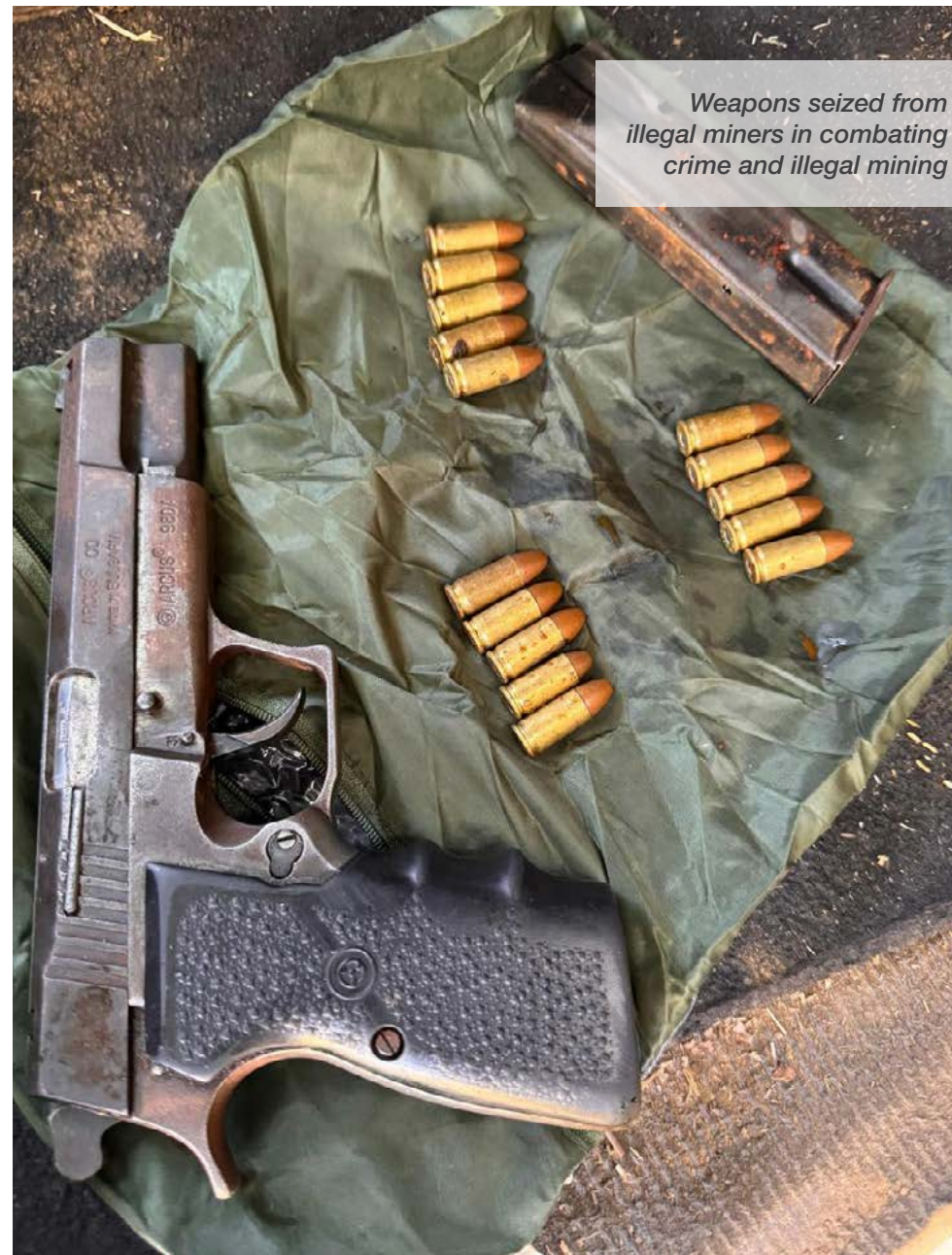
Read more about syndicated crime and corruption on **pages 77 and 78**.

Capitals

 Financial capital	 Human capital
 Manufactured capital	 Social and relationship capital
 Intellectual capital	 Natural capital

Level of risk

-  High
-  Medium
-  Low



ADVANCING THE UN SDGs THROUGH ACTION



The UN SDGs comprise 17 interlinked objectives for peace and prosperity for people and the planet partnerships now and into the future. The SDGs emphasise the interconnected environmental, social and economic aspects of sustainable development by putting sustainability at their centre. The SDGs were formulated in 2015 by the UN General Assembly and adopted in a resolution called the 2030 Agenda for Sustainable Development, as most targets are to be achieved by 2030.

SUSTAINABLE DEVELOPMENT GOALS



ADVANCING THE UN SDGs THROUGH ACTION continued

Pan African is committed to contributing meaningfully to the UN SDGs through a comprehensive and integrated sustainability strategy. Rather than treating the SDGs as a compliance exercise, the Group embeds them into its core business operations, risk management and long-term value creation approach. This commitment is reflected in the wide range of ESG initiatives undertaken across our operations in South Africa and Australia that create meaningful change.

The 2025 sustainable development report outlines a robust portfolio of initiatives that collectively support all 17 SDGs. These include:

ENVIRONMENTAL STEWARDSHIP

- **Renewable energy:** Commissioning of the 8.75MW Fairview solar plant and continued operation of Evander Mines' 9.975MW phase 1 solar plant, contributing to an 8.8%^{☀️} renewable energy mix in FY25
- **Water management:** Operational water treatment plants at Evander Mines and new investments in Evander Mines, Tennant Mines and MTR, producing 920.0ML of potable water and reducing reliance on municipal supply
- **Land rehabilitation:** Rehabilitation of over 216ha of degraded land, including a 37ha wetland at MTR
- **Biodiversity conservation:** Implementation of biodiversity action plans (BAPs), LEAP assessments and partnerships with conservation NGOs. Production of our inaugural TNFD report in FY25
- **Climate risk and emissions management:** Scenario analysis aligned with the TCFD, emissions tracking and integration of climate risk into enterprise risk management.

SOCIAL IMPACT AND COMMUNITY DEVELOPMENT

- **SLPs:** Updated and submitted across all South African operations, with projects including school refurbishments, waste infrastructure and community halls. Pan African also engages with the DMPR for SLP approvals
- **ESD:** Over 130 local SMEs supported through incubation hubs, mentorship and ring-fenced procurement
- **Agri-business:** The Barberton Blueberries project created 17 permanent and 320 seasonal jobs, with export partnerships and pollination services
- **Education and skills development:** Over 100 bursaries awarded, alongside learnerships, internships and adult education programmes
- **Safety, health and wellness:** Safety remains critical, and improvements are continuous. Pan African has implemented a formal wellness programme, including lifestyle and chronic disease screening, mental health support and fitness initiatives
- **Corporate social responsibility and investments:** Focusing on vulnerable sectors of the community in alleviating poverty, hunger and inequality.

GOVERNANCE AND ETHICAL CONDUCT

- **Assurance and transparency:** Limited assurance by PwC Inc. on 16 ESG KPIs; guidance with the GRI, ISSB, TCFD and TNFD frameworks
- Increasing alignment with IFRS S1 and S2
- Production of sustainable development, TNFD and climate change reports
- Crime and corruption mitigation: Active collaboration with government bodies, peer companies and law enforcement to combat illegal mining and criminality
- Equator Principles compliance: Implementation of action plans for responsible project financing and environmental re mediation.

INNOVATION AND TECHNOLOGY

- **Tailings management:** Tailings storage facility (TSF) failures in the mining industry have underscored the need for enhanced safety and regulatory measures. In response, Pan African has taken a proactive approach to benchmark its TSF management in accordance with global standards. In alignment with its commitment to the Principles for Responsible Investment and the requirements of the Global Industry Standard on Tailings Management (GISTM), Pan African commissioned Geotheta to conduct ALARP (as low as reasonably practicable) assessments in FY24 at its Evander Mines and Barberton Mines tailings facilities, with results confirming that all facilities, including Elikhulu and Segalla, demonstrate very low seismic-related failure probabilities, indicating a strong risk management position and robust tailings facility design
- **Circular economy:** Waste reduction and reuse strategies, including biological oxidation of hazardous waste and industrial symbiosis partnerships.

INCLUSIVE ECONOMIC GROWTH

Local procurement: Significant spend on black-owned, women-owned and youth-owned businesses, including their training and development:












- **Infrastructure development:** Assistance with road repairs, electrification and waste management projects in host communities
- **Youth and women empowerment:** Targeted enterprise development and employment initiatives.

Through these initiatives, Pan African demonstrates that mining can be a regenerative force that supports resilient ecosystems, empowers communities and employees, and promotes inclusive economic development. The Group's alignment with the UN SDGs is not only strategic but essential to its long-term success and social licence to operate.

VALUE CREATED AND DISTRIBUTED IN FY25

Performance

▲ Positive increase ▼ Positive decrease ▲ Negative increase ▼ Negative decrease ► Unchanged

Our capitals	Capitals defined	SDGs	Value created and distributed	FY25	FY24	%Δ	
 FINANCIAL CAPITAL	Equity, debt and surplus cash from our operating activities		Revenue	US\$540.0 million	US\$373.8 million	44.5	▲
			Financial income	US\$1.9 million	US\$1.9 million	-	►
			Financial costs paid	US\$21.4 million	US\$11.6 million	81.4	▲
			Dividend paid	US\$27.5 million	US\$21.2 million	29.2	▲
 MANUFACTURED CAPITAL	Infrastructure, orebodies and tailings retreatment operations at Barberton Mines, Evander Mines and MTR	 	AISC[⊕]	US\$1,600/oz	US\$1,354/oz	18.2	▲
			Infrastructure investment	US\$168.0 million	US\$172.4 million	2.6	▼
			Tailings investment	US\$3.5 million	US\$10.3 million	66.0	▼
			Including: Solar plants	US\$0.7 million	US\$0.1 million	>100	▲
 INTELLECTUAL CAPITAL	More than 130 years of mining the unique Barberton Greenstone Belt orebodies and an established track record in surface tailings re-mining and successful project delivery	 	Utilising modern exploration techniques and mine planning systems expands the resource base, assists in gaining insight into the geological complexities and enhances the effectiveness of our decision-making processes				
			• Metres drilled	23,936m	13,361m	79.1	▲
			Integrated security plan and modernisation of security technology				
			• Security costs	US\$9.6 million	US\$7.2 million	33.3	▲
 HUMAN CAPITAL	Employees and contractors who are knowledgeable, competent and adequately skilled, supported by a robust safety culture in pursuit of a zero-harm working environment	 	Employee salaries, wages and benefits paid¹	US\$62.9 million	US\$55.2 million	13.9	▼
			Employees	2,319	2,887	19.7	▼
			Contractors	4,703	4,751	1.0	▼
			Skills and development training	US\$2.4 million	US\$1.8 million	33.3	▲
			Health and wellness initiatives	US\$0.7 million	US\$0.5 million	40.0	▲














¹ Excludes employee-related taxes paid to the South African government.

[⊕] Alternative performance measures as reconciled on pages 290 to 303 of the integrated annual report.

VALUE CREATED AND DISTRIBUTED IN FY25 continued

Performance

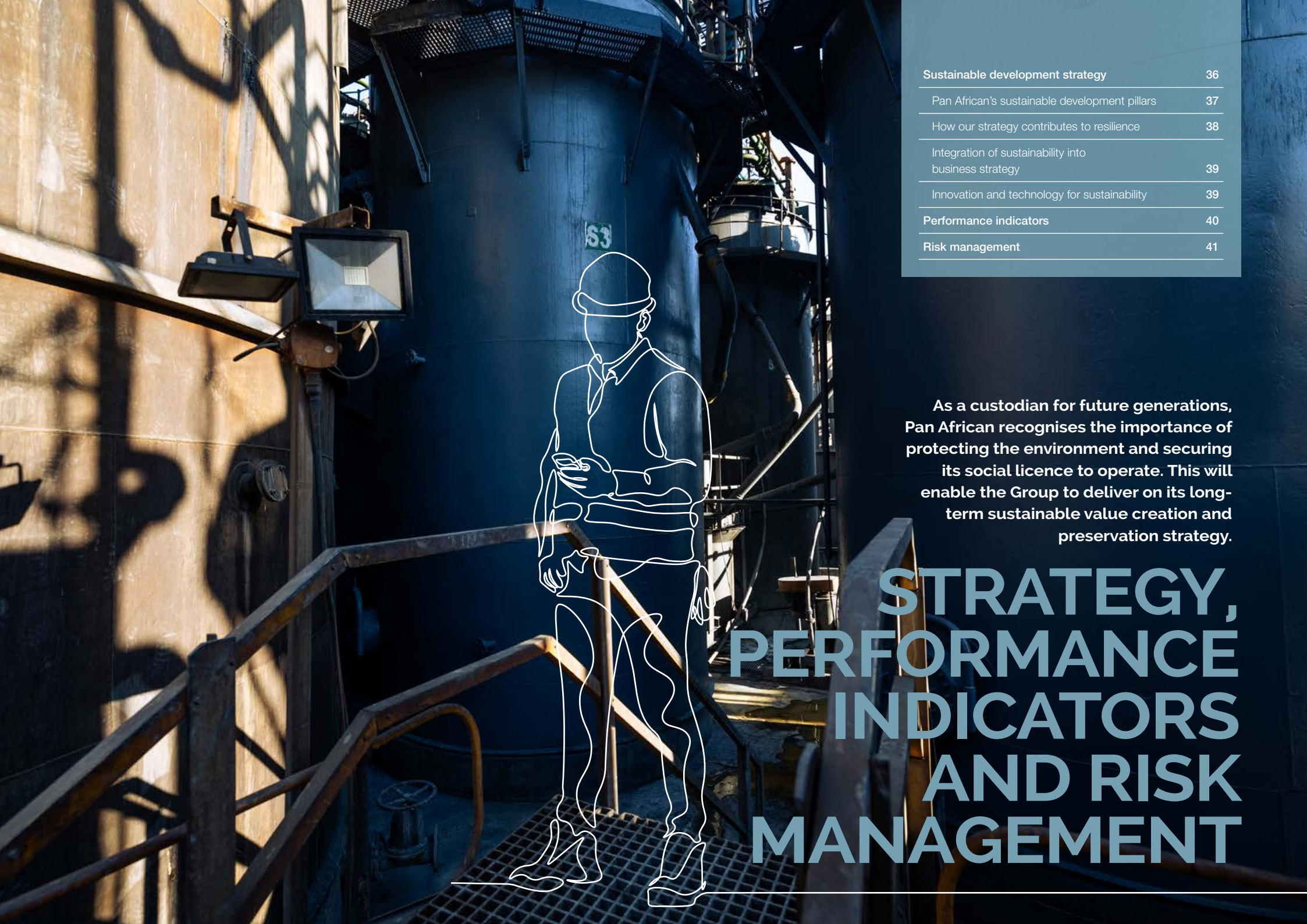
▲ Positive increase ▼ Positive decrease ▲ Negative increase ▼ Negative decrease ► Unchanged

Our capitals	Capitals defined	SDGs	Value created and distributed	FY25	FY24	%Δ
 <p>SOCIAL AND RELATIONSHIP CAPITAL</p>	The quality of our stakeholder relationships, the initiatives we have implemented to improve the well-being of our employees and host communities and our commitment to regulatory compliance and responsible business practices	     	Value-added tax/goods and services tax (GST) received	US\$49.5 million	US\$60.0 million	17.5 ▼
			Royalties and income taxes paid	US\$27.0 million	US\$15.5 million	74.2 ▲
			Withholding tax paid	US\$2.8 million	US\$1.7 million	64.7 ▲
			Employee taxes paid	US\$16.9 million	US\$13.0 million	30.0 ▲
			Corporate social investment (CSI)	US\$1.1 million	US\$2.5 million	5.6 ▼
Alternative employment opportunities through the Barberton Blueberries project:						
• Permanent jobs				17	22	22.7 ▼
• Seasonal jobs				320	149	>100 ▲
• Salaries and wages paid				US\$0.3 million	US\$0.3 million	- ►
 <p>NATURAL CAPITAL</p>	The responsible use of fuel, energy, water, air and land resources while aspiring to do minimal harm to the environment. Land rehabilitation and reuse. Nature conservation with NGOs	    	Water consumption	12,367.9ML	9,184.8ML	34.7 ▲
			Energy consumption	1,705.1TJ[Ⓞ]	1,503.77TJ	13.4 ▲
			Carbon emissions intensity per ounce produced	1.89tCO₂e/oz Au[Ⓞ]	1.88tCO ₂ e/oz Au	3.7 ▲
			Direct GHG emissions: Scope 1	8.1ktCO₂e[Ⓞ]	5.0ktCO ₂ e	62.0 ▲
			Direct GHG emissions: Scope 2	366.7ktCO₂e[Ⓞ]	348.0ktCO ₂ e	5.4 ▲
Land in the process of rehabilitation (MTR)	17.1%[Ⓞ]	9.4%	82 ▲			

¹ Excludes employee-related taxes paid to the South African government.



Employees reporting for their shift at Evander Mines' 8 Shaft



Sustainable development strategy	36
Pan African's sustainable development pillars	37
How our strategy contributes to resilience	38
Integration of sustainability into business strategy	39
Innovation and technology for sustainability	39
Performance indicators	40
Risk management	41

As a custodian for future generations, Pan African recognises the importance of protecting the environment and securing its social licence to operate. This will enable the Group to deliver on its long-term sustainable value creation and preservation strategy.

STRATEGY, PERFORMANCE INDICATORS AND RISK MANAGEMENT

SUSTAINABLE DEVELOPMENT STRATEGY

Our approach to sustainability is clearly defined in our ESG framework. Below, we detail these key considerations and how we intend to manage them.

OUR STRATEGY FOCUSES ON PRODUCING HIGH-MARGIN GOLD OUNCES SUSTAINABLY WHILE INVESTING IN LOCAL COMMUNITIES, MINIMISING ENVIRONMENTAL IMPACT AND OPTIMISING SOCIAL IMPACT

OUR COMMITMENT TO SUSTAINABLE DEVELOPMENT

We have identified all 17 UN SDGs towards which we believe we can have meaningful impact.

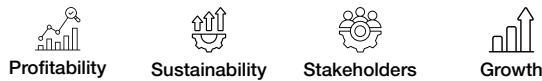


In executing our business activities, we utilise our six capitals in a balanced manner to achieve our strategic targets while ensuring the sustainable trade-off of capitals.

OUR CAPITALS

- Financial capital
- Human capital
- Manufactured capital
- Social and relationship capital
- Intellectual capital
- Natural capital

OUR STRATEGIC PILLARS



Through our strategic pillars, we manage and address risks and opportunities, material matters faced by Pan African over the short, medium and long term, key stakeholder concerns and execute on value-creating growth projects to achieve our sustainable development strategy.

OUR STAKEHOLDERS

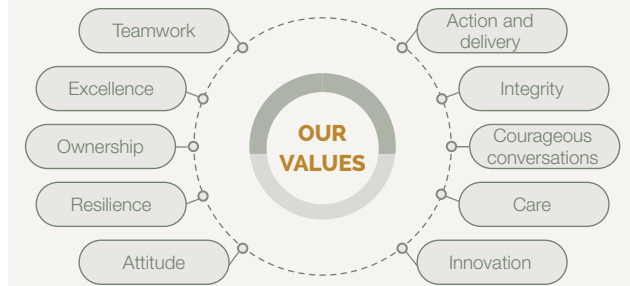
- Providers of capital
- Communities
- Customers
- Governments and regulatory bodies
- Suppliers
- Collaboration partners
- Employees and unions
- The environment

OUR PURPOSE

We are committed to optimally and consistently extracting gold from mineral deposits while creating sustainable value for all our stakeholders through responsible mining.

OUR VISION

We aspire to further develop Pan African as a leading mid-tier gold producer that upholds its purpose.



- ### DIFFERENTIATORS
- Diversified operations
 - Low production cost
 - High production capacity
 - Agile and flexible
 - Focus on health and safety
 - Sustainable stakeholder value creation
 - Low carbon footprint
 - Responsible and sustainable water use

PAN AFRICAN'S SUSTAINABLE DEVELOPMENT PILLARS



HOW OUR STRATEGY CONTRIBUTES TO RESILIENCE

In today's volatile and interconnected world, resilience needs to be a proactive strategy. For Pan African, sustainability management is a cornerstone of this resilience, enabling the Company to anticipate, absorb and adapt to a wide range of sustainable development obligations and challenges while continuing to create long-term value.

Sustainability at Pan African is deeply embedded in the Company's risk management and strategic planning frameworks. By integrating ESG considerations into every facet of decision-making – from operational practices to capital allocation – the Company transforms potential risks into opportunities for innovation, efficiency and building stakeholder trust.

Resilience, when viewed through the lens of risk management, becomes a powerful tool for long-term value creation. It requires a company to look beyond traditional risk silos and instead adopt a holistic approach – one that integrates strategic, human, asset, information technology, sustainability and climate-related risks into a unified framework. This approach enables Pan African to not only respond effectively to disruptions but to do so in a way that strengthens its operational, financial and reputational foundations. We are actively involved in updating our enterprise risk management framework and environmental management systems.

At the heart of this resilience framework is a continuous cycle of anticipation, planning, response and learning. It begins with the ability to foresee emerging risks through data, stakeholder engagement

and scenario planning. Following these actions, Pan African develops robust and flexible strategies that allow it to respond within the required timeframes, minimising impact and maintaining continuity. Crucially, every risk event becomes a learning opportunity, feeding back into the system to refine future responses and build institutional knowledge.

What sets this approach apart is its inclusivity. Resilience is not the responsibility of a single department or leadership tier – it is a collective endeavour. It draws on the insights and contributions of employees at all levels, as well as customers, suppliers, communities and partners. Each stakeholder plays a role in shaping a resilient organisation, whether by identifying vulnerabilities, co-creating solutions or reinforcing trust and collaboration.

This integrated approach enhances resilience in several ways:



Ultimately, sustainability management at the Group is about more than compliance or reputation – it is about building a business that thrives even in uncertainty. It is about aligning purpose with performance and resilience with responsibility. In doing so, Pan African redefines mining for the 21st century: as a regenerative force for peace, people, the planet, partnerships and prosperity.

While much of the global conversation around the energy transition focuses on critical minerals like lithium and copper, gold plays a distinct and enduring role in shaping resilient economies. As the world's oldest store of value, gold remains a cornerstone of financial stability – particularly in times of geopolitical uncertainty and economic volatility. Its significance extends beyond markets; it underpins national reserves, supports investor confidence and offers a hedge against inflation and currency fluctuations.

Yet gold mining is not only about value preservation – it is also a powerful engine for development. In many resource-rich nations, especially across the Global South, gold mining creates employment, stimulates local enterprise and drives investment in infrastructure and skills. When managed responsibly, it contributes meaningfully to the achievement of the UN SDGs by fostering inclusive growth, reducing poverty and enhancing access to essential services for equity and equality.

A truly sustainable future must be inclusive. It must recognise that the benefits of mining – whether for energy transition or economic resilience – should extend to the communities and countries where these resources are found. Gold mining, when aligned with strong governance and community partnerships, can be a force for long-term prosperity and shared progress.

SUSTAINABLE DEVELOPMENT STRATEGY continued

INTEGRATION OF SUSTAINABILITY INTO BUSINESS STRATEGY

AT PAN AFRICAN, SUSTAINABILITY IS A CORE COMPONENT OF THE COMPANY'S STRATEGIC AND RISK MANAGEMENT FRAMEWORKS. THIS INTEGRATION ENSURES THAT SUSTAINABLE DEVELOPMENT, BIODIVERSITY AND CLIMATE CONSIDERATIONS ARE EMBEDDED IN EVERY DECISION, FROM OPERATIONAL PLANNING TO CAPITAL INVESTMENT AND STAKEHOLDER ENGAGEMENT.



Sustainability informs the Company's long-term vision by aligning resource efficiency, community development and environmental stewardship with business growth. It enhances strategic agility by identifying emerging risks through scenario planning and stakeholder dialogue. These insights are used to shape proactive strategies that mitigate risk while unlocking new opportunities for innovation and resilience.

A key element of this approach is the deliberate creation of parallel economies that can thrive beyond the life of mining operations. Significant investments in agricultural ventures, such as the Barberton Blueberries project, are designed to generate employment and economic activity that will endure as mining activities taper off. Similarly, investments in renewable energy not only reduce the Company's carbon footprint but also ensure energy security for surrounding communities and future industries that may be established on rehabilitated land.

Pan African's commitment to education and skills development further strengthens this vision. By building schools, offering bursaries and providing learnerships to local youth, the Company is cultivating a skilled workforce within its host communities. This reduces reliance on external talent and fosters long-term socio-economic resilience.

From a risk management perspective, sustainability provides a holistic lens that connects operational, reputational and financial risks. It enables Pan African to anticipate disruptions, respond effectively and adapt continuously, turning ESG challenges into drivers of competitive advantage. This approach safeguards the Company's assets and social licence to operate, while also strengthening its ability to deliver consistent, long-term value to all stakeholders.

INNOVATION AND TECHNOLOGY FOR SUSTAINABILITY

AT PAN AFRICAN, INNOVATION IS CENTRAL TO UNLOCKING VALUE FROM LEGACY MINING ASSETS WHILE ADVANCING SUSTAINABILITY GOALS. AS A GOLD PRODUCER FOCUSED ON TAILINGS TREATMENT, THE COMPANY LEVERAGES CUTTING-EDGE TECHNOLOGY TO REPROCESS HISTORICAL MINE WASTE, TRANSFORMING ENVIRONMENTAL LIABILITIES INTO PROFITABLE, LOW-COST GOLD PRODUCTION.



Through improved metallurgical techniques, automated processing systems and real-time monitoring, Pan African maximises gold recovery from tailings with minimal environmental impact. These technologies reduce energy and water consumption and lower operational costs by locating the processing plants close to the TSFs and re-depositional sites. Additionally, the Company integrates renewable energy solutions and water treatment infrastructure to further enhance the sustainability of its operations.

Pan African improves the environment and uplifts communities the moment we begin operations. Wetland restoration at MTR was evident even before plant construction was completed.

Pan African incorporates the GISTM into its design and operational protocols, leveraging finite element modelling and computational fluid dynamics simulations to optimise deposition strategies and water reclaim systems. This convergence of engineering and digital innovation not only enhances safety and compliance but also reduces life cycle costs and the environmental footprint.

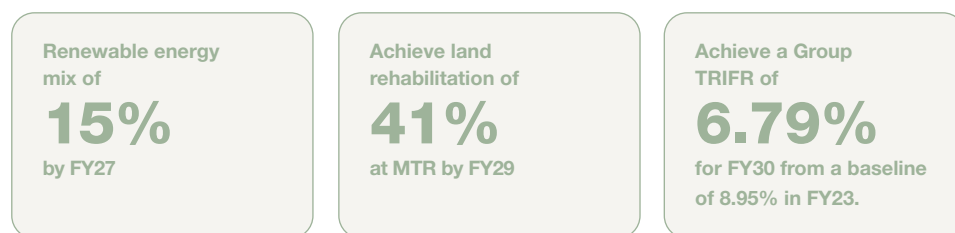
At MTR, the filling of existing pits and excavations with remined material restores the land to its original state, while removing opportunities for illegal miners who utilised these excavations to access old mine workings.

By combining innovation with environmental stewardship, Pan African demonstrates how modern mining can be both economically efficient and ecologically responsible, setting a benchmark for sustainable gold production.

PERFORMANCE INDICATORS

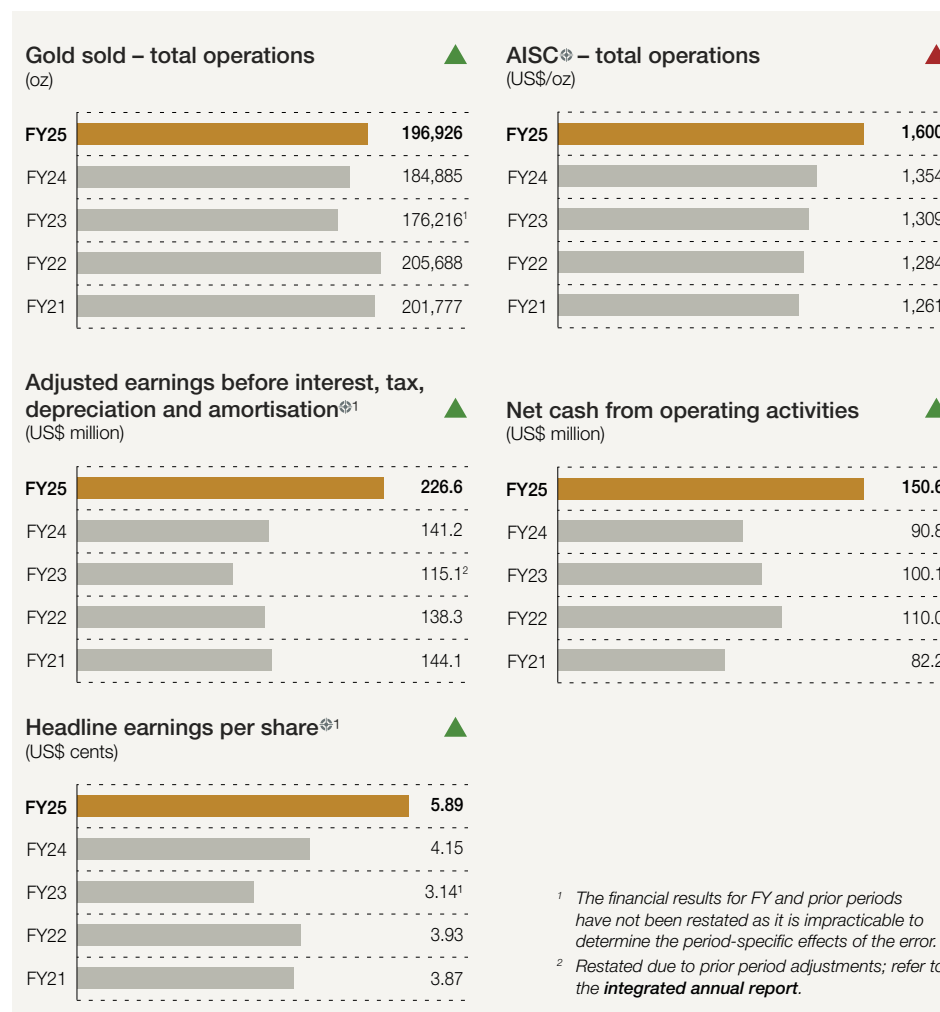
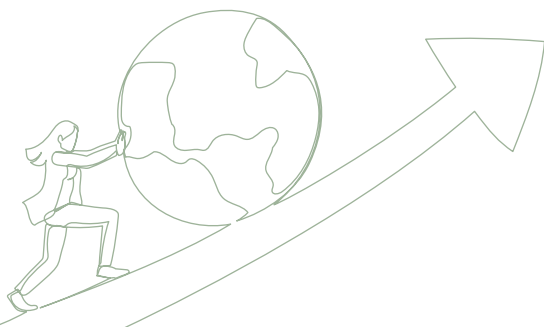
KPIs are tracked and reported to monitor and measure progress towards sustainability goals and ensure accountability. The Company is actively working to further our assessment of the financial impact of our ESG and climate risks in line with IFRS S1 and S2.

This in-depth process will allow us to design strategies, increase metrics and set additional targets beyond the three primary ones the Company currently has, which are:



Refer to pages 45 and 61 for detailed sustainable development performance and KPI achievements and the **integrated annual report** at <https://www.panafricanresources.com/investors/financial-reports/> for comprehensive performance in indicators related to financial, manufactured, human, social and relationship and natural capital.

Without adequate financial performance, Pan African would be unable to sustain its operations, let alone invest in long-term initiatives like sustainable development. Financial health ensures the Company can fund its mining activities, pay employees, maintain infrastructure and generate returns for shareholders. More importantly, it provides the capital needed to invest in environmental stewardship, community development, renewable energy and water treatment projects.



¹ The financial results for FY and prior periods have not been restated as it is impracticable to determine the period-specific effects of the error.
² Restated due to prior period adjustments; refer to the **integrated annual report**.

Investment in sustainability must also make financial sense, because it ensures these initiatives are not just ethical, but economically viable. For Pan African, projects like solar energy installations and water recycling systems reduce long-term operating costs, enhance regulatory compliance and improve stakeholder trust. These benefits translate into stronger investor confidence and operational resilience, proving that sustainability and profitability are not mutually exclusive but mutually reinforcing.

RISK MANAGEMENT

Our risk management approach follows a well-structured and systematic process encompassing internal operational risks and external factors beyond our control. Risk management remains the responsibility of the board of directors. Through our risk management process, we have identified top risks that potentially threaten the execution of our business strategy.

Aligned with our broader ESG priorities, we are progressively integrating the financial impacts of climate and biodiversity risks into our risk management programme in line with the requirements of IFRS S1 and S2. This also involves developing a clear disclosure strategy as part of our risk management process.

IDENTIFICATION OF SUSTAINABILITY RISKS AND OPPORTUNITIES

Pan African identifies sustainability risks and opportunities through a comprehensive analysis of ESG factors. Key risks include climate change, biodiversity loss and supply chain disruptions. Opportunities also arise from adopting sustainable practices, enhancing resource efficiency and engaging stakeholders in sustainability initiatives. These opportunities contribute to increased resilience by minimising power and water disruption and improve relationships with communities, leading to workforce productivity improvement and cost efficiencies.

Pan African's **integrated annual report** at <https://www.panafricanresources.com/investors/financial-reports/> highlights the importance of understanding the interconnectedness of these risks. For instance, climate change poses direct risks to operations through extreme weather events and also exacerbates biodiversity loss and disrupts supply chains. By adopting a holistic approach, the Company can identify synergies and integrate different

sustainability initiatives, such as using renewable energy to reduce GHG emissions while also conserving biodiversity.

Pan African's **TNFD report** at <https://www.panafricanresources.com/investors/gri-and-sustainability/> emphasises the need to engage with local communities and stakeholders to identify and address biodiversity risks and the associated impacts on the rights of vulnerable and indigenous communities. This includes conducting a thorough EIA and collaborating with conservation organisations to protect endangered species and habitats. By involving stakeholders in the decision-making process, the Company can create the necessary awareness to ensure that its sustainability initiatives are aligned with local needs and priorities.

The **climate change report** at <https://www.panafricanresources.com/investors/gri-and-sustainability/> underscores the critical role of integrating climate-related risks into the Group's enterprise risk management framework. It highlights how physical risks, such as extreme weather events, prolonged droughts and rising temperatures, interact with transition risks like regulatory changes and reputational pressures.

By embedding sustainability and climate risk governance across all levels of the organisation, from board oversight to operational execution, Pan African ensures a proactive and structured response. This includes scenario analysis, climate resilience planning and the alignment of strategic initiatives with global standards, enabling the Company to navigate uncertainties while capitalising on opportunities in the transition to a low-carbon economy.

Refer to our material matters section on **pages 26 to 30** for a discussion of sustainable development risk, opportunities, links to strategic objectives and trade-offs.

RISK MITIGATION STRATEGIES

Pan African employs a range of strategies to mitigate and adapt to sustainability-related risks, including those associated with climate change, biodiversity and economic development/supply chain integrity. These strategies encompass investments in renewable energy, the promotion of sustainable land use practices and the enforcement of ethical standards across the supply chain. By adopting energy-efficient technologies and transitioning to low-carbon energy sources, the Company reduces its GHG emissions and also strengthens its

operational resilience and market competitiveness. Conservation efforts, such as habitat restoration and species protection, are integrated into operational planning to minimise ecological impacts and support long-term environmental stewardship.

MONITORING AND REPORTING OF RISKS

Risk monitoring and reporting are embedded in Pan African's operational framework through regular assessments, audits and the use of advanced data analytics. KPIs are employed to track progress toward sustainability goals and are periodically reviewed to reflect evolving risks and stakeholder expectations.

All operational sites report monthly on their individual risk management KPIs, and action is taken to improve mitigation strategies and ensure the responsiveness of the organisation to complex environments. Stakeholder engagement plays a critical role in refining risk management practices, ensuring that feedback informs adaptive strategies. This includes working with skilled partners at each site to manage risks. This dynamic and adaptive approach enables the Company to remain transparent, accountable and responsive to ever-changing internal and external developments.

CLIMATE RISK ASSESSMENT

Pan African systematically evaluates the potential impacts of climate change on its operations and assets through scenario analysis and climate risk assessments. Our scenario analyses are guided by the TCFD framework. These assessments consider both physical risks, such as extreme weather events, droughts and temperature increases, and transition risks, including regulatory changes and shifts in market expectations. The Company prioritises resilience-building measures, such as infrastructure adaptation and emissions reduction initiatives, to safeguard its long-term viability. By understanding and planning for a range of climate scenarios, the Company enhances its ability to respond effectively to emerging challenges.

Climate-related risks are currently being fully embedded within the Company's enterprise risk management framework. These risks are identified through operational assessments and categorised in line with global standards. Governance structures ensure that climate risks are reviewed at the highest levels, with oversight from the board and

RISK MANAGEMENT continued

relevant committees. This integrated approach enables the Company to align its climate strategy with broader business objectives, ensuring that climate considerations are factored into decision-making, capital allocation and long-term planning.

Pan African expects to report on the financial impacts of climate risks in the near future.

BIODIVERSITY RISK ASSESSMENT

Pan African approaches biodiversity risk in the same way it incorporates broader business and climate risks into its enterprise risk management framework. This year marks the first year the Group has produced a stand-alone TNFD report. In preparation for this task, Pan African conducted a detailed LEAP analysis as recommended and guided by the TNFD on each of its assets in South Africa and Australia. This included incorporating biodiversity information into our TCFD-aligned scenario analyses.

Biodiversity risk assessment focuses on understanding the effects of operations on local ecosystems and communities. Thorough impact assessments are undertaken for all new developments within each mining site.

The Company is currently including the expanded biodiversity regime in the SHEQ and social and ethics committee mandates, and the corporate ESG management and mine ESG management protocols. We expect to increase the scope of biodiversity reporting to take account of the requirements of the IFRS S1 and S2 financial impact imperatives in future years.

Refer to the **TNFD report** for further information at <https://www.panafricanresources.com/investors/gri-and-sustainability/>

RESPONSIBLE SUPPLY CHAIN RISK MANAGEMENT

The Company's approach to supply chain risk management emphasises sustainability and ethical conduct. Through due diligence and supplier audits, Pan African ensures that its suppliers uphold labour rights, minimise environmental impacts and operate with integrity. Long-term partnerships are cultivated with suppliers who share Pan African's commitment to sustainable development, thereby reducing exposure to reputational and operational risks across the value chain. The Company has developed programmes to assist suppliers in complying with its procurement and sustainability standards. We recognise that supplier development is a crucial activity to enhance the economic development of local communities. Each operation's SLP includes supplier development initiatives.

In FY25, Pan African launched the MyPAR app at Barberton Mines, marking a transformative step toward a digitally enabled and integrated workforce. Designed to enhance employee engagement, safety and development, MyPAR directly supports key ESG priorities outlined in the Group's sustainability strategy.

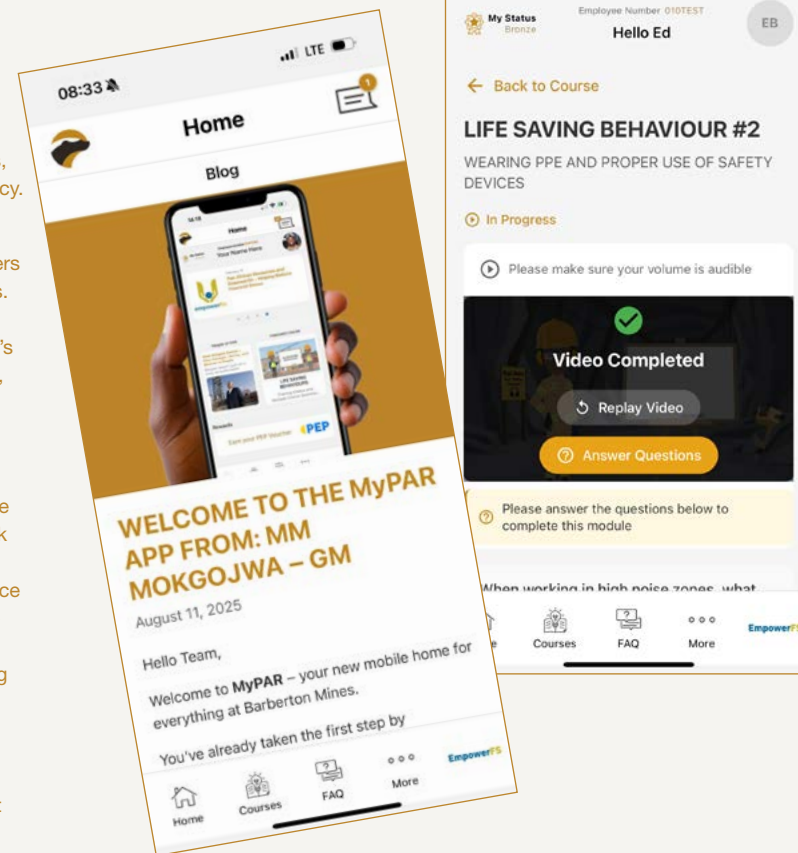
The app offers mobile human resources (HR) access, allowing employees to download payslips, submit leave requests and view performance metrics – all from their phones. It also features "People of PAR", a recognition platform that celebrates individual contributions, reinforcing a culture of inclusion and transparency.

A standout feature is the 14 Life-saving Behaviours micro-learning module, which delivers safety training through short videos and quizzes. This bite-sized, on-demand format supports continuous learning and aligns with Pan African's zero-harm ambition. To incentivise participation, employees earn PEP vouchers, embedding a rewards-based learning culture.

The app integrates Empowerfin, a financial wellness tool offering literacy resources and safe lending options – addressing a critical social risk and enhancing employee stability. MyPAR also strengthens sustainable development governance by providing real-time training and performance data to supervisors and safety, health, environment and quality (SHEQ) teams, enabling targeted interventions and improved oversight.

Looking ahead to FY26, MyPAR will be rolled out to additional sites, including MTR, further embedding digital tools into Pan African's talent and sustainability frameworks. This initiative reflects the Group's commitment to building a connected, capable and resilient workforce, translating strategy into action and reinforcing its 'People First' values.

Your work. Your voice. Your training. Your rewards. MyPAR is more than an app – it is a digital leap for PAR people, action and results.



ENVIRONMENTAL, SOCIAL, ECONOMIC AND CORPORATE GOVERNANCE

Pan African practices responsible mining by integrating sustainable development principles to reduce environmental impact and create long-term value for communities.

The environment	44
Climate change, energy and emissions management	46
Air quality	48
Biodiversity management	49
Water management	51
Waste management	53
Tailings management	55
Operational report – the environment	59
Social	60
Mining as a platform for inclusive growth and community empowerment	60
Social performance indicators	61
Community engagement	62
Operational report – social initiatives	63
Supplier development and broad-based black economic empowerment	65
Workforce profile	66
Learning and development	68
Health, safety and well-being	71
Occupational health	72
Human rights	75
Security management	77
Economic	79
Regulatory reporting requirements for Pan African to the DMPR	79
Local procurement	81
Corporate governance	82
Sustainable corporate governance	82
Sustainability governance framework	83

THE ENVIRONMENT

Gold mining has played a foundational role in human advancement for millennia. Today, its relevance endures – not only as a store of value in an uncertain global economy, but as a catalyst for development in regions where opportunity is often limited. At Pan African, we recognise that the extraction of gold must go hand-in-hand with environmental stewardship and social progress.

Pan African practices responsible mining by integrating sustainable development principles to reduce environmental impact and create long-term value for communities. We address climate, water and biodiversity challenges through renewable energy, efficient resource use and restoration efforts. By investing in local talent and suppliers, we ensure our impact extends beyond mining. Sustainability is a continuous journey, driven by innovation, aligned with global standards and rooted in shared prosperity.

The following table details all environmental KPIs that are assured:

Material topic	Sustainability data	Unit of measurement	FY25	FY24	FY23	FY22	FY21	CAGR (%)
Climate change and energy management	Non-renewable electricity consumption	GWh	406.8 [Ⓢ]	376.55	365.96	375.34	393.57	(1.1)
	Renewable electricity consumption	GWh	39.3 [Ⓢ]	24.62	23.77	1.62	N/A	147.8
	Diesel consumption: Assured from FY24	ML	2.4 [Ⓢ]	1.62	1.22	1.33	1.41	3.7
	Total energy consumption (direct and indirect energy)	TJ	1,705.1 [Ⓢ]	1,503.75	1,447.17	1,405.45	1,468.68	0.6
	Energy consumed per ounce of gold sold	GJ/oz	8.59 [Ⓢ]	8.02	8.21	6.83	7.28	2.5
	GHG emissions Scope 1	ktCO ₂ e	8.1 [Ⓢ]	5.01	3.72	4.06	4.71	1.6
	GHG emissions Scope 2	ktCO ₂ e	366.7 [Ⓢ]	348.00	332.49	341.02	374.88	(1.8)
	GHG emissions per ounce of gold sold	tCO ₂ e/oz	1.89 [Ⓢ]	1.87	1.92	1.68	1.88	(0.2)
	GHG emissions averted: Assured from FY24	ktCO ₂ e	35.4 [Ⓢ]	22.76	21.60		N/A	2.6
	Renewable energy as a percentage of total energy consumed	%	8.8 [Ⓢ]	6.14	6.10	0.4	N/A	
Land and resource use	Percentage of land in the process of rehabilitation (project level – MTR): Assured from FY24	%	17.1 [Ⓢ]	9.4	–	N/A	N/A	

Environmental responsibility is integral to the Group's purpose of sustainable value creation. We go beyond compliance to actively protect and enhance the natural ecosystems in which we operate.



GUARDIANS OF THE WILD: PAN AFRICAN'S COMMITMENT TO RHINO CONSERVATION

Our adoptive rhinos – Genesis, Yster and Cotton

At Pan African, we are proud to stand as guardians of Genesis, Yster and Cotton, three orphaned rhinos whose survival and future are a testament to the power of partnership and purpose. Through our adoption of these remarkable animals, we provide both financial and security support, ensuring they receive the care, protection and resources they need to thrive.

This commitment is not just about safeguarding individual lives – it is part of our broader conservation vision within the Barberton Mountainlands Nature Reserve. Here, our efforts are focused on restoring balance to ecosystems, protecting biodiversity and creating a sustainable future where wildlife and wilderness flourish side by side.

Proactive protection: The role of dehorning

To protect these rhinos from the ever-present threat of poaching, we support the sanctuary's proactive dehorning programme. Though never an easy decision, this non-invasive procedure – performed under sedation by expert veterinarians – removes only the outer portion of the horn, which is made of keratin and naturally regrows.

These efforts are not just about survival – they are about building resilience. Every meal, every health check and every moment of care is a step toward a future where these rhinos can roam free once again.



Community-centred sustainability: Our environmental efforts are closely tied to community upliftment. From decarbonisation and waste management to sustainable agriculture initiatives like the Barberton Blueberries project, we aim to create shared value and long-term environmental and social resilience.

In addition to our KPIs detailed previously, the Group has specific, large strategic sustainable development projects that form a key part of executive management performance adjudication. These projects are outlined below.

ESG PERFORMANCE SCORECARD FY25

Project	Category	Details	Achieved/ not achieved
Commence construction on phase 2 of Evander Mines' water treatment plant by June 2025	Environmental	Water stewardship is achieved through the sustainable and efficient utilisation of water resources for operations and the environment	✓
Achieve the land rehabilitation targets for MTR as per the RMB Sustainability Bond Performance Targets for FY25	Environmental	MTR is to achieve land rehabilitation of 16% by FY25, as detailed in the Sustainability Bond Linked Finance (SBLF) framework	✓
Completion of the feasibility studies for the MTR and Evander Mines phase 2 solar projects. Selection of an engineering, procurement and construction contractor. Board decision for the advancement of at least one of the solar projects by June 2025	Environmental	The Group's decarbonisation strategy is aligned with the SBLF framework of a 15% renewable energy mix by FY27	✓
Achieve the Group's renewable energy mix penalty threshold level of 5% for FY25 as per the Sustainability Bond	Environmental	Implementation of the Group's renewable energy solar projects to meet the renewable energy mix of 15% by FY27	✓

THE ENVIRONMENT continued

CLIMATE CHANGE, ENERGY AND EMISSIONS MANAGEMENT

Pan African has adopted a comprehensive and structured approach to addressing climate change, energy use and emissions management. The Company's strategy is aligned with global standards such as the TCFD, IFRS S1 and S2, GRI Standards, the GHG Protocol and the UN SDGs, ensuring transparency and accountability in our climate-related disclosures.

<https://www.panafricanresources.com/investors/gri-and-sustainability/>

Governance and oversight

Climate governance is embedded at the highest levels of the organisation. The board of directors holds ultimate accountability for climate-related risks and opportunities, with oversight delegated to the social and ethics, SHEQ and audit and risk committees. These committees review climate-related performance quarterly and ensure compliance with relevant frameworks. The chief executive officer leads the integration of climate strategy into the Company's core values and long-term planning, while executive and operational teams implement policies, manage risks and ensure alignment with global best practices.

A dedicated climate change and energy management committee, comprising cross-functional experts, monitors energy use, emissions and efficiency, reporting monthly to executive management. This structure ensures that climate considerations are integrated across leadership, strategic and operational levels.

Strategic climate initiatives

Pan African's climate strategy is built around three core pillars:

<p>01.</p> <p>Climate adaptation and resilience strategy: Adapting to physical and transition climate-related risks and opportunities</p>	<p>02.</p> <p>Just energy transition: Supporting and contributing towards the Just Energy Transition Framework (JET Framework) and skills transfer</p>	<p>03.</p> <p>Climate mitigation strategy:</p> <ul style="list-style-type: none"> Decarbonising operations by expanding renewable energy-efficient sources and adopting new energy vehicles and equipment Improving energy efficiency across all sites
---	--	--

Key initiatives include the construction of new solar capacity at Evander Mines and potentially at MTR and Tennant Mines. MTR has completed its solar feasibility study and the project is awaiting board approval, while Tennant Mines is currently conducting its solar feasibility study. The Group has also recently signed a 40MW PPA with NOA Group. The Company also plans to set emissions reduction targets aligned with the Science Based Targets initiative or International Organisation for Standardisation (ISO) standards.

Climate risk metrics are being integrated into executive scorecards and project approvals, reinforcing accountability and performance alignment.

Scenario analysis and risk management

In FY23, Pan African conducted its first climate scenario analysis, evaluating four scenarios over a 10-year horizon. These scenarios assessed both physical and transition risks under varying climate and economic conditions. The analysis revealed that climate change acts as a 'threat multiplier', influencing other strategic risks such as regulatory compliance, access to capital and operational costs.

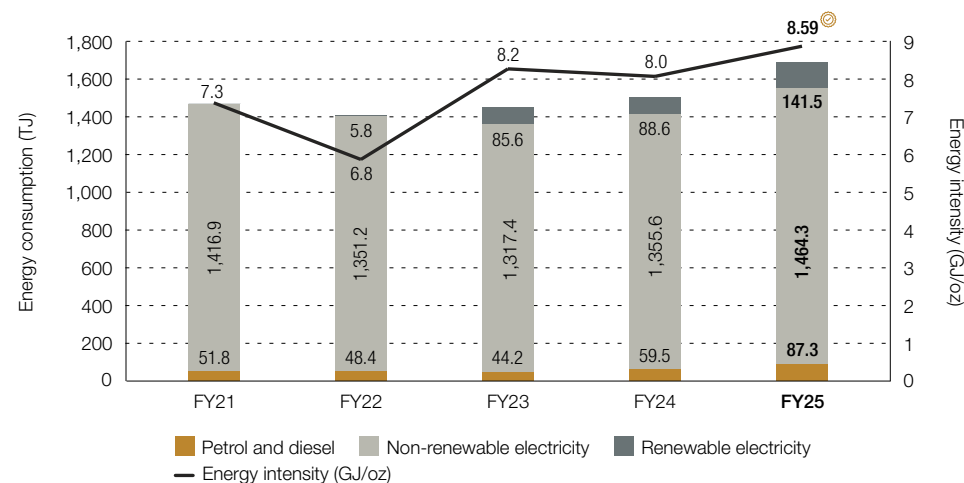
The Group is integrating climate-related risks into its enterprise risk management framework. Physical risks, such as extreme weather, droughts and heatwaves, are identified through ESG assessments, while transition risks, such as policy changes, social unrest and reputational impacts, are evaluated through financial impact analysis. These risks are categorised according to TCFD guidelines and are reviewed annually.

Refer to the **climate change report** for detailed information on physical and transition risks, GHG performance, energy consumption and energy intensity at <https://www.panafricanresources.com/investors/gri-and-sustainability/>

Energy and emissions management

Pan African expects its energy consumption to continue increasing as the Company grows gold production. We focus on energy efficiency to ensure that our energy intensity ratio per ounce produced continues to decrease. In addition, our investment in renewable energy increasingly insulates the Company against the vagaries of the South African power grid, improving the resilience of our operations while reducing our carbon footprint.

The Group's energy consumption increased by approximately 13.4%, primarily due to an increase in petrol and diesel consumption. Our energy intensity per ounce of gold sold has increased over the year by 7.5% due to our 6.1% production increase.



THE ENVIRONMENT continued

In FY25, the Group's total absolute gross GHG emissions were 374.7ktCO₂e . This included 8.1ktCO₂e[Ⓢ] Scope 1 and 366.7ktCO₂e[Ⓢ] Scope 2 (location-based).

Sixty-eight percent of the Group's Scope 1 GHG emissions are in South Africa and are measured in accordance with the Department of Forestry, Fisheries and the Environment regulations. The remainder of the Group's Scope 1 GHG emissions are measured in accordance with the GHG Protocol, which relates to emissions from Tennant Mines in Australia of 32%.

Operational GHG emissions increased by 6.2% in FY25 attributed to an increase in non-renewable electricity as well as petrol and diesel consumption.

GHG emissions (ktCO₂e)

	FY25	FY24
Scope 1	8.1 [Ⓢ]	5.0
Scope 2	366.7 [Ⓢ]	348.0
Scope 3	501.3	Not calculated
Total	876.0	273.0

Metrics and targets

Pan African reports on both operational and value chain GHG emissions, using internationally recognised methodologies. The Company is in the process of setting formal emissions reduction targets and refining its measurement and reporting systems. Energy management, water use and industry-specific metrics are also tracked to support continuous improvement.

Pan African is actively investing in renewable energy and water efficiency projects. In FY25, approximately US\$17.5 million was allocated to solar and water infrastructure.

Notable achievements to date include:

- Evander Mines' 9.975MWac solar plant, which is projected to save 153,402tCO₂e over 10 years and has already delivered US\$6.6 million in savings since commissioning in May 2023
- Evander Mines' water treatment plant, which reduced water consumption from Rand Water by 71.6% and saved approximately US\$0.4 million in FY25.

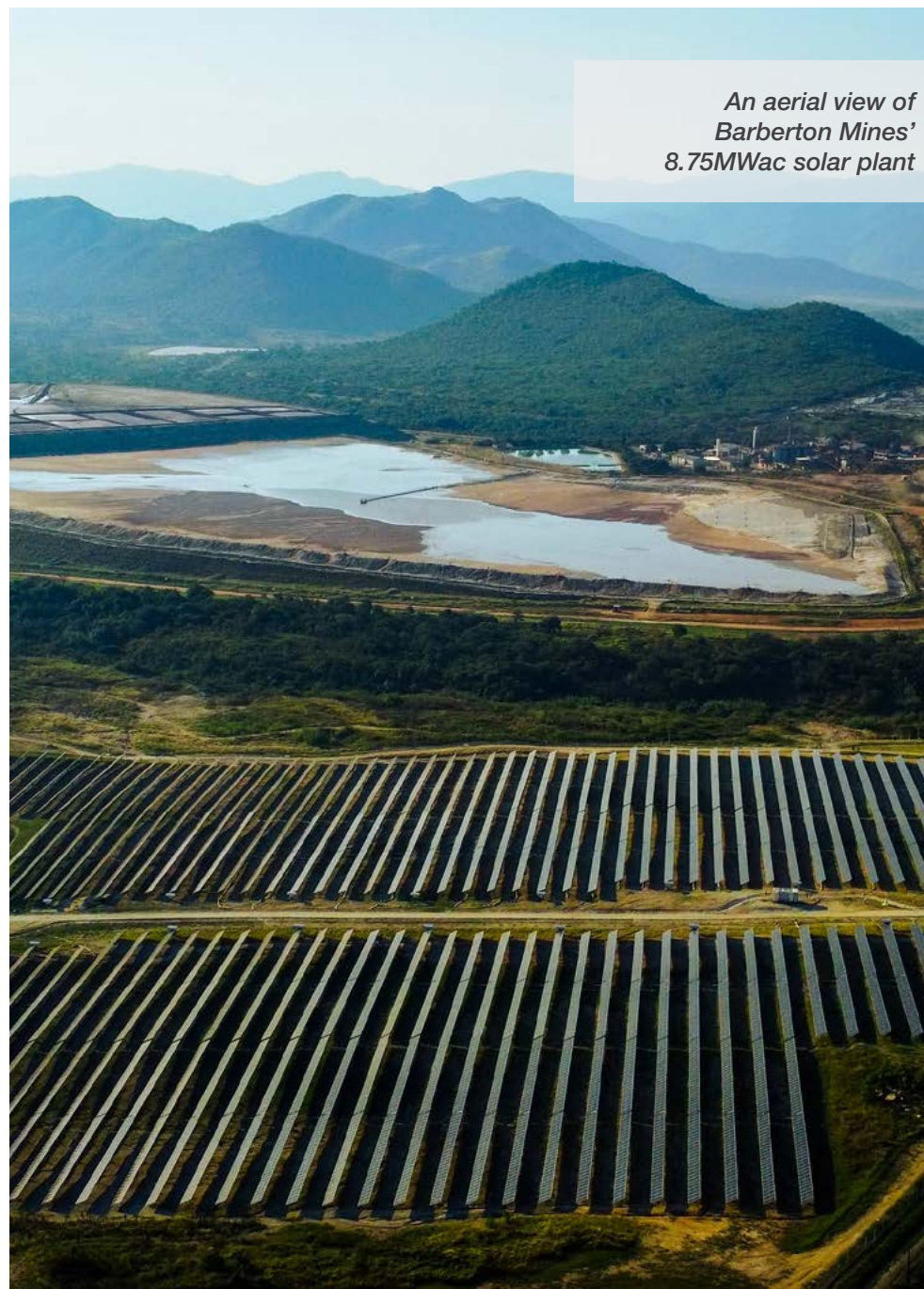
All major projects undergo climate resilience and emissions impact assessments prior to approval, ensuring alignment with sustainability goals.

Alignment with the UN SDGs and stakeholder expectations

Energy and emissions management aligns with several UN SDGs, including:



Refer to the **climate change report** for additional information at <https://www.panafricanresources.com/investors/gri-and-sustainability/>



An aerial view of Barberton Mines' 8.75MWac solar plant

THE ENVIRONMENT continued

AIR QUALITY

Pan African recognises that air quality is a key component of environmental stewardship and sustainable mining. Even though air quality is not a specific KPI that is measured across the Group, several initiatives and policies indirectly address air emissions and atmospheric pollutants.

Strategic context and governance

Air quality management is embedded within Pan African's broader environmental governance framework, which aligns with ISO 14001:2015, the GRI and the South African National Environmental Management: Air Quality Act, 39 of 2004. Oversight is provided by the Group SHEQ and ESG managers, with strategic direction from the social and ethics committee.

Air quality risks are managed through our environmental management system, which includes:

- impact and aspect registers identifying air emission sources
- monitoring protocols for dust, particulate matter and gaseous emissions
- compliance audits aligned with environmental authorisations and WULs, which often include air quality stipulations.

Sources of air emissions

Air emissions at Pan African's operations primarily arise from:

- diesel combustion in mobile and stationary equipment
- fugitive dust from TSFs, haul roads and blasting
- processing emissions, including those from smelting and chemical use
- waste management activities, particularly the handling of hazardous materials.

In addition, Pan African actively monitors particulate matter (PM10 and PM2.5), sulphur dioxide (SO₂), nitrogen oxides (NO_x and volatile organic compounds (VOCs).

Monitoring and performance

Although specific air quality metrics are not disclosed, Pan African has implemented several initiatives that contribute to improved air quality:

- Dust suppression systems at TSFs and haul roads
- Concurrent revegetation and rehabilitation of disturbed land, reducing wind erosion and dust
- Use of low-sulphur diesel and energy-efficient engines
- Transition to renewable energy, reducing reliance on fossil fuels and associated air pollutants.

In FY25, the Group's diesel consumption increased significantly due to the inclusion of Tennant Mines in the GHG boundary. This has implications for air quality, particularly in terms of nitrogen oxides and particulate matter. However, mitigation measures such as fan clipping, pump load shifting and power factor correction have improved energy efficiency and reduced emissions intensity.

Compliance and risk management

The Group's operations are compliant with the National Environmental Management: Air Quality Act and associated regulations. No air quality-related environmental incidents were reported in FY25.

Key risk mitigation strategies include:

- EIAs for all major projects
- air quality baseline studies and dispersion modelling for new developments
- community engagement to address concerns related to dust and odour.

Future commitments and targets

To strengthen air quality management, Pan African will implement the following in FY26 to FY27:

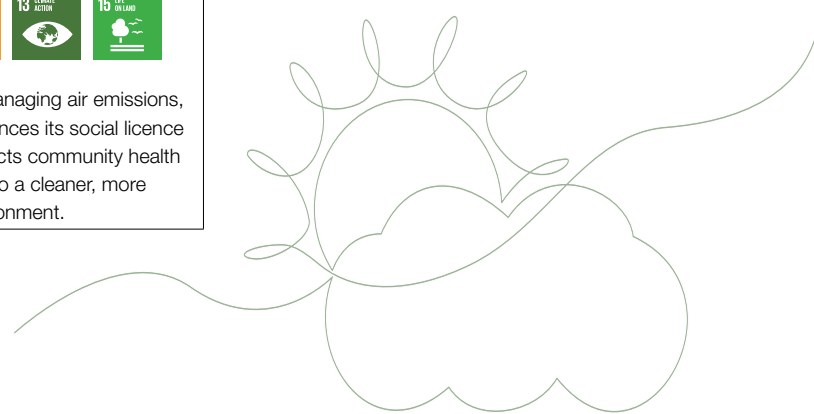
- Develop a stand-alone air quality management plan for each operation
- Install continuous air quality monitoring stations at high-risk sites
- Set quantitative targets for particulate matter and nitrogen oxide reductions
- Expand dust suppression infrastructure at all operations for employee and community health, and importantly, to optimise the production of renewable energy at solar plants
- Integrate air quality metrics into the Group's ESG dashboard and reporting.

Alignment with the UN SDGs and stakeholder expectations

Air quality management supports several UN SDGs, including:



By proactively managing air emissions, Pan African enhances its social licence to operate, protects community health and contributes to a cleaner, more sustainable environment.



THE ENVIRONMENT continued

BIODIVERSITY MANAGEMENT

Pan African has released its inaugural TNFD report for FY25, marking a significant milestone in our commitment to environmental stewardship. The report outlines the Group's strategic approach to biodiversity conservation across its operations in South Africa and Australia, aligning with global frameworks such as the Kunming-Montreal Global Biodiversity Framework, the UN SDGs and the TNFD.

For further information, click here to access the **TNFD report** at <https://www.panafricanresources.com/investors/gri-and-sustainability/>

Why biodiversity matters

Biodiversity is central to Pan African's sustainability strategy. The Company recognises that mining can significantly impact ecosystems through habitat destruction, pollution and land degradation. Biodiversity is not only an ecological concern but also a strategic asset that underpins water security, community relations, regulatory compliance and operational resilience.

Healthy ecosystems support water filtration, climate regulation and soil stability – services essential to mining operations. Biodiversity loss can increase operational costs, regulatory risks and community opposition. Conversely, proactive biodiversity management enhances trust, reduces risk and supports long-term viability.

Governance and oversight

Pan African is embedding biodiversity into its governance framework, aligning with TNFD principles. The board of directors, through the social and ethics, SHEQ and audit and risk committees, oversees biodiversity strategy and performance. Executive accountability lies with the Group ESG manager and ESG specialist, supported by site-level ESG committees.

Each site has dedicated environmental teams that are responsible for developing and implementing BAPs, informed by the LEAP analysis that has been conducted for all sites. The LEAP analysis is based on the recommendation contained in the TNFD framework. Biodiversity KPIs are being integrated into senior management performance contracts, reinforcing accountability.

Materiality and risk integration

The Group applies a double materiality approach, assessing both its impacts on nature and its dependencies on ecosystem services. Key biodiversity dependencies include groundwater, terrestrial ecosystems and cultural ecosystem services. Major impacts identified include habitat disturbance, water pollution and soil degradation.

Material issues are prioritised based on scale, severity, regulatory risk and stakeholder concern. These insights inform site-specific BAPs and enterprise risk management. Biodiversity risks are now assessed alongside financial and operational risks, with plans to integrate them into procurement and capital allocation processes.

Strategic framework and scenario planning

Pan African's biodiversity strategy is built on four pillars:

01. CONTINUOUS IMPROVEMENT Setting ambitious targets and refining biodiversity performance	02. INNOVATION Leveraging technologies like remote sensing and AI for monitoring	03. COLLABORATION Partnering with communities, NGOs and government bodies	04. EDUCATION AND AWARENESS Promoting biodiversity literacy among stakeholders
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Scenario analysis, aligned with the TNFD and TCFD frameworks, explores how different environmental and socio-economic futures could impact biodiversity. Four scenarios – 'Beautiful Day', 'Under Pressure', 'Here Comes the Rain Again' and 'Somewhere Over the Rainbow' – highlight risks such as water scarcity, ecosystem degradation and reputational damage, as well as opportunities for green finance and nature-positive branding at <https://www.panafricanresources.com/investors/gri-and-sustainability/>

Adaptation planning

Pan African's biodiversity adaptation plan includes:

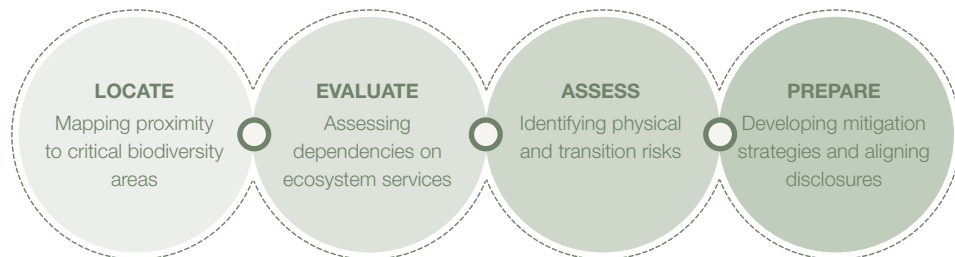
- mapping and protecting water-dependent ecosystems
- using native vegetation for rehabilitation
- engaging indigenous and local communities in stewardship
- integrating biodiversity into capital planning and natural capital accounting.

These actions are phased across short-, medium- and long-term timelines, ensuring both immediate impact and long-term resilience.

THE ENVIRONMENT continued

LEAP analysis and risk identification

The LEAP framework guides Pan African's biodiversity risk management.



Risks identified include soil erosion, water contamination, air pollution, climate change impacts and reputational damage. These are linked to operational disruptions, increased costs and regulatory penalties.

Risk mitigation and monitoring

Each site is developing tailored mitigation measures. Examples include:

- invasive species removal and land rehabilitation at Barberton Mines
- wetland restoration and fire management at Evander Mines
- large-scale ecological restoration at MTR
- nature-based solutions, such as erosion control and revegetation, are being implemented. Biodiversity risks are also being assessed across the value chain, with procurement policies updated to include biodiversity criteria.

Monitoring is aligned with the TNFD and includes metrics such as:



TENNANT MINES

- Mining activities primarily target historically disturbed land areas, thereby causing limited new disturbances
- Mining activities will rehabilitate historically disturbed areas in accordance with modern rehabilitation standards.

- total disturbed and rehabilitated area
- water withdrawal and discharge
- GHG emissions and energy intensity
- soil contamination and pollutant levels.

Annual reporting and third-party assurance ensure transparency and accountability.

Metrics and targets

Pan African's biodiversity targets, over and above its current land rehabilitation target set through the sustainability-linked finance framework, are likely to include:

- achieving net neutral biodiversity impact in sensitive areas
- developing site-specific BAPs
- aligning with International Finance Corporation (IFC) Performance Standard 6 and the mitigation hierarchy
- monitoring key indicators across all sites.

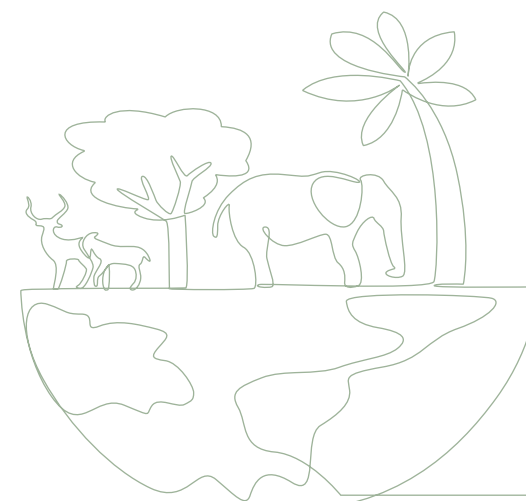
Proposed new long-term targets are likely to include:

- no net loss of biodiversity by FY30
- expanding BAPs to the value chain
- developing a proprietary biodiversity impact tool
- enhancing biodiversity data quality and scenario planning.

Pan African's management of biodiversity reflects a comprehensive, forward-looking approach. Through robust governance, strategic planning, stakeholder engagement and site-level action, Pan African is positioning itself as a leader in sustainable mining. The Company's efforts not only restore ecosystems but also create shared value for communities and contribute to global biodiversity goals.

Alignment with the UN SDGs and stakeholder expectations

Biodiversity management supports several UN SDGs, including:



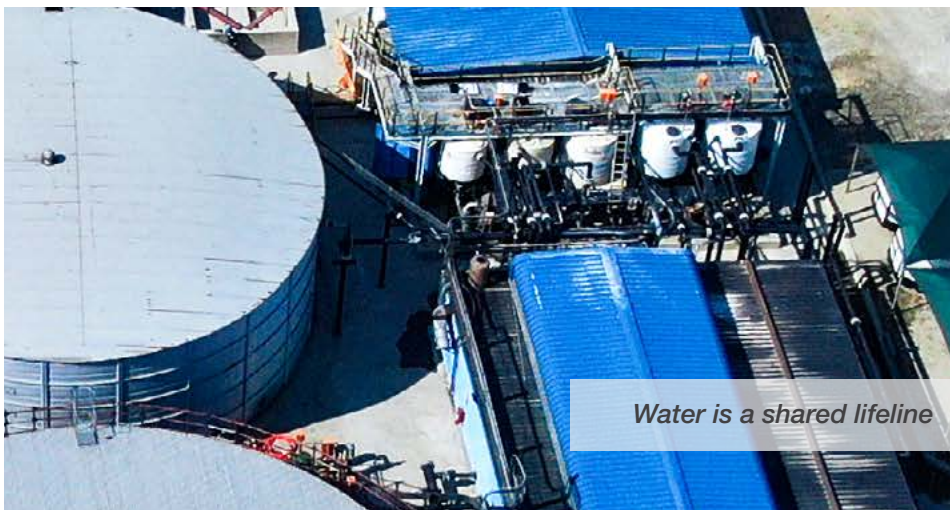
WATER MANAGEMENT

In both South Africa and Australia, where Pan African has mining operations, water scarcity is not a distant threat. It is a daily reality.

South Africa ranks among the 30 driest countries in the world. Its water systems are under immense pressure from ageing infrastructure, pollution and rising demand. In provinces like Mpumalanga and Gauteng, where our operations are based, erratic rainfall and prolonged dry spells are becoming more frequent, while catchment areas are increasingly degraded. Meanwhile, in Australia’s Northern Territory, water availability is shaped by extreme variability – intense wet seasons followed by long, dry periods. Groundwater is often the only reliable source, and its overuse can have lasting ecological consequences.

For Pan African, water is not just a critical input – it is a defining factor in our ability to operate responsibly and sustainably. Our FY25 LEAP analysis confirmed what we have long suspected: water is the single most critical nature-related risk we face. It underpins everything – from ore processing and dust suppression to ecosystem health and community well-being.

We know that without reliable, clean water, our operations cannot thrive – and neither can the communities and ecosystems around us.



That is why we have made water stewardship a cornerstone of our biodiversity strategy. Across our sites, we are investing in wetland restoration, upgrading water treatment infrastructure, reducing our reliance on municipal supply and constructing water treatment facilities. At Evander Mines, we have restored over 120ha of wetland and grassland. At MTR, we have rehabilitated a 37ha wetland that is now showing signs of ecological recovery, with indigenous frogs and birdlife returning. These are not just environmental wins – they are proof that targeted action can reverse decades of degradation.

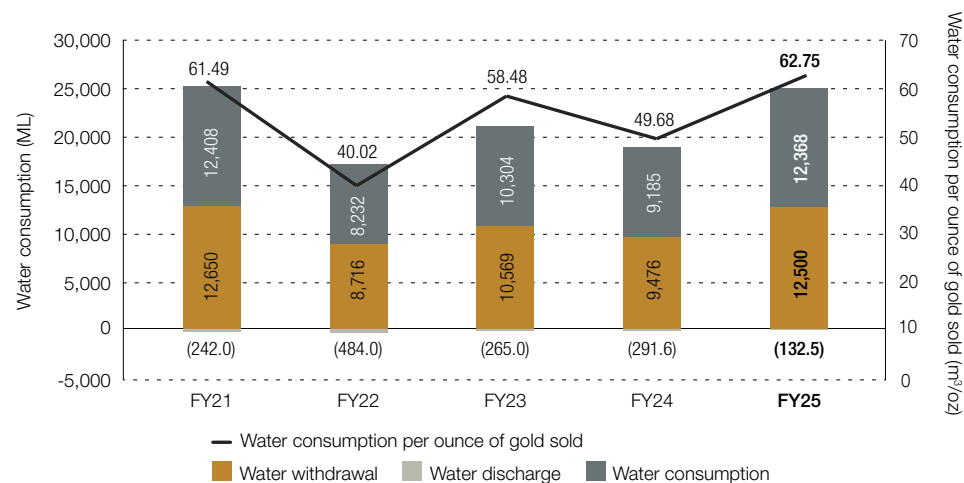
We are also working to reduce our water footprint through recycling, runoff management and community partnerships. In water-stressed regions, every drop counts, and we are committed to making every drop work harder through our water treatment facilities. In areas prone to underground flooding, we construct underground dams for the management of water levels, should there be a flood event, and reduced ongoing power requirements. This water is treated at our water treatment facilities and returned clean to surface and underground operations. Ensuring the health, safety and security of our people and infrastructure is paramount.

Water stewardship and efficiency

Understanding our water consumption patterns is fundamental to advancing Pan African’s water conservation and efficiency strategies. To support this, we have implemented a sophisticated, automated water management system across our operations. This system enhances our ability to monitor, analyse and respond to water usage in real time, enabling data-driven decision-making and reinforcing our commitment to responsible water stewardship.

Total water consumption comprises the sum of total water withdrawal minus water discharge. Our operations only withdraw water from underground and surface resources, including water from third parties or municipalities. Our overall water consumption and water intensity per ounce of gold sold increased by 34.7% and 26.8%, respectively, during the period under review.

Total water consumption



THE ENVIRONMENT continued

Water savings and community impact

Our water treatment plant at Evander Mines continues to play a pivotal role in reducing reliance on municipal water. In a region already facing water scarcity, this initiative not only conserves a critical resource but also supports community resilience. We are pleased to report that the board has approved expansion to Evander Mines' water treatment facilities and the construction of a new facility at MTR. Tennant Mines also commissioned a 0.05ML/day water treatment plant in April 2025.

Climate-resilient water management

We recognise the growing importance of climate-related water security. Our strategy includes reducing water consumption while increasing the discharge of high-quality treated water. This is being achieved through a combination of:

- expanding water treatment infrastructure
- implementing water-saving technologies
- collaborating with stakeholders to manage water as a shared resource.

Our water treatment plants are designed to meet regulatory discharge standards, aligned with our WULs and the Department of Water and Sanitation's (DWS) resource quality objectives. These facilities not only reduce environmental risk but also enhance our resilience to extreme weather events.

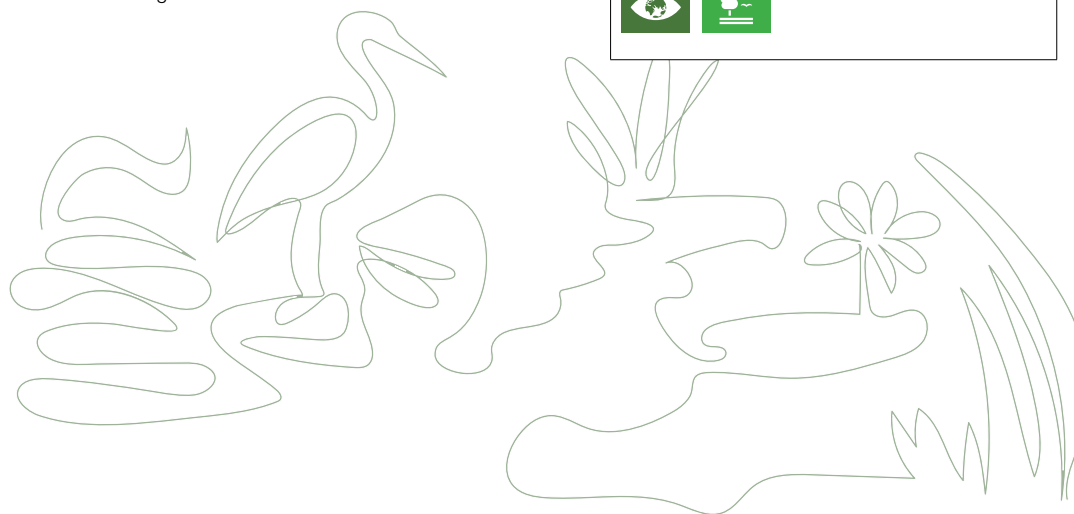
Water efficiency and infrastructure integrity

Water balance assessments have revealed potential losses due to infrastructure leaks. Addressing this, we are prioritising:

- infrastructure audits and upgrades
- leak detection and repair programmes
- cultivating a culture of water efficiency across all levels of the organisation.

We have had significant success with installing water leak detection equipment in our mines. This is combined with continued workforce education, which assists in saving water at all operations.

Leadership plays a critical role in driving behavioural change. Targeted training and awareness campaigns are being rolled out to embed water conservation into daily operations.



The table below details our water consumption profile. These two metrics have become new KPIs.

	FY25	FY24	FY23	FY22	FY21
Water consumption (ML)	12,367.9	9,184.77	10,304.36	8,232.23	12,408.00
Water consumption per ounce of gold sold (m ³ /oz)	62.75	49.68	58.48	40.02	61.49

Further withdrawal and discharge information can be found in the **climate change report** at <https://www.panafricanresources.com/investors/gri-and-sustainability/>

Water connects our climate risks, our biodiversity goals and our social licence to operate. It is not just a resource, it is a responsibility, and we are treating it as such.

Alignment with the UN SDGs and stakeholder expectations

Water management supports several UN SDGs, including:



WORKING WITH PARTNERS FOR WATER

Pan African is collaborating with the Trans-Caledon Tunnel Authority (TCTA), a state-owned entity under the DWS, to support sustainable water management in Gauteng's mining basins. TCTA is responsible for managing acid mine drainage across the Western, Central and Eastern Basins to prevent contaminated water from decanting into the environment.

In the Western Basin, TCTA has been actively pumping approximately 36 million litres of water per day since 2013. This water is treated at the Sibanye-Stillwater water treatment plant before being safely discharged into the Tweelopies Spruit. Despite these efforts, underground water levels continue to fluctuate due to seasonal rainfall and groundwater ingress.

To support this initiative and secure water for its operations, Pan African's MTR operation was granted a WUL in December 2024 to abstract 37 million litres per day from the same underground void. In partnership with TCTA, MTR has installed pumps at the existing TCTA facility, enabling both parties to draw water from the same shaft. This joint effort not only ensures water supply for MTR's refining and processing needs but also contributes to reducing underground water levels and minimising the risk of acid mine drainage into surrounding ecosystems.

THE ENVIRONMENT continued

WASTE MANAGEMENT

Pan African's mining activities produce both hazardous and non-hazardous waste, including waste rock. Managing these materials responsibly is essential to safeguarding both environmental integrity and public health. While the Company has not yet established formal waste reduction targets, we maintain rigorous oversight of our waste generation and disposal practices. This proactive approach is central to our commitment to environmental compliance, sustaining our social licence to operate and avoiding regulatory penalties that could impact our financial performance.

The Group is committed to responsible waste management practices across all its operations. Our approach is guided by the principles of reduce, reuse and recycle, ensuring that waste is managed in a manner that minimises environmental impact and supports sustainability goals.

Waste management strategy

Our waste management strategy focuses on the following key areas:

01.

WASTE REDUCTION

Implementing measures to reduce waste generation at the source, including process optimisation and material substitution

02.

WASTE REUSE

Identifying opportunities for reusing waste materials within our operations or in collaboration with external partners

03.

WASTE RECYCLING

Enhancing recycling programmes to ensure that recyclable materials are diverted from landfills and reprocessed into new products

Performance highlights

In FY25, Pan African achieved significant milestones in waste management:

Total waste generated:

14,525t

Waste recycled:

8,739t

Waste sent to landfill:

5,786t

Waste generation and responsible disposal

Our operations produce a range of waste materials, including both mineral and non-mineral types, as well as hazardous substances such as chemical reagents. We follow stringent procedures for the safe handling, classification and transportation of all waste, in line with our internal SHEQ and sustainable development frameworks and national environmental legislation.

Mineral waste, primarily in the form of waste rock, accounts for the overwhelming majority – over 99.9% – of our total waste output. This material is managed with a focus on environmental stewardship and long-term land rehabilitation. Where feasible, waste rock is repurposed for underground backfilling, reducing environmental impact and future closure liabilities.

Progress in waste diversion

We have seen a 25% increase in waste diverted from disposal through recovery operations. This improvement reflects our alignment with the GRI waste standard, which requires more precise waste categorisation at the point of generation. Prior to implementation, our environmental teams underwent targeted training in sustainable waste practices, and we partnered with the NCPC-SA to conduct a comprehensive waste audit.

This collaboration has laid the groundwork for our potential participation in the NCPC-SA's industrial symbiosis programme, supporting our broader vision for a circular economy. Our workforce and local communities are increasingly engaged in waste management efforts, particularly in the responsible disposal of used oil and other hazardous materials.

Waste sent to disposal

There was a notable rise in waste sent to disposal during FY25, primarily as a result of site clearing at MTR as part of the land in the process of rehabilitation strategy. As we continue to modernise our facilities, we remain committed to integrating greener waste solutions and aligning these efforts with our sustainable procurement practices.

We are committed to further improving our waste management performance in FY26, with intentions to increase recycling rates and reduce landfill disposal.

THE ENVIRONMENT continued

Future initiatives

Looking ahead, Pan African will focus on the following initiatives to enhance waste management:

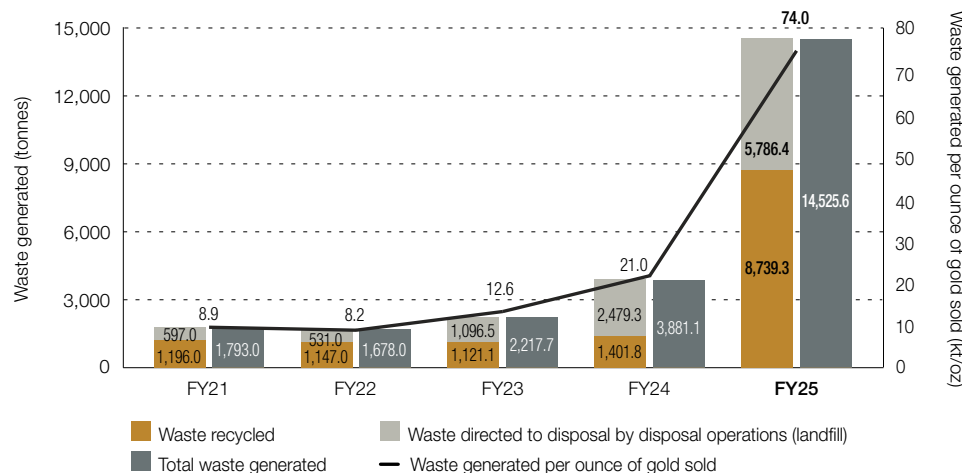
- Expansion of recycling programmes: Increasing the scope and scale of recycling initiatives across all sites
- Partnerships for waste reuse: Collaborating with industry partners to identify and implement waste reuse opportunities
- Innovation in waste reduction: Investing in new technologies and processes to minimise waste generation.

Our commitment to responsible waste management is integral to our sustainability strategy and supports our goal of minimising environmental impact while maximising resource efficiency.

	FY25	FY24	FY23	FY22	FY21
Total waste generated (tonnes)	14,525.6	3,881.1	2,217.7	1,678.0	1,793.0
Waste recycled (tonnes)	8,739.3	1,401.8	1,121.1	1,147.0	1,196.0
Waste sent to landfill	5,786.4	2,479.3	1,096.5	531.0	597.0
Waste generated per ounce of gold sold	74.0	21.0	12.6	8.2	8.9

Waste management metrics

Total waste generated



Alignment with the UN SDGs and stakeholder expectations

Waste management supports several UN SDGs, including:



TAILINGS MANAGEMENT

Tailings are the by-product of mineral processing, consisting of finely milled rock, water and residual chemicals used during extraction. These materials are stored in purpose-built TSFs, which require stringent engineering and continuous monitoring to ensure their structural integrity and environmental safety.

If not properly managed, tailings can pose serious risks to both human health and the environment. The presence of heavy metals, residual cyanide and other processing agents can contaminate soil and water sources, potentially affecting local ecosystems and communities. In addition, the physical failure of a TSF, due to poor design, operation and maintenance, or extreme weather, can result in catastrophic environmental damage, loss of life and long-term reputational and financial consequences.

To mitigate these risks, Pan African is committed to the safe, responsible and transparent management of all tailings facilities. Our approach includes:

- working towards international best practices, including the GISTM
- regular geotechnical assessments and third-party audits to evaluate structural stability
- a comprehensive hazard monitoring system which incorporates all data from the TSF, such as phreatic levels, under-drain flows, freeboard, tonnage splits and other operational data, in conjunction with monthly drone surveys, interrogated and verified by our Engineer of Record (EoR) on a monthly basis
- emergency preparedness plans developed in collaboration with local authorities and communities
- progressive rehabilitation of decommissioned TSFs to restore land for future use.

Our goal is to ensure that tailings are managed in a way that protects people, preserves ecosystems and supports sustainable post-mining land use.

Our commitment to safe and sustainable tailings stewardship

Pan African is committed to the responsible management of tailings as a cornerstone of its environmental stewardship and operational integrity. TSFs are an inherent product of mining, but they also represent one of the most significant environmental and safety risks if not properly managed. Our approach to tailings management is guided by international best practices, including working towards alignment with the GISTM and the principles of the ICMM. This Council is a global leadership organisation dedicated to promoting sustainable development in the mining and metals industry.

Pan African's TSFs are classified as high risk given their proximity to communities. We ensure that our independent tailings review board (ITRB), an independent reviewer, conducts reviews every three years at our facilities. We actively acknowledge their findings and implement approved action plans. Pan African is compliant with South African tailings legislation and committed to continuing its journey to GISTM compliance.

Global Industry Standard on Tailings Management

Following the catastrophic tailings dam collapse at Vale's Crego de Feijó mine in Brumadinho, Brazil on 25 January 2019, where 290 people lost their lives, the need was identified for a global tailings management standard to prevent similar failures in the future, and to seek transparency regarding the management and executive oversight of global residue facilities.

The GISTM is the first global standard on tailings facility management and sets an intentionally high bar for the mining industry to attain, integrating social, environmental, local economic and technical considerations for TSF facilities, while working towards the goal of zero harm to people and the environment.

Given the extremely high standards prescribed by the GISTM, Pan African has elected to maintain the Group's position of striving towards compliance through the application of requirements 4.7 and 5.7, as they are applied by the GISTM.

GISTM requirement 4.7

"Existing tailings facilities shall conform with the requirements under principle 4, except for those aspects where the EoR, with review by the ITRB or a senior independent technical reviewer, determines that the upgrade of an existing tailings facility is not viable or cannot be retroactively applied. In this case, the accountable executive shall approve and document the implementation of measures to reduce both the probability and the consequences of a tailings facility failure in order to reduce the risk to 'a level as low as reasonably practicable' (ALARP). The basis and timing for addressing the upgrade of existing tailings facilities shall be risk-informed and carried out as soon as reasonably practicable."

GISTM requirement 5.7

"For a proposed new tailings facility classified as 'High', 'Very High' or 'Extreme', the accountable executive shall confirm that the design satisfies ALARP and shall approve additional reasonable steps that may be taken downstream, to further reduce potential consequences to people and the environment. The accountable executive shall explain and document the decisions with respect to ALARP and additional consequence reduction measures."

Pan African does not compromise on the standards of safety and operations of the Group's TSFs and has engaged in an intensive process of evaluating the safety, stability and other relevant issues around these TSFs since 2019, prior to the publication of the GISTM. These proactive studies would later be incorporated into the GISTM.

At the same time, Pan African has adapted the GISTM parameters regarding the most optimal tailings design given South Africa's very specific geology and as a result of the country having multiple TSFs that have been in existence for as many as 100 years. In many instances, the requirements of South African legislation are more onerous than those recommended by the GISTM. In line with our mantra of 'beyond compliance', Pan African has ensured that its dam freeboard levels are controlled 20% or more higher than the standards demanded by South African legislation. Operational excellence and safety are paramount to Pan African.

On 21 January 2025, the Global Tailings Management Institute (GTMI) formally established its headquarters in Johannesburg. South Africa was selected as the institute's headquarters due to its significant mining sector, established expertise in tailings management and legacy of innovation in mining practices.

According to the ICMM chief executive officer, Rohitesh Dhawan, South Africa offers a 'positive legacy' in mining that GTMI can build upon to promote safer and more sustainable practices globally.

THE ENVIRONMENT continued

Tailings governance

Pan African has made the following appointments in line with the GISTM to ensure that a governance structure is in place, which filters through to the tailings operations at each of its operations, which is over and above the South African legislated legal appointments:

- Accountable executive
- Responsible tailings facility engineer
- Engineer of Record – Geotheta
- Independent tailings review board.

Tailings management in practice

Before the advent of the GISTM, Pan African conducted multiple studies on TSFs to ensure safety, with the reports available for inspection. Across our operations, we have implemented site-specific strategies to ensure the safe containment, monitoring and rehabilitation of tailings. At Barberton Mines, we have prioritised the rehabilitation of legacy TSFs. These efforts include the removal of tailings material from sensitive areas and the re-establishment of indigenous vegetation to restore ecological function. Biodiversity specialists are engaged to ensure that protected species are identified and relocated prior to any land disturbance.

At Evander Mines, tailings management is integrated into a broader biodiversity offset programme. This includes the restoration of 120ha of wetland and grassland ecosystems, previously impacted by mining activities. These efforts are complemented by fire management protocols and invasive species control, developed in collaboration with local communities. At Evander Mines, our largest tailings retreatment facility, known as Elikhulu, has undergone a multi-month advanced stability triaxle assessment to ensure that our risk is as low as is reasonably practicable. Elikhulu has ensured that the facility has an additional 60% freeboard above the legal standard.

In tailings management, freeboard refers to the vertical distance between the maximum water or slurry level in a TSF and the top of the dam wall or embankment.

Why freeboard matters:

- **Safety margin:** It provides a buffer to prevent overtopping during heavy rainfall, storm events or operational surges
- **Regulatory compliance:** Most jurisdictions require a minimum freeboard to ensure dam integrity and environmental protection
- **Flood control:** Helps accommodate unexpected inflows or runoff, reducing the risk of dam failure.

The MTR operation represents a flagship initiative in legacy site rehabilitation. MTR was acquired through the liquidation of Mintails, the previous operator, under which the site had suffered extensive environmental degradation. Through a sustainability-linked bond, we have so far supported the concurrent rehabilitation of 130ha of land, including the successful restoration of a 37ha wetland during the last 12 months of construction. The removal of over 50ha of derelict infrastructure has enabled natural regeneration, while community members have been trained and employed in ecological restoration activities and alien invasive plant removal.

Risk management and monitoring

Tailings-related risks are embedded within our broader SHEQ system and are assessed using the LEAP framework. This includes regular geotechnical inspections, water quality monitoring and erosion control measures. Our risk management and monitoring processes include daily site inspections; formal weekly operators' reports; formal monthly TSF meetings between mining operations and the TSF operators; formal quarterly meetings between mine operations, TSF operators and the EoR; written rain event feedback reports after rain events of more than 20mm; and written communication between the responsible tailings facility engineer and the accountable executive.

We also prepare hazard monitoring system reports – this is a technical system in which all data pertaining to the TSF is captured and evaluated by the EoR (including drain flows, phreatic levels, pool depths and freeboard, etc.). Our stability analyses are submitted to the DMPR annually.

Collaboration with conservation advocate and staunch TSF mismanagement critic, Mariette Lieferrink of the Federation for Sustainable Development (FSD), a local NGO, has elevated Pan African's TSF visibility. The MTR site is now used as a case study for university students and international observers, including representatives from the UN, and has received favourable feedback from the Church of England's Pensions Board, following numerous site visits.

The FSD has also facilitated local training for communities in safety, biodiversity awareness and TSF awareness and management protocols, contributing to long-term environmental literacy and stewardship in the region.

Pan African has made a significant effort to open our TSFs to external viewing so that we can create the necessary awareness and highlight TSF management best practices.





My environmental advocacy within the Witwatersrand goldfields began in 2004, three years prior to the formation of the FSD. This followed increased public awareness of the environmental impacts of mining activities in the Witwatersrand, with numerous scholarly and governmental reports detailing risks due to radioactivity, acid mine drainage, dust and concerns regarding human and environmental health. As a consequence, public environmental activism blossomed, and a contemporary environmental movement arose primarily from these concerns.

This in turn led to the birth of the Mariette Liefferink Federation for Sustainable Development (FSD), whose aims and objectives are in line with South Africa's National Development Plan 2030 to "raise the concerns of the voiceless and marginalised and hold government, business and all leaders in society accountable for their actions".

The FSE's advocacy included conducting hundreds of workshops, environmental tours and site visits; research in collaboration with national and international academic institutions; litigation; seminars; conferences and participation in governmental and academic task teams; and steering and advisory committees and forums. Additionally, press releases and interviews with national and international news media, documentaries, protest marches and extensive engagements undertaken with government and mining companies within the West and Far West Rand goldfields are evidence of our work in our attempt to bring accountability and create awareness of the situation in this area.

For our part, the FSE regularly conducts, in cooperation with mining companies within the West and Far West Rand, community social and environmental programmes and engages affected communities on the GISTM in terms of:

- informing interested and affected parties of the hazards, risks and impacts of tailings and TSFs
- how to minimise the risks to communities from tailings and TSFs
- preparing host communities in the event of a catastrophic failure of a TSF.

We also involve interested and affected parties in decisions regarding closure and closure objectives, post-closure and future land use.

The area around Mogale City has been particularly negatively impacted over a long period, with the well-publicised demise of the Mintails company, for which there has been no recourse to their directors, or as to why funds for rehabilitation were never accounted for by the regulators. Step in Pan African Resources, with their track record of turning tailings projects to account and beyond compliance approach to mining and community development. They have injected significant investment into the Mogale area and commenced with environmental clean-up even before plant construction. Pan African has been proactive with all engagements with the FSE, and the communities are seeing the benefits, as illegal mining is eradicated and water, land and air quality are measurably improved. There is still a long way to go, and the area is large, but the commitment shown, both financially and for doing the right thing, is a welcome breath of fresh air and has made my role even more fulfilling, and I will ensure that their future reports attest to this! We can, and have already made, a tangible and positive impact for all stakeholders in this area.

Emergency preparedness and response plans

Apart from the South African legislated emergency response plans, the need for an emergency preparedness and response plan (EPRP), aligned with the GISTM, with the requirement to include input from local authorities, impacted communities and first responders in the development and testing of such EPRP, has been demonstrated by recent international TSF failures.

Pan African's EPRPs are completed and signed off by the legally appointed stakeholders at each operation. The EPRP not only addresses the issues following a TSF failure, but also includes a trigger action response plan (GISTM-aligned) to identify early warnings and implement remedial actions to prevent catastrophic events or failures. The FY26 focus is a phased training and development approach for all stakeholders.

Training and development

Pan African is aware that ongoing training assists employees to understand their responsibilities, perform effectively, build on their strengths and grow within the organisation. The Company, therefore, regularly conducts tailings-specific training for all employees involved with the TSF operations.

Skills of key employees are continuously being developed through attending accredited conferences, workshops and webinars, and the sharing of the latest training material.

All Pan African operations have dedicated community and stakeholder engagement teams within the operational structures that conduct regular community intervention sessions and awareness campaigns.

The operations' environmental officers also form part of these teams and are actively involved in liaison with the communities in the form of joint projects, community activities (such as environmental awareness and clean-up days), stakeholder engagement forum meetings and public participation sessions.

Alignment with the UN SDGs and stakeholder expectations

Our tailings management practices contribute to several UN SDGs, particularly:

Looking ahead

Pan African will continue to expand its rehabilitation footprint, strengthen community partnerships and enhance transparency through regular reporting and third-party assurance. Our goal is to ensure that every TSF under our stewardship is managed with the highest standards of safety, sustainability and accountability, leaving behind a positive environmental legacy.

Innovation and continuous improvement

We are committed to continuous improvement in tailings management through the adoption of new technologies and nature-based solutions. Natural capital accounting will be introduced to quantify the ecological value of restored tailings areas, and biodiversity metrics are being integrated into rehabilitation plans. These innovations support our broader sustainability objectives and enhance the resilience of post-mining landscapes.

Progress report on compliance with the GISTM

Principles	GISTM recommendations	ITRB required	Compliant	Comments
1	Respect the rights of project-affected people and meaningfully engage them at all phases of the tailings facility life cycle, including closure	●	●	Evander Mines, the MTR operation and Barberton Mines have various interactions going within the communities independently and not necessarily aligned with GISTM outcomes, which could be seen as compliance individually – a uniform alignment plan needs to be created with all the role players to present a uniform goal aligned to the GISTM
2	Develop and maintain an interdisciplinary knowledge base to support safe tailings management throughout the tailings facility life cycle, including closure	●	●	This will include the principle 3.1 appointees, including metallurgical managers, plan managers, chief safety officers, environmental officers, the deposition manager (Eliikhulu), the operational manager (Eliikhulu), the accountable executive, the responsible tailings facility engineer, EoR, ITRB, operators Stefannuti Stocks and Instasol, operator management, operator safety officers and technical teams and additional SMEs when required
3	Use all elements of the knowledge base – social, environmental, local economic and technical – to inform decisions throughout the tailings facility life cycle, including closure	●	●	
4	Develop plans and design criteria for the tailings facility to minimise risk for all phases of its life cycle, including closure and post-closure	●	●	Full compliance upon pursuing principle 4.7 and conducting ALARP studies
5	Develop a robust design that integrates the knowledge base and minimises the risk of failure to people and the environment for all phases of the tailings facility life cycle, including closure and post-closure	●	●	
6	Plan, build and operate the tailings facility to manage risk at all phases of its life cycle, including closure and post-closure	●	●	
7	Design, implement and operate monitoring systems to manage risk at all phases of the facility life cycle, including closure	●	●	
8	Establish policies, systems and accountabilities to support the safety and integrity of the tailings facility	●	●	Each TSF is managed by site-specific systems as per the DMPR-specific regulations. The Group has developed and published a tailings policy, supported by a comprehensive tailings management system, EPRPs and trigger action response plans, all integrated within the Group's appointed management structure
9	Appoint and empower an EoR	●	●	
10	Establish and implement review levels as part of a strong quality and risk management system for all phases of the tailings facility life cycle, including closure	●	●	
11	Develop an organisational culture that promotes learning, communication and early problem recognition	●	●	
12	Establish a process for reporting and addressing concerns and implement whistle-blower protections	●	●	
13	Prepare for emergency response to tailings facility failures	●	●	A comprehensive EPRPs, incorporating an integrated trigger action response plan, was developed and formally endorsed by the relevant stakeholders, with a phased training programme scheduled for FY26
14	Prepare for long-term recovery in the event of a catastrophic failure	●	●	
15	Publicly disclose and provide access to information about the TSFs to support public accountability	●	●	Pan African has published its Tailings Management System on its website for public disclosure

OPERATIONAL REPORT – THE ENVIRONMENT

Pan African continues to demonstrate operational excellence through its integrated sustainability strategy, which is embedded across all sites and guided by global frameworks such as IFRS S1 and S2, the GRI, the TCFD and the TNFD. Our operations at Barberton Mines, Evander Mines, MTR and Tennant Mines are delivering measurable impact.

WATER STEWARDSHIP

Water remains a critical operational input and a shared resource with our host communities. Each site has adopted a tailored approach to water security and ecosystem protection:

- Evander Mines produced 920.0ML of potable water through its water treatment plant, reducing reliance on municipal supply and supporting local resilience. A second phase of the Elikhulu water treatment plant is currently under construction. It will double the plant's capacity from 3 million litres/day to 6 million litres/day. The expansion is projected to yield a net saving of nearly ZAR300 million over 10 years
- MTR is constructing a 3ML/day water treatment plant to treat acid mine drainage, with a projected 51% internal rate of return and a 24-month payback. MTR has restored natural water flows through concurrent rehabilitation and the removal of legacy tailings near sensitive watercourses. A state-of-the-art potable water treatment plant is under construction. It will treat acid mine drainage from legacy shafts to potable quality. The plant will produce 3ML/day and is expected to be commissioned in early FY26, and will significantly reduce reliance on municipal water and improve process efficiency and worker safety
- Tennant Mines commissioned a 0.05ML/day water treatment plant in April 2025.

ENERGY MANAGEMENT AND DECARBONISATION

Our energy strategy is focused on reducing emissions, improving efficiency and enhancing energy security:

- Solar plants at Evander Mines (9.975MW) and Fairview Mine (8.75MW) saved over ZAR118 million and avoided 12ktCO₂e in emissions
- Energy efficiency initiatives saved 6.9GWh and avoided 6.2ktCO₂e in Scope 2 emissions
- Evander Mines' phase 2 solar project will commence construction in FY26. This project is part of the Group's broader decarbonisation strategy and will contribute to the target of commissioning 40MW of solar photovoltaic (PV) capacity by FY27
- The MTR solar project is also in the project pipeline for board approval in FY26 and construction in FY27. This 19MW facility will support the energy needs of the MTR operation and contribute to emissions reduction and energy cost savings
- Planned alongside water infrastructure development, Tennant Mines' solar project, which is under investigation, reflects the Group's commitment to sustainable energy expansion in its Australian operations
- The PPA for 40MW has been signed with NOA Group.

The Group achieved a renewable energy mix of 8.8% ☀️ in FY25, with a target of 15% by FY27.

TAILINGS MANAGEMENT

Tailings stewardship is a cornerstone of our environmental and safety strategy:

- All TSFs are managed in alignment with the GISTM recommendations
- Governance includes an accountable executive, an EoR and the ITRB.

WASTE MANAGEMENT

We are advancing a circular economy approach to waste:

- 60% of total waste generated in FY25 was recycled
- A 25% increase in waste diversion was achieved through improved classification and recovery practices
- Hazardous waste is managed through biological oxidation and industrial symbiosis partnerships.

BIODIVERSITY CONSERVATION

Biodiversity is central to our sustainability strategy and is addressed through site-specific action plans:

- All operations completed LEAP analyses aligned with the TNFD to assess biodiversity risks and dependencies
- Restoration of wetlands and riparian zones at MTR, Evander Mines and Barberton Mines has led to the return of aquatic species and improved ecosystem services. MTR has rehabilitated over 130ha of land, including a 37ha wetland, while Evander Mines has restored 120ha of wetland and grassland
- Our inaugural TNFD report outlines strategic goals for habitat protection, species conservation and nature-positive mining.

CLIMATE CHANGE AND RESILIENCE

Climate risk is integrated into our enterprise risk management and strategic planning:

- Scenario analysis across four climate futures informs site-level adaptation and resilience planning
- A carbon price of ZAR300/tCO₂e is applied to capital projects exceeding ZAR50 million
- Scope 1 and 2 emissions increased in FY25. As our production increases, our GHG emissions are expected to increase. Pan African is committed to mitigating this situation through increased investments in renewable energy solutions and energy efficiency initiatives.

SOCIAL

MINING AS A PLATFORM FOR INCLUSIVE GROWTH AND COMMUNITY EMPOWERMENT

At Pan African, we believe that mining should be more than an extractive industry – it should be a transformative force that uplifts people, strengthens communities and contributes meaningfully to national development. Our operations are guided by the conviction that the true value of mineral wealth lies in the ability to create lasting socio-economic benefits for the people and regions where we operate.

We are committed to ensuring that our presence acts as a catalyst for inclusive growth. This means investing in infrastructure, education, healthcare and enterprise development that not only support our workforce and host communities today but also lay the foundation for resilient, self-sustaining economies long after mining activities have ceased.

Our approach is rooted in partnership. We work closely with local stakeholders, government bodies and development organisations to align our initiatives with community priorities. From skills development and job creation to supporting local suppliers and entrepreneurs, we aim to build ecosystems of opportunity that extend well beyond the mine gate.

We recognise that sustainable development is not a one-size-fits-all solution. That is why we tailor our programmes to the unique needs of each community, ensuring that our investments are inclusive, impactful and locally driven. Whether it is through agricultural projects like the Barberton Blueberries project, renewable energy initiatives or education and wellness programmes, we are committed to creating shared value that endures.

Our workforce is central to this vision. We strive to foster a safe, inclusive and empowering work environment where every employee has the opportunity to grow, contribute and thrive. By investing in our people and partnering with our communities, we are not only building a stronger business but are also helping to shape a more equitable and sustainable future.



Emjindini sewing cooperative

SOCIAL PERFORMANCE INDICATORS

Our dedication to improving the lives and career paths of our workers and host communities is reflected in our generally improving social KPI scores. Pan African has dedicated resources to ensuring this continues to improve and secures our social licence to operate.

Our measured and assured social KPIs are outlined below.

Social KPIs

Material topic	Sustainability information	Unit of measurement	FY25	FY24	FY23	FY22	FY21
Health and safety	Total recordable injury frequency rate	Rate per million person hours	6.56 [Ⓢ]	6.52	7.96	8.95	7.36
Diversity, inclusion and people	Employment equity – HDP	%	91.5 [Ⓢ]	92.0	90.7	89.3	
	Percentage of women in mining	%	19 [Ⓢ]	17.1	16.1	14.7	14.0
Community engagement and relations	Percentage of the total mining goods procurement spend allocated to South African-manufactured goods supplied by HDP-owned and controlled companies	%	33.86 [Ⓢ]	35.9	37.6	34.8	
	Percentage of the total services procurement spend, awarded to HDP-owned and controlled South African companies	%	63.35 [Ⓢ]	49.9	40.5	29.0	

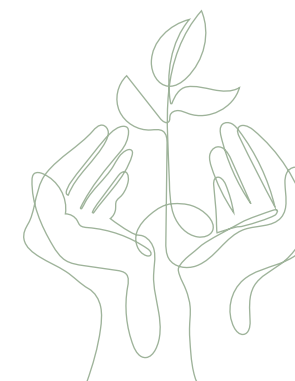
The table below outlines the large, strategic social initiatives that form part of executive management performance assessments. Completing these projects is an important, strategic element of our business that protects our social licence to operate and contributes to a happy, productive workforce.

Social performance scorecard FY25	Achieved/ not achieved
Achieving the safety targets for the Group's TRIFR as per the RMB Sustainability Bond Performance Targets for FY25	√
Submission of SLPs from Barberton Mines, Evander Mines and MTR to the DMPR, including consultation with relevant stakeholders. All three SLPs were approved	√
Implementation of a formal health and wellness programme at Barberton Mines, Evander Mines and MTR – phase 2	
Human resources: Awareness and education training on lifestyle diseases to 50% of the workforce	√
Social: Increase the number of physically active employees from the baseline number by 10% by promoting the sporting codes of soccer, running and others	√
Health: Creating baseline data to identify employees with multiple co-morbidities that impact employee wellness and productivity, and implement initiatives to counter	√

When responsibly managed, mining is more than the extraction of metals and minerals – it is a driver of long-term sustainable development. Mining operations are often located in remote areas where employment opportunities are limited, infrastructure is lacking and access to essential services is constrained. Through a commitment to local employment, skills development and enterprise support, mining can help transform these regions into vibrant, self-sustaining communities.

By prioritising local procurement and investing in supplier development, mining fosters the growth of businesses that can thrive beyond the life of the mine. Infrastructure developed to support operations, such as roads, energy systems, water treatment facilities and communication networks, often becomes a lasting asset for surrounding communities, improving quality of life and enabling broader economic participation.

At Pan African, we recognise the transformative potential of mining. Our approach is rooted in shared value and collaboration, creating resilient communities, supporting inclusive growth and ensuring that the benefits of mining extend well beyond the boundaries of our operations through partnerships with local government and our suppliers.



COMMUNITY ENGAGEMENT

Pan African continues to demonstrate a deep commitment to sustainable development, social upliftment and inclusive economic growth across its mining operations. In South Africa, our initiatives with our host communities and our employees continue to grow and deliver meaningful impact.

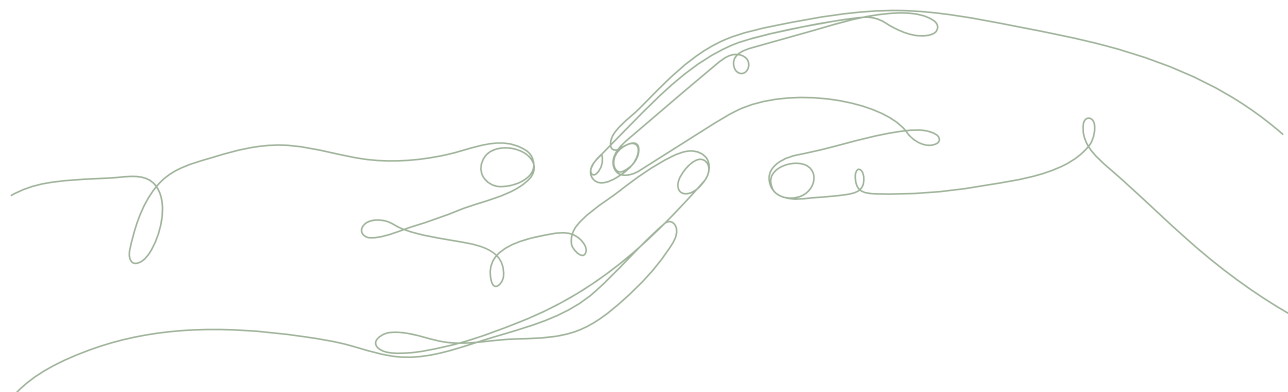
In Australia, mining companies, particularly those operating in the Northern Territory, engage with indigenous communities and traditional owners through structured legal and governance frameworks. These include the Aboriginal Land Rights Act and the Native Title Act, which provide the basis for negotiating land access and establishing benefit-sharing agreements. The Northern Territory Government has streamlined permitting processes to encourage indigenous engagement and promote environmental stewardship, while new sustainability regulations introduced in 2025 require climate risk disclosures, water management plans, biodiversity offsets and indigenous involvement in environmental governance.

Best practices in biodiversity and land use further reinforce this commitment. Tennant Mines will actively involve indigenous communities in stewardship roles where possible. We also intend to use native vegetation for rehabilitation and will map water-dependent ecosystems. These efforts will increasingly be integrated into capital planning and natural capital accounting when this is developed for the Group's longer-term planning horizon. The initiatives reflect a broader national, industry-wide commitment to responsible mining, indigenous inclusion and long-term environmental and social sustainability. Pan African is aligning its approach at Tennant Mines with these expectations, ensuring that its operations contribute meaningfully to inclusive development and ecological resilience.

These initiatives, in South Africa and Australia, are not only aligned with regulatory compliance but also reflect Pan African's strategic vision of creating long-term shared value for its host communities.

Procurement KPIs: Mining goods and services procurement spend on HDP-owned and controlled companies (ZAR million)	FY25	FY24
Total procurement spend	5,827,116,766	5,061,261,786
Total mining goods spend	2,377,351,935	2,233,319,122
Total mining goods procurement spend on South African manufactured goods from HDP-owned and controlled companies	805,030,260	802,184,543
<i>Total mining goods procurement spend on South African manufactured goods from HDP-owned and controlled companies as a percentage of total procurement</i>	14%	16%
<i>Total mining goods procurement spend on South African manufactured goods from HDP-owned and controlled companies as a percentage of total mining goods</i>	34%	36%
Total services spend	3,449,764,831	2,827,942,664
Total services procurement spend on South African-based HDP-owned and controlled companies	2,185,316,190	1,410,206,939
<i>Total services procurement spend on South African-based HDP-owned and controlled companies as a percentage of total procurement</i>	38%	28%
<i>Total services procurement spend on South African-based HDP-owned and controlled companies as a percentage of total services spend</i>	63%	50%

HDP-owned or controlled companies >= 50%
 Women-owned or controlled companies >= 50%
 Youth-owned or controlled companies >= 50%



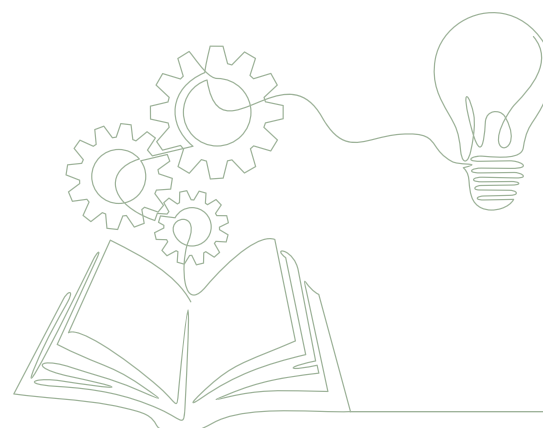
Barry Naicker
Group ESG manager



“At Pan African, we see community engagement not as a formality, but as a fundamental aspect of our operating ethos. Our long-term success is built on mutual trust and shared value, ensuring that the benefits of mining extend to everyone we work with, from employees and suppliers to host communities and governments. We are committed to being active contributors to local development, using our presence to support inclusive economic growth. Through targeted investments, local procurement and skills development, we aim to strengthen the foundations of resilient communities, creating opportunities that endure well beyond the operational lives of our mines.”

OPERATIONAL REPORT – SOCIAL INITIATIVES

In FY25, Pan African deepened its commitment to inclusive development and community empowerment across all operations. Through a combination of SLP implementation, CSI initiatives and enterprise development programmes, the Group delivered tangible socio-economic benefits to host communities in Mpumalanga and Gauteng. These efforts were guided by a shared vision of creating long-term value beyond the life of mine, with a strong emphasis on education, health, employment, infrastructure improvement and local economic participation.



At Barberton Mines, the completion of the Fairview Community Hall – a ZAR12 million investment – provided a vital social hub for Emjindini Township and created 48 temporary jobs, prioritising youth and women. The community works programme, under the Barberton Mines Transformation Trust, trained and employed 27 local participants in essential municipal services, while the ESD programme supported 26 community-based businesses with over ZAR4.2 million in funding. Preferential procurement exceeded ZAR37.9 million, creating 321 jobs, and a capacity-building initiative with the local taxi association prepared 10 operators to provide staff transport services. Barberton Mines’ education pipeline also showed strong results, with bursars progressing into technical and leadership roles within the mine, and 25 high-achieving learners supported through a pre-tertiary bursary programme.

Evander Mines maintained momentum despite delays in major SLP project approvals. The mine implemented a range of impactful initiatives, including a sewing project that trained women and youth to become personal protective equipment (PPE) suppliers, a pothole repair programme in partnership with the local municipality and a hunger alleviation campaign that reached 200 vulnerable individuals. The Govan Mbeki School Drive supported 500 learners with essential supplies, while a waste management project created 15 to 20 jobs and improved public hygiene. A business incubation programme supported 10 small, medium and micro enterprises (SMMEs), resulting in 120 permanent jobs. Fifteen learners were also enrolled in artisanal training, and a youth-focused enterprise development project is planned for FY26.

At MTR, Pan African focused on rebuilding trust in communities disillusioned by legacy operators. Through public engagement, safety investments and quick-win CSI projects, the mine re-established its social licence to operate. In Mogale City, the reconfigured and now approved 2009 to 2013 Mintails SLP and the newly submitted Pan African 2024 to 2028 SLP include projects such as a hydroponic nursery and school laboratory refurbishments. In Soweto, where no formal SLP exists, MTR has delivered bursaries, food parcels and school

SOCIAL continued

uniforms and supported a health NGO for children with cerebral palsy. Stakeholder engagement has been strengthened through digital platforms like WhatsApp and Trello, enabling real-time communication and tracking of commitments. In addition, a 'beyond compliance' approach to tailings rehabilitation and management was undertaken in the Soweto region.

The Barberton Blueberries project, the Group's 15ha social flagship blueberry farm, continues to demonstrate the potential of parallel economies. The farm employs 17 people and 320 seasonal people, 80% of whom are women, for the blueberry harvest months between June and October. The operation supplies premium produce to local and international markets. Sustainability practices include water-efficient fertigation, environmentally friendly pest control and compliance with global agricultural standards. Community engagement is embedded in the operation, with initiatives such as a beekeeping partnership, youth career days and seasonal worker recognition programmes.

Together, these initiatives reflect Pan African's integrated approach to social performance – one that is embedded in partnership, transparency and long-term impact. The Group's social investments are not only aligned with regulatory requirements but also with its broader commitment to the UN SDGs and the creation of resilient, inclusive communities.



Risk management and opportunity creation

Community initiatives are designed to mitigate social risks such as unrest, unemployment and service delivery protests. Projects are aligned with the UN SDGs, focusing on people (education, employment and health), the planet (environmental stewardship and sustainable resource use), prosperity (economic development and enterprise support) and peace and partnerships (strengthened stakeholder relations, combating illegal mining and governance).



Future focus areas

Future focus areas include the expansion of learnerships and youth development programmes, enhanced enterprise development with a focus on women and youth entrepreneurs, continued integration of community feedback into planning and implementation, and strengthening of monitoring and evaluation frameworks to track impact and improve accountability.

Pan African has made significant strides in embedding community engagement into its core operations. Through targeted investments in education, health, infrastructure, enterprise development and stakeholder collaboration, the Company is fostering resilient, inclusive and sustainable communities across its mining footprint. The FY25 initiatives reflect a maturing approach to social performance – one that balances compliance, innovation and long-term impact.

Portable skills training in building and construction skills at Barberton Mines



SUPPLIER DEVELOPMENT AND BROAD-BASED BLACK ECONOMIC EMPOWERMENT

Strategic alignment with the National Development Plan

Pan African aligns its supplier development with South Africa's broad-based black economic empowerment (B-BBEE) framework, focusing on ESD, preferential procurement and skills development.

We align development priorities by ensuring that mining benefits are distributed to local communities through procurement, employment and infrastructure investment. Supplier development is a tool we use to assist in the urgent need for economic transformation.

Local procurement

Pan African targets increased spending with HDP-owned, women-owned and youth-owned businesses.

Procurement spend Group (ZAR million)	FY25		FY24		FY23	
		% of total spend		% of total spend		% of total spend
HDP-owned businesses	2,990,346,451	51	2,243,585,703	44	1,440,065,709	47
Women-owned businesses	528,999,723	9	507,277,987	10	391,914,858	13
Youth-owned businesses	415,065,019	7	156,032,517	3	66,027,768	2
Local procurement (Host communities)	1,308,202,337	22	1,270,498,403	25	853,717,375	28
Total spend	5,856,850,052		5,061,261,786		3,035,039,935	

HDP-owned or controlled companies >= 50%

Women-owned or controlled companies >= 50%

Youth-owned or controlled companies >= 50%

Pan African is fully committed to fostering the growth and scalability of SMEs and HDP-owned businesses, and we actively implement measures to support their development. However, individual business decisions and external market factors remain beyond our control, which may result in varying levels of performance across the Group over time. Despite this, we continue to engage proactively to maximise sustainable participation and long-term success.

Enterprise and supplier capacity building

Pan African provides technical assistance, access to finance and incubation support to emerging suppliers. The Company supports SMEs through training, mentorship and market access. We have established supplier development hubs or incubators near operations to provide training, mentorship and access to procurement pipelines. We prioritise high-impact sectors like manufacturing, logistics and services.

At Pan African, we are committed to driving sustainable growth by empowering local enterprises. Our ESD programme opens outsourcing opportunities, fosters economic empowerment and aligns with our 'beyond compliance' approach.

Partnering with Aurik Enterprise Development, an expert with a proven track record of empowering over 3,500 businesses, including 695 in the mining sector, we create lasting impact on businesses, communities and beyond.

Inclusive and equitable development

Pan African prioritises transformation through B-BBEE scorecard compliance, focusing on ownership, management control, skills development and preferential procurement. Pan African has adopted the guidelines of the Mining Charter III, 2018, as a voluntary framework. The charter recommends that mining right holders achieve a minimum of 30% B-BBEE ownership, ensure employment equity across all occupational levels and implement inclusive procurement and supplier development. This includes:

- 70% of mining goods procurement from South African B-BBEE-compliant manufacturers
- 80% of services procurement from B-BBEE-compliant service providers
- 100% of all procurement to be from companies with a minimum of Level 4 B-BBEE status.

ESD is supported through incubation, access to finance and capacity building for black-owned SMMEs.

Our unified strategy embeds the Mining Charter III's transformation imperatives into supplier development KPIs, including setting procurement targets for black-owned, black women-owned and black youth-owned businesses, tracking employment equity across supplier networks, supporting women and youth through targeted ESD programmes and ensuring that supplier development initiatives contribute directly to B-BBEE scorecard performance and Mining Charter III compliance.

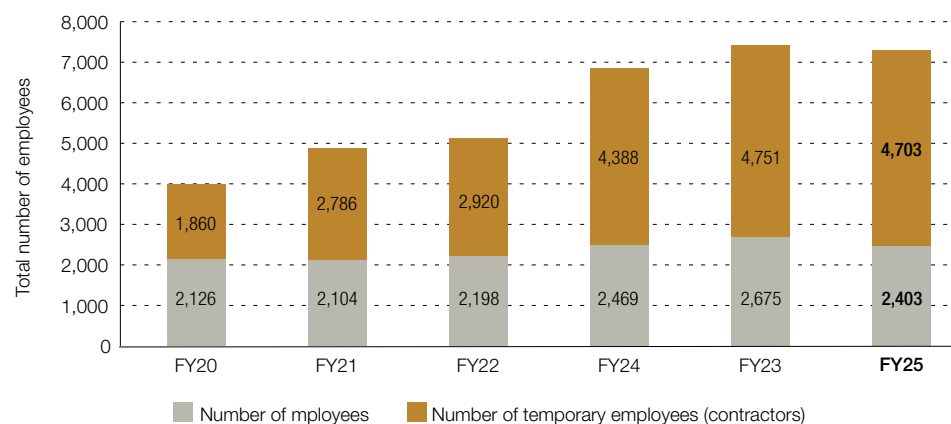
Sustainability and ESG integration

Pan African encourages suppliers to adopt ESG practices. We are working to introduce a supplier ESG maturity model that includes emissions tracking, ethical labour practices and environmental compliance. Technical support will be provided to help local suppliers meet these standards.

WORKFORCE PROFILE

The total number of employees (permanent employees and contractors) was 7,106, reflecting a decrease of 4% from the previous year.

Total Group employees by employment type

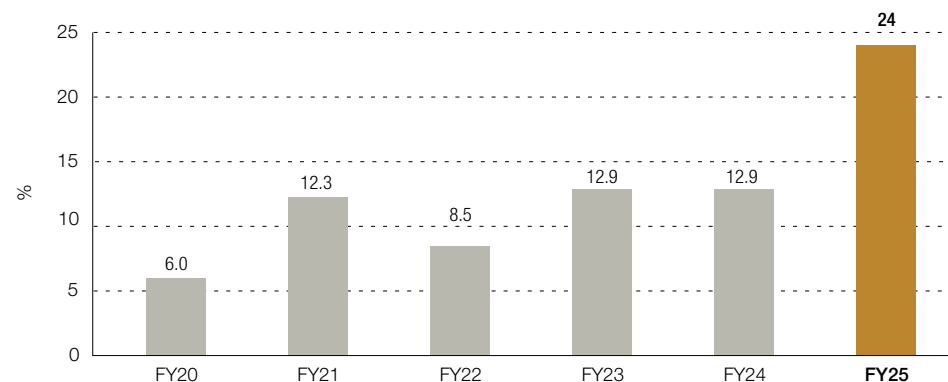


To maintain a comprehensive understanding of our workforce dynamics we actively monitor employee turnover, which includes voluntary resignations, retrenchments and dismissals.

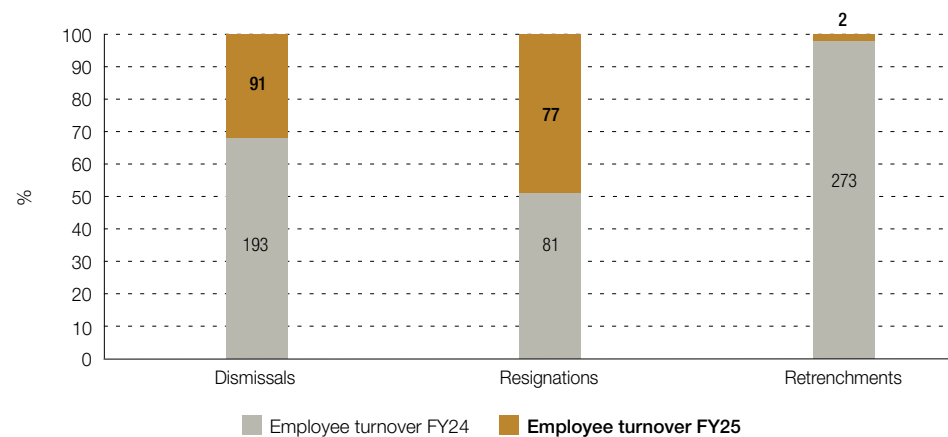
In FY25, our overall employee turnover rate increased from 12.9% to 24%. This increase is primarily attributable to the significant restructuring process undertaken at Barberton Mines.

We remain committed to stabilising our workforce and are actively exploring initiatives aimed at reducing turnover. Our focus is on aligning more closely with natural attrition rates to support organisational sustainability and employee well-being.

Group total employee turnover rate



Employee turnover (major categories)



Retrenchments

During the year under review, a total of 273 (FY24: 2) permanent employees were retrenched, of whom 272 (FY24: 2) were from our Barberton Mines complex due to rightsizing and optimising our operations for a more sustainable future.

Gender diversity

We have maintained our levels of gender diversity across the Group over the past financial year.

Percentage of permanent employees by gender



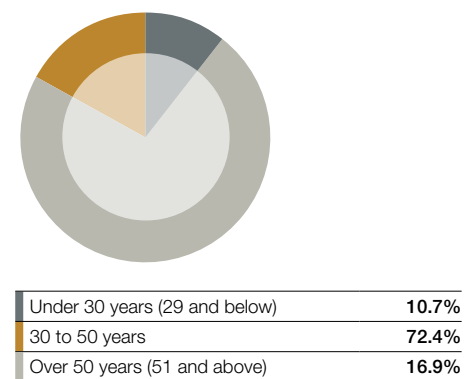
Percentage HDP and female representation

	Group HDP representation %	Group female representation %
Executive management	13.0	6.0
Senior management	70.0	17.0
Middle management	67.0	17.0
Junior management	78.0	20.0
Employees with disabilities	90.0	30.0
Core and critical skills	9.70	19.0
Total	91.5	19.0

Age diversity

Our age diversity remained constant during the past year.

Permanent employees by age group



Commitment to inclusive employment and development

Pan African is one of the largest employers within the communities where we operate, providing both permanent and temporary job opportunities across the full scope of our activities.

Our human resource philosophy is built on the principle of equal opportunity, guaranteeing that employment practices are free from discrimination based on race, religion, belief, opinion or gender.

We are committed to creating a workplace culture where every employee has fair access to development opportunities and is empowered to achieve their full potential without obstacles. This approach promotes both personal growth and the long-term sustainability of our workforce. We continue to promote gender equity, cultural inclusivity, non-discrimination and equal access to opportunities across all levels of our organisation. Our recruitment, training and development practices are designed to eliminate bias and ensure that all employees, regardless of gender, race, age,

disability or background, can thrive and contribute meaningfully to our success.

Our approach to diversity and equal opportunity is embedded in our broader sustainability strategy and aligns with our values of respect, integrity and accountability.

In FY25, we made measurable progress in increasing female representation in leadership roles and technical fields, while also expanding our support for youth employment and skills development through targeted bursaries and internships. We also strengthened our partnerships with local communities to promote inclusive economic participation, particularly through local procurement and enterprise development initiatives.

Looking ahead to FY26, we aim to deepen our impact by setting clear diversity targets, enhancing inclusive leadership training and embedding inclusive practices into our operational culture. We recognise that a diverse and inclusive workforce is essential to innovation, resilience and long-term value creation for all our stakeholders.

Employee incentives

Pan African offers short-term incentives to all employees, structured around predetermined key performance areas (KPA). These KPAs typically include personal performance indicators, safety, production and cost targets. The specific structure and weighting of these KPAs are tailored according to different employment levels to ensure relevance and fairness.

In addition to these incentives, the Company provides a range of support services to promote employee well-being and productivity, including:

- an employee wellness programme
- health initiatives
- financial advice and support
- an employee assistance programme.

These offerings form part of our broader commitment to creating a supportive, healthy and high-performance work environment.

LEARNING AND DEVELOPMENT

Developing the skills and capabilities of our workforce remains a key pillar of Pan African’s sustainability strategy, especially in a dynamic and highly regulated mining environment. Our learning and development programmes are designed to build technical proficiency, improve safety performance and prepare employees to contribute meaningfully to the operational efficiency and long-term sustainability of our mining operations.

We offer a comprehensive suite of development opportunities, including technical training in mining, metallurgy, geology, engineering and safety standards, as well as leadership and supervisory development programmes. Through accredited training providers, in-house mentorship and structured apprenticeships, we continuously equip employees with critical skills that support both personal career growth and operational excellence.

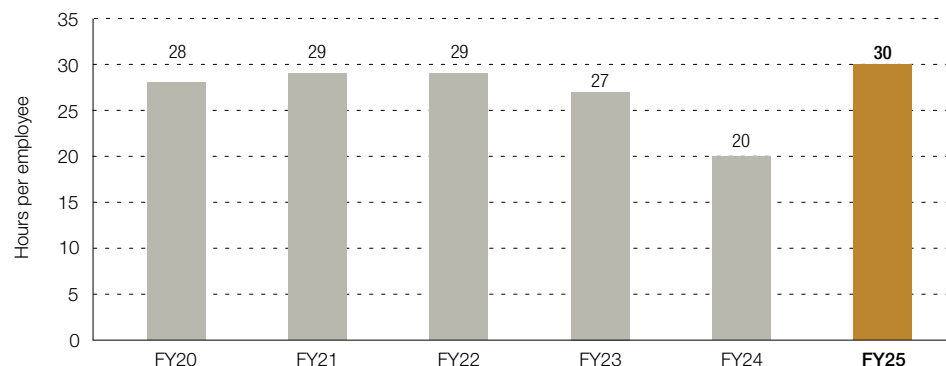
A significant focus is placed on safety training, given the inherent risks associated with mining activities. Our safety-focused programmes ensure employees are well-versed in regulatory compliance, hazard identification and risk mitigation strategies, thereby fostering a culture of zero harm.

We are committed to enhancing skills development within the communities around our operations. Initiatives such as learnerships, internships and bursary programmes create opportunities for local talent to gain employment in the mining sector, supporting socio-economic upliftment.

We diligently track training hours, participation rates, and competency results to ensure our programmes deliver measurable impact. Additionally, our succession planning and talent pipeline development aim to build a sustainable, skilled and diverse workforce capable of overcoming the challenges of a resource-driven industry.

By investing in learning and development, we enhance our capacity to operate responsibly, increase operational resilience and contribute to the broader transformation objectives of the mining sector.

Average hours of training per employee



The increase in training per employee reflects our commitment to developing a skilled, safe and future-ready workforce. This includes enhanced focus on health and safety training, which remains a critical pillar of our operational and sustainability strategies. We have expanded our programmes to ensure all employees are equipped with the knowledge and skills to work safely and responsibly, in alignment with evolving regulatory standards and requirements. In addition, we continue to invest in upskilling, compliance and leadership development to build long-term organisational resilience and support sustainable growth.

MYPAR: A BREAKTHROUGH IN WORKFORCE EMPOWERMENT

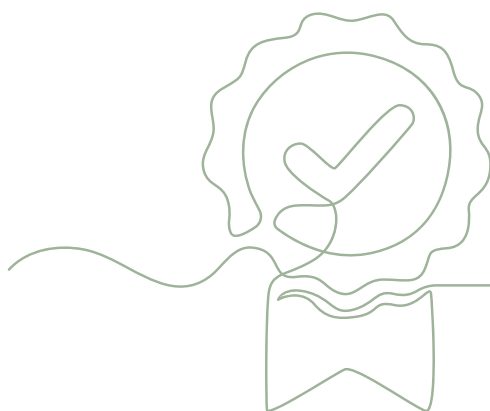
Pan African has set a new industry benchmark with the launch of MyPAR, a pioneering mobile app that redefines how mining employees engage with learning, safety and development. First deployed at Barberton Mines, MyPAR is more than a digital tool – it is a strategic investment in people, productivity and progress.

This industry-first innovation places mobile human resource, training and safety directly into the hands of employees. From accessing payslips and submitting leave to completing bite-sized safety modules and earning rewards, MyPAR transforms routine tasks into empowering experiences. Its 14 Life-saving Behaviours training series – delivered through short videos and quizzes – marks a shift from traditional classroom learning to on-demand micro-learning, tailored for high-impact safety outcomes.

The app’s integration with Empowerfin adds another layer of value, offering financial literacy and safe lending support to address a critical social risk. By combining education, wellness and recognition, MyPAR fosters a culture of engagement, accountability and continuous improvement.

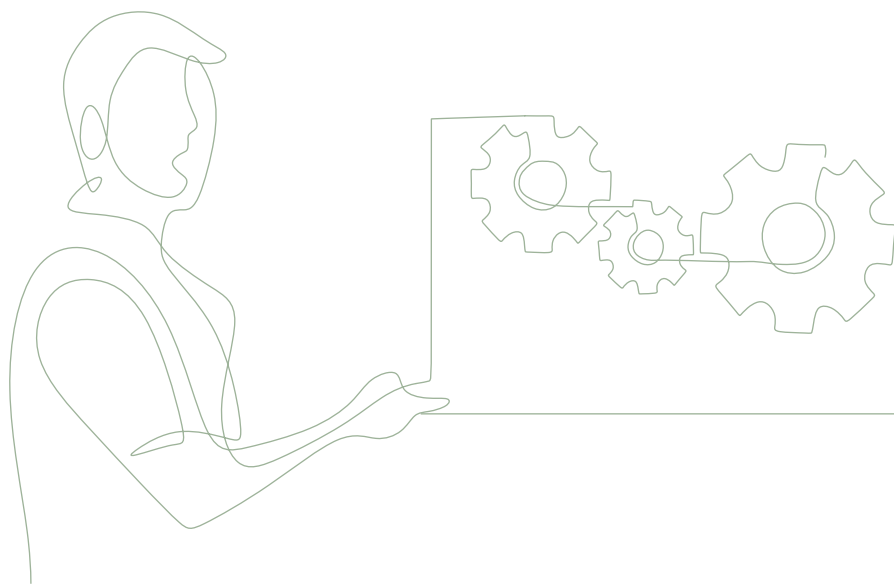
Embraced by human resource teams and frontline workers alike, MyPAR is already driving measurable impact at Barberton Mines and will be rolled out across other operations in FY26. It supports Pan African’s ESG goals by embedding real-time data, behavioural safety and inclusive development into daily operations.

With MyPAR, Pan African is not just mining gold – it is mining potential through People, Action and Results. This is digital transformation with purpose, and a bold step toward a safer, smarter and more connected workforce.



Learnerships, internships, graduate programmes and apprenticeships

FY25 programme	Number of participants	Number of HDSA	HDSA %	Number of women	Women %
Apprenticeship (18.1) – electrical engineering, diesel mechanic, boilermaker, fitter and turner, plumbing	18	18	100	3	17
Learnerships (18.1) – blasting, mineral processing, onsetters, carpentry	41	36	88	8	20
MQA programmes (18.1) – mine overseers, mine managers	6	5	83	3	50
Programmes (18.1) – shift managers	36	27	75	5	14
Apprenticeship (18.2) – electrical engineering, diesel mechanic, fitter and turner, instrumentation engineering	14	14	100	6	43
Graduate programme (18.2) – mining engineering, electrical engineering, mechanical engineering, mineral surveying, strata control, metallurgy	29	29	100	8	28
Internships (18.2) – metallurgy, environmental, HR, finance	13	13	100	6	46



Pan African offers bursaries to promising students, mainly within the mining industry. There are currently 53 active bursary holders (FY24: 48) within the Group. Bursary holders are individuals who receive a bursary from the Group to study full or part-time at an accredited tertiary institution. Such individuals are often then retained by the Group through suitable employment to benefit from the investment made.

FY25 bursaries

FY25 programme	Total	HDSA %	Number of HDSA	Number of women	Women %
Bursaries (Internal) 18.1					
FY25	9	89	8	4	44
FY24	20	90	18	6	30
FY23	10	0	10	4	40
Bursaries (External) 18.2					
FY25	46	93	43	7	15
FY24	14	100	14	7	50
FY23	12	0	8	5	42

Pan African invested ZAR34,994,885 (US\$1.9 million) in employee development and training during FY25.

Barberton Mines

The training centre at Barberton Mines has recently been refurbished and accredited to provide further training. During the year, 346 employees attained Mining Qualifications Authority (MQA)-accredited competency certificates:

- 31 x MQA Competent A
- 254 x MQA Competent B
- 24 x MQA Blasting Assistant
- 37 x Occupational Health and Safety certificates.

Evander Mines

Evander Mines constructed an underground simulation (mock-up) workplace at the training centre, which provides training for our employees. We have found that employees develop skills much faster when theoretical and practical training is conducted in tandem.

The training centre at Evander Mines has recently been accredited (i.e. mineral processing) to provide further training.

DRIVING ENGAGEMENT: PAN AFRICAN'S PARTNERSHIP WITH FREE TO GROW

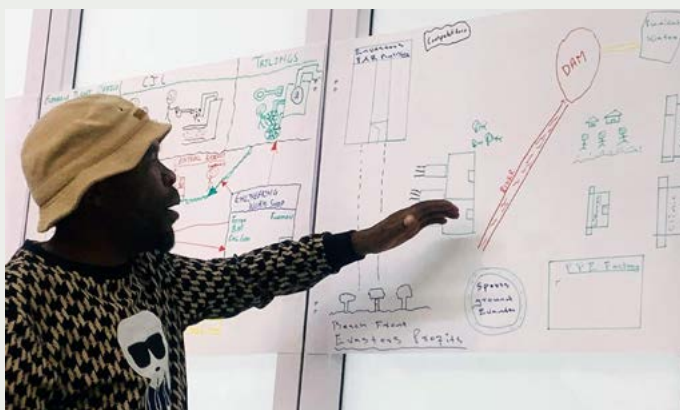
Pan African, in partnership with Free To Grow, embarked on a comprehensive journey to foster a more engaged and productive work environment for its employees at the Elikhulu and Kinross plants at Evander Mines. This strategic intervention underscored a shared commitment to cultivating a positive workplace culture and enhancing leadership effectiveness, ultimately benefiting both employees and the business.

The initiative commenced with a culture and engagement survey, providing a crucial baseline with an impressive 90% employee participation rate. The survey offered deep insights into the current state of engagement, highlighting strengths in team relations and strategic alignment, while identifying key areas for improvement in employee voice, recognition and praise, and personal development.

The WorkQ employee engagement programme was then implemented, involving just under 200 employees, including their direct leaders and supervisors. WorkQ developed the mindset, knowledge and skills necessary to inspire employees to show up differently at work, which aligned teams behind a shared vision and commitment to making Pan African's values tangible. Participants described WorkQ as "educational, informative, excellent, inspiring and motivating".



Subsequently, LeadQ was introduced, specifically designed to empower the leaders that attended WorkQ with their teams. It equipped them with valuable insights into understanding their teams, serving as positive role models and effectively supporting and recognising achievements. Participant feedback was overwhelmingly positive, describing LeadQ as "developmental, engaging, effective and valuable," significantly boosting leaders' confidence and encouraging knowledge sharing, evident in observed shifts towards a clearer



focus on team engagement. To further solidify these learnings, WorkQ Bytes then provided these leaders with practical tools and a structured 12-week framework for meaningful team conversations, enhancing their understanding of creating a positive environment and appreciating their team members' efforts.

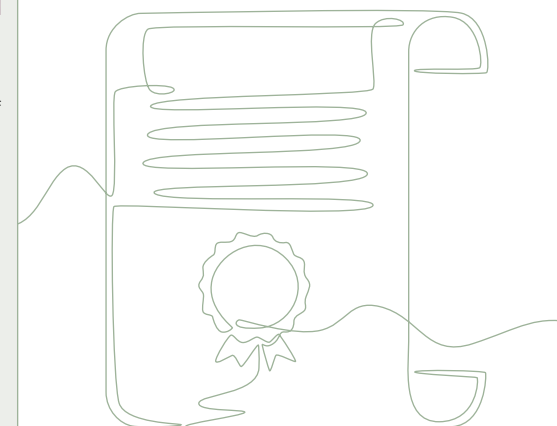
Leaders' self-assessments confirm they now feel better equipped and more motivated to engage their teams and provide constructive feedback. Senior leadership has recognised the positive impact and is committed to sustaining these changes. While long-term assessment is ongoing, this intervention has already been viewed as a valuable investment, with clear expectations for positive returns in productivity, employee conduct and overall organisational culture. This collaboration between Pan African and Free To Grow exemplifies a proactive approach to fostering a workplace where employees feel valued, heard and empowered, ultimately driving business success.

MTR operation

MTR opened a new training centre at the beginning of 2025 and focused on providing support to the processing plant and safety department by ensuring employees have all the required operational and legal training. A major part of our training objectives is supporting the Company's efforts to meet SLP commitments for community development and the Company's strategic vision of 'beyond compliance'.

Apart from induction and other onboarding training, to date, we have managed the following:

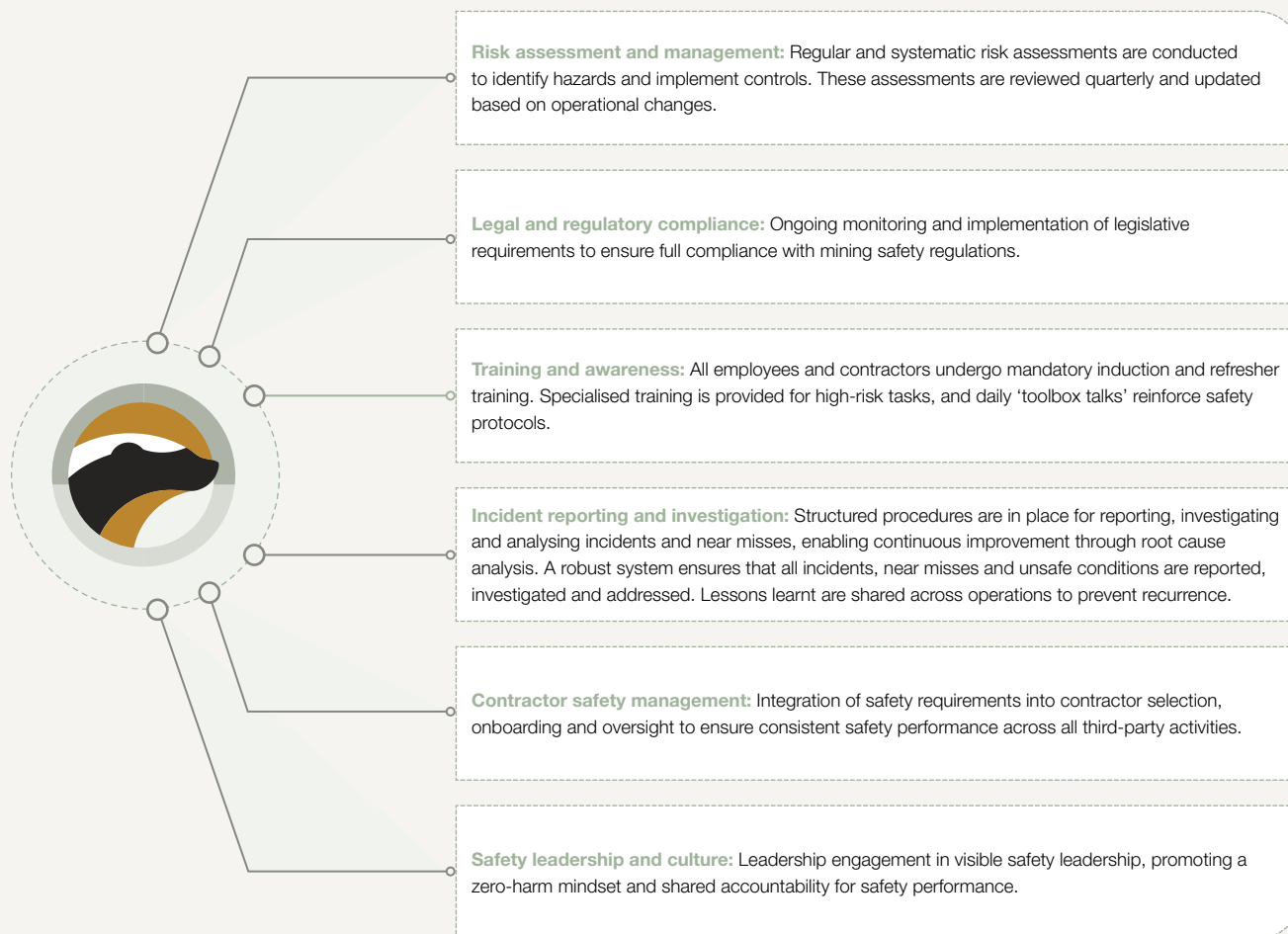
- 307 employees have received additional legal and operational training to enable them to perform better at their jobs
- 11 employees have received chemical handling skills programme training
- 27 community members completed their adult basic education and training in April 2025, and a further 20 are starting in August 2025.



HEALTH, SAFETY AND WELL-BEING

Pan African has implemented a comprehensive health and safety management system, aligned with the South African Mine Health and Safety Act, 29 of 1996, and international standards such as ISO 45001.

This system is designed to proactively manage occupational risks and embed a strong culture of safety across all operations. Key components include:



Occupational health and hygiene

Pan African prioritises the long-term health of its workforce through a structured occupational health and hygiene programme:

01.

Health surveillance

Employees undergo regular medical assessments, including screenings for lifestyle diseases such as hypertension and diabetes. Occupational health clinics are available on-site.

02.

Noise and dust monitoring

Continuous monitoring of noise and airborne particulates is conducted in underground and surface operations. Administrative engineering controls and PPE are used to mitigate exposure.

03.

HIV/Aids and chronic disease management

Voluntary testing, counselling and antiretroviral therapy are provided. Awareness campaigns aim to reduce stigma and promote early diagnosis and treatment.

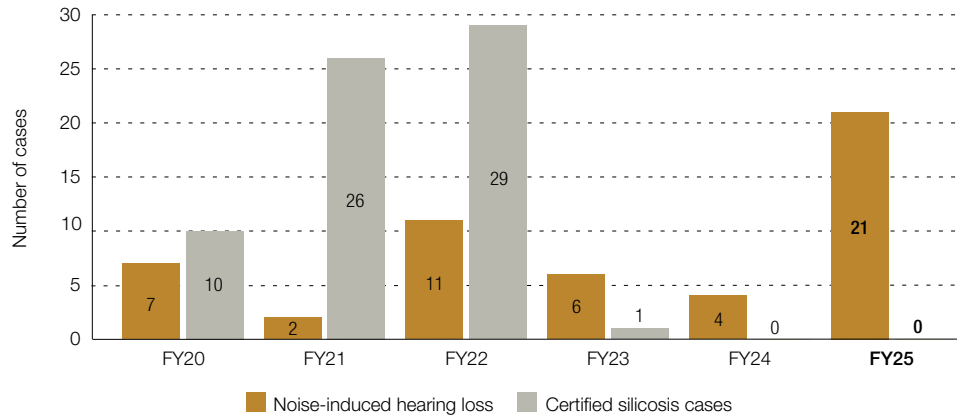
OCCUPATIONAL HEALTH

Pan African is dedicated to promoting healthy and safe workplaces for both our employees and the surrounding communities. Our comprehensive occupational hygiene programme aims to protect the long-term health of our workforce by proactively managing occupational hazards, including dust inhalation, excessive noise exposure and heat stress, directly at their sources.

The following graphs illustrate trends in work-related illnesses, highlighting a notable increase in cases of noise-induced hearing loss. This rise is primarily attributed to contractors engaged during the construction phase of the MTR project. Encouragingly, there have been zero reported cases of silicosis to date.

Looking ahead to FY26, the Group remains committed to fostering a strong health and wellness culture across all operations. We will continue to drive positive behavioural changes and implement measures aimed at minimising work-related illnesses, ensuring a safer and healthier workplace for everyone.

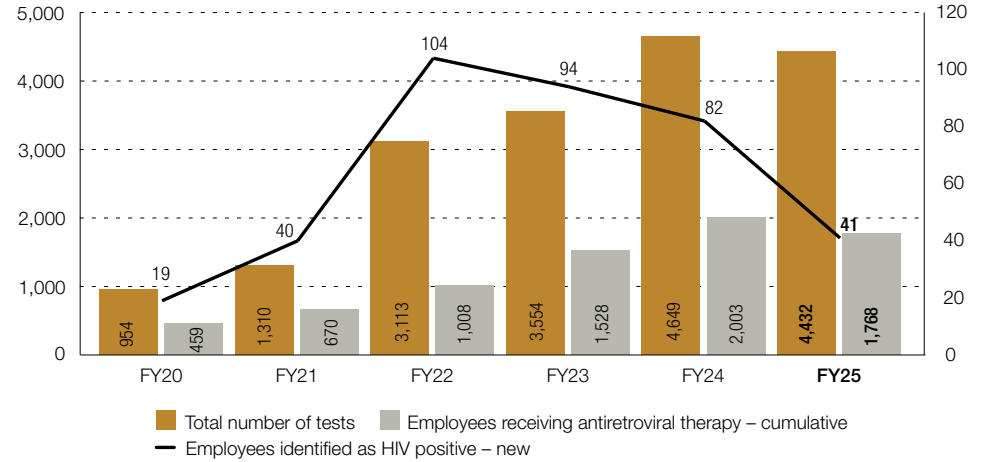
Work-related ill-health



South Africa continues to face ongoing challenges related to the HIV/Aids epidemic, and we remain committed to raising awareness and encouraging all employees to know their HIV status. In FY25, the Group's operations continued to provide voluntary HIV counselling and testing services to prospective and permanent employees, including contractors, supported by an on-site counsellor who offers guidance on HIV and other health matters.

Our initiatives focus on reducing the stigma associated with HIV/Aids and other illnesses while enhancing awareness. Over the past year, there has been a noticeable decrease in the number of HIV tests conducted and employees receiving antiretroviral treatment, highlighting the need to strengthen our efforts to support the health and well-being of our workforce.

HIV/Aids



WELLNESS AND RESILIENCE PROGRAMMES

Recognising the link between well-being and productivity, Pan African has launched several wellness initiatives. The FY25 saw significant progress in our efforts to promote a healthy and productive work environment across all our operations. The Wellness Project, which ran from July 2024 to June 2025, aimed to integrate wellness initiatives into the workplace culture. It emphasised physical activity, nutritional education, and mental health support, along with establishing a database to monitor the health of vulnerable employees for co-morbidities that affect their wellness and productivity.

Education awareness of lifestyle illness and nutrition
65%
 of the Group's employees reached

Movement of people to promote health and wellness
15%
 of the Group's employees reached

Creating baseline data to identify employees with multiple co-morbidities that impact employee wellness and productivity
 All employees screened for obesity hypertension and diabetes

Pan African celebrating the 2025 Pro-athletic Team and Wellness Champions

In collaboration with Hamlett Sport and Wellness, Pan African proudly honours the exceptional athletes who have distinguished themselves in their respective sports throughout FY25, while also advancing wellness initiatives at our operations. Here are the remarkable achievements of these champions:

- Gordon Lesetedi: Secured a gold medal at the esteemed Comrades Marathon, a grueling 90km race
- Kebogile Motshabi: Triumphed in the Gijima Nkomazi Ultra (64km) and earned the Isabel Roche-Kelly medal at the Comrades Marathon
- Proud Chauke: Achieved victories in both the Gijima Nkomazi Ultra and the Run Zone Ultra (50km)
- Flavio Sehlohle: Claimed first place at the Botswana TC Marathon with an impressive time of 2:18 and also triumphed at the NMC Marathon
- Musa Zweni: Recorded personal bests of 5:50 at the Comrades Marathon and 3:05 at the NMB Gqeberha 50km
- Mpho Gift Mokoena: Won the Evander Half Marathon and completed the Comrades Marathon in a time of 6:08
- Catherine Malungane: Achieved victory in the Jackie Meckler 25km and dedicates her time to coaching youth in Pretoria, including Tiisetso Molungone, a record holder in the South African 1,500m



Commitment to safety and continuous improvement

The Group remains steadfast in its commitment to ensuring the safety of all employees. Safety continues to be a core value and a top operational priority. Throughout the year, the Group invested in and implemented various initiatives aimed at eliminating workplace injuries and promoting a culture of proactive safety management. Despite the challenges encountered, the Group remains dedicated to ensuring that every employee returns home safely at the end of each shift.

We strive to create an environment of zero harm by maintaining a safe and healthy workplace and managing our activities in a way that eliminates accidents, minimises health and safety risks and promotes excellence in the performance of our operations.

We recognise that the better we care for the safety, health, environment and wellness of our employees, the more likely we will be to attract and retain the highest calibre of people.

Consistently high health and safety standards are fundamental to retaining the support of regulators, investors and employees.

Safety performance overview

The Group's TRIFR of 6.56[Ⓢ] was well below the target of 7.75 aligned to the SBLF. Nonetheless, this figure remains stable compared to the FY24 safety performance.

This positive outcome reflects the collective efforts of employees and management in enhancing workplace safety.

The LTIFR also improved, dropping to 1.65 from 1.82 in the previous year. This indicates a reduction in injuries that result in lost workdays and demonstrates the effectiveness of the safety measures in place.

However, the RIFR regressed slightly to 0.88 from 0.78 the previous year. Despite this regression, the RIFR remains well below the industry benchmark and continues to stay under 1.00. This area will require additional focus and targeted interventions to reduce reportable injuries going forward.

	FY25	FY24	FY23	FY22	FY21
Total recordable injury frequency rate	6.56 [Ⓢ]	6.52	7.96	8.95	7.36
Lost time injury frequency rate	1.58	1.82	1.86	1.04	1.41
Reportable injury frequency rate	0.85	0.78	0.81	0.35	0.63

Safety incidents

Tragically, the Company recorded two fatalities during the year. These losses are deeply regretted, and the Group extends its sincere condolences to the families, colleagues and communities affected. These incidents serve as a solemn reminder of the importance of continuous vigilance, improvement in safety protocols and a renewed emphasis on risk management.

Safety initiatives

To support ongoing improvements in safety performance, the Group's operations launched two key initiatives:

- 'What Good Looks Like': This initiative aimed to improve housekeeping standards across all operations, promoting clean, organised and hazard-free work environments to prevent accidents and strengthen the safety culture
- 'Pasopa Lomazandla' (Protect Your Hands): A campaign focused on hand safety, designed to reduce hand injuries through awareness training, provision of protective equipment and regular safety reminders.

These initiatives have contributed significantly to improving safety outcomes across the Group.

Safety milestones

Several operations achieved important safety milestones during the year.

Despite the unfortunate incidents of two fatalities, the Group's overall safety performance in FY25 reflects meaningful progress. Progress in overall accident rates (TRIFR and LTIFR) demonstrate the effectiveness of the safety management system and the strong engagement of employees. The slight increase in RIFR highlights areas for further improvement.

Emergency preparedness and response

Pan African maintains robust emergency preparedness protocols:

01.

Emergency response teams (ERTs)
Trained ERTs are stationed at each site, equipped to handle fire, medical and environmental emergencies.

02.

Simulations and drills
Regular emergency drills are conducted, including fire evacuations and underground rescue scenarios.

03.

Community coordination
Emergency plans are aligned with local authorities and community stakeholders to ensure coordinated responses.

Pan African remains steadfast in its zero-harm ambition. Through strategic investments in systems, people and innovation, the Group continues to improve its health and safety performance while fostering a culture of well-being and resilience.



HUMAN RIGHTS

Pan African places human rights at the core of its sustainability strategy, embedding respect for human dignity, safety and freedoms across all aspects of its operations. The Company’s approach is not limited to policy compliance but is deeply integrated into its business philosophy, governance structures and operational practices.

Human rights are essential freedoms that are not always upheld, especially in rural or peri-urban areas where communities may lack awareness. Pan African recognises its role in educating stakeholders and ensuring human rights are respected and remedied when infringed.

Commitment and governance

Pan African’s commitment to human rights is guided by international frameworks, including:

- the United Nations Guiding Principles on Business and Human Rights
- the IFC Performance Standards
- national constitutions and human rights laws in countries of operation
- the International Bill of Human Rights
- the International Labour Organisation Declaration on Fundamental Principles and Rights at Work.

These frameworks have guided Pan African’s tailor-made human rights principles:

01.	Uphold constitutional rights and fair labour practices
02.	Treat all stakeholders with dignity
03.	Protect vulnerable and marginalised groups
04.	Ensure security practices respect human rights
05.	Provide mechanisms for addressing violations
06.	Support decent work and freedom of employment
07.	Respect union rights and peaceful protest
08.	Prohibit child exploitation
09.	Promote gender equality and non-discrimination
10.	Uphold rights to health, education, life, movement, expression and fair trial
11.	Protect privacy and peaceful assembly
12.	Support collective bargaining and freedom of association
13.	Eliminate forced labour, child labour and discrimination
14.	Ensure safe, respectful and inclusive workplaces
15.	Prohibit abuse, bullying and harassment

These principles are operationalised through Pan African’s human rights policy, code of business conduct and ethics and anti-bribery and anti-corruption policy. Oversight is provided by the board of directors, ensuring integration across operational departments.

Zero tolerance and proactive engagement

Pan African maintains a zero-tolerance policy for human rights violations by employees, investors, suppliers, unions, communities, regulators and business partners. Our employees have the right to freedom of association and the right to join collective bargaining unions. The Company emphasises proactive risk identification, mitigation and remediation. It also ensures access to grievance and whistle-blowing mechanisms and fosters meaningful engagement with affected stakeholders.

Importantly, Pan African distinguishes its role from that of governments. While it supports infrastructure and services in host communities, it does not replace the state’s responsibility to protect human rights. Instead, it uses its influence to encourage state accountability and capacity building, particularly in dealing with illegal mining.

Human rights management framework

Pan African’s human rights programme is structured around a risk-based, people-centred approach. It includes:

- Risk identification: Using data from community engagement, grievance mechanisms, whistle-blower reports and audits
- Risk assessment: Prioritising risks based on location-specific vulnerabilities and structured frameworks
- Mitigation: Implementing corrective actions, policy enhancements and training
- Accountability: Ensuring oversight through leadership, stakeholder engagement and transparent reporting.

This framework is designed to prevent risks before they materialise and to foster environments where rights are respected and trust is built.

Security and human rights

Security is a key human rights concern, especially in regions afflicted by crime and weak state governance structures. Pan African’s approach includes:

- armed private security within mine sites
- memoranda of understanding with public security forces to clarify roles and responsibilities
- human rights training for all security personnel, including scenario-based exercises.

Pan African also supports public security forces with training, community engagement, vehicles and meals to improve decision-making capacity under stress.

Pan African’s human rights strategy is comprehensive, proactive and grounded in international best practices. By embedding human rights into governance, operations and community engagement, the Company aims to create a mining model that respects people, builds trust and delivers long-term value. Through continuous assessment, transparent reporting and inclusive practices, Pan African demonstrates that responsible mining and human rights protection can go hand in hand.

Grievance mechanisms

Pan African is committed to maintaining transparent and effective grievance and whistle-blowing mechanisms. These mechanisms are designed to address concerns raised by staff, community members and any other third parties affected by our mining operations.

The grievance policy provides a structured process for employees to raise concerns about unfair treatment, dissatisfaction or workplace issues. It encourages resolution at the earliest stage, either informally or through a formal hearing if needed.

Employees can lodge grievances without fear of victimisation, and management is responsible for resolving them promptly and fairly.

The process follows two stages:

Stage 1: Informal resolution with immediate management.
Stage 2: Formal grievance hearing if unresolved, with the option to escalate to the Commission for Conciliation Mediation and Arbitration should the matter remain unresolved.

Collective grievances follow established procedures, and all grievances should be raised within a reasonable time using the prescribed forms.

In FY25:

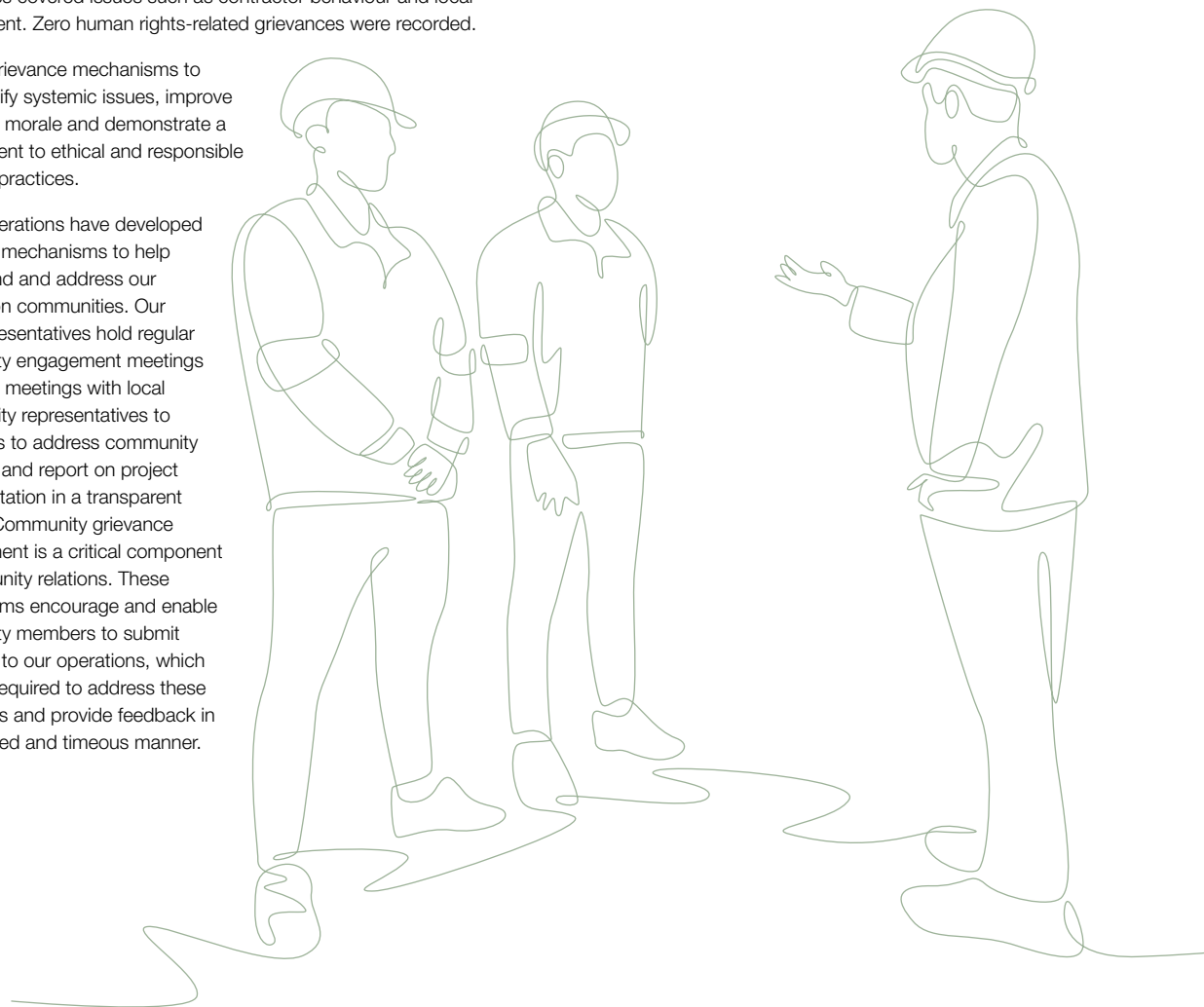
- Six grievances were recorded
- Three were raised informally in line with stage 1 of the Group grievance procedure and were successfully resolved internally
- Three remained unresolved after going through stage 1 of the grievance procedure and were escalated to stage 2 (formal grievance hearing), where these grievances were resolved.

Grievances covered issues such as contractor behaviour and local employment. Zero human rights-related grievances were recorded.

We use grievance mechanisms to help identify systemic issues, improve employee morale and demonstrate a commitment to ethical and responsible business practices.

All our operations have developed feedback mechanisms to help understand and address our impacts on communities. Our mine representatives hold regular community engagement meetings as well as meetings with local municipality representatives to take steps to address community concerns and report on project implementation in a transparent manner. Community grievance management is a critical component of community relations. These mechanisms encourage and enable community members to submit concerns to our operations, which are then required to address these grievances and provide feedback in a formalised and timeous manner.

Community relations have improved significantly in recent years as a result of increased stakeholder engagement and awareness campaigns (including social media campaigns), as well as our efforts to timeously resolve grievances expressed by community members and local businesses, building better relationships with our communities through engagement forums and dedicated community liaison officers.



SECURITY MANAGEMENT

The shadow economy: South Africa's illicit crisis

South Africa's illicit economy has grown into a formidable parallel system, one that undermines the rule of law, drains public and private resources and corrodes the country's social and economic fabric. From counterfeit goods and smuggled cigarettes to illegal mining and corrupt procurement, the illicit economy is not a fringe issue; it is a central challenge to South Africa's development.

Estimates suggest that the informal and illicit economy combined may rival the formal sector in size. According to the Transnational Alliance to Combat Illicit Trade, South Africa's informal economy employs approximately 7.5 million people, compared to 9.8 million in the formal sector, and has grown at an annual rate of 6.7%, outpacing the stagnant formal economy. While not all informal activity is illicit, the blurred lines between informality and criminality create fertile ground for exploitation, tax evasion and organised crime.

One of the most visible and destructive elements of this shadow economy is illegal mining, often referred to locally as zama zama activity. These operations, typically conducted at older mining complexes with multiple potential entrances and in abandoned or derelict mines, are driven by desperation, poverty and the lure of quick profit. But the consequences are devastating. According to the Minister of Mineral and Petroleum Resources, Gwede Mantashe, in 2024 alone, illegal mining cost the South African economy an estimated ZAR60 billion. This figure reflects not only lost revenue but also the broader costs of environmental degradation, infrastructure damage and the violent turf wars that often accompany these operations.

Illegal mining is not a victimless crime. It endangers lives, both of the miners themselves and of nearby communities. It undermines legitimate mining operations, discourages investment and erodes the credibility of the regulatory environment. It is increasingly linked to organised crime syndicates that use the proceeds to fund other illicit activities, from drug trafficking to human smuggling.



THIS CRISIS NOT ONLY THREATENS THE ECONOMIC VIABILITY OF LEGITIMATE MINING OPERATIONS BUT ALSO ENDANGERS LIVES, FUELS ORGANISED CRIME AND UNDERMINES THE RULE OF LAW.

What makes the problem even more intractable is the complicity of elements within the state itself. Corruption among government officials, law enforcement and even members of the judiciary has allowed the illicit economy to flourish. Bribes, selective enforcement and the manipulation of procurement processes have created a system where accountability is elusive and impunity is the norm. In some cases, officials have been directly implicated in protecting or profiting from illegal mining operations, turning a blind eye to violations or actively obstructing investigations.

This systemic failure is not merely a matter of weak governance; it is a structural vulnerability that criminal networks exploit with precision. The lack of coordination between agencies, under-resourced enforcement bodies and a judicial system plagued by delays and inefficiencies all contribute to a climate where illicit activity is not only possible but often profitable.

The scale of the problem demands a coordinated, multi-sectoral response. This includes strengthening border controls, reforming procurement systems, investing in digital tracking and enforcement technologies, and, critically, restoring public trust in institutions. It also requires addressing the root causes: poverty, unemployment and inequality. Without viable economic alternatives, millions of South Africans will continue to be drawn into the shadow economy, not out of malice, but out of necessity.

South Africa stands at a crossroads. The illicit economy is not just an economic issue; it is a governance crisis, a security threat and a moral test. Tackling it will require political will, institutional reform and a renewed commitment to justice and transparency. If left unchecked, it will continue to sap the country's potential. But if confronted head-on,

it could mark the beginning of a new chapter, one where the rule of law prevails and the promise of prosperity is shared by all.

This crisis not only threatens the economic viability of legitimate mining operations but also endangers lives, fuels organised crime and undermines the rule of law.

Mining companies across South Africa have acknowledged the severity of the problem and are increasingly integrating anti-illegal mining strategies into their operational and sustainability frameworks. These responses are multifaceted, involving collaboration with government, investment in security and calls for regulatory reform.

One of the most vocal industry bodies, the Minerals Council South Africa, has emphasised the need for a coordinated national response. In a 2024 policy review supported by the Council, stakeholders highlighted the institutional and regulatory gaps that allow illegal mining to flourish. The report called for stronger enforcement, better rehabilitation of abandoned mines and more effective coordination between the DMPR, law enforcement and the judiciary.

Mining companies have taken a proactive stance. Pan African and larger mining houses have outlined increased investment in security infrastructure, including surveillance technology and perimeter controls, particularly around high-risk shafts and tailings facilities. Pan African has also partnered with local law enforcement and private security firms to conduct joint operations aimed at disrupting illegal mining networks.

Another key theme emerging from industry responses is the rehabilitation of derelict and ownerless mines, which are often the entry points for illegal miners. The Minister of Mineral and Petroleum Resources, Gwede Mantashe, has publicly urged mining companies to take greater responsibility for mine closure and rehabilitation, noting that many of the sites exploited by illegal miners were left unsealed by previous operators. Companies are now under increasing pressure to ensure that mine closure plans are not only compliant but also proactive in preventing future illegal access. Pan African's focus on tailings management and older mines ensures that we have to proactively deal with this issue.

Pan African continues to explore community engagement strategies and provide security services to police forces as a long-term solution. Recognising that poverty and unemployment are key drivers of illegal mining, Pan African is investing in local economic development initiatives aimed at creating alternative livelihoods. These include skills training, small business support and infrastructure development in mining-affected communities.

SOCIAL continued

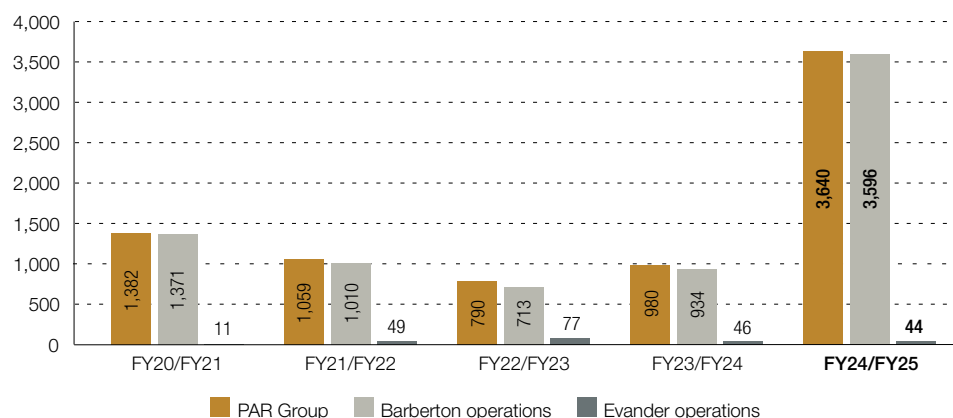
Despite these efforts, the industry acknowledges that it cannot tackle the problem alone. There is a growing consensus that systemic corruption, weak enforcement and judicial inefficiencies continue to hamper progress. Industry leaders have called for the establishment of a specialised task force to address illegal mining, with powers to investigate syndicates, prosecute offenders and coordinate across jurisdictions.

In summary, South Africa's mining companies are increasingly aware that illegal mining is not just a security issue; it is a strategic threat to the sector's sustainability. While progress is being made through investment, collaboration and advocacy, the scale of the challenge demands a whole-of-society response. Without decisive action from both the private and public sectors, the shadow of illegal mining will continue to darken the future of South Africa's mining industry.

Current crime trends

The increase in crime statistics during FY25 is concerning, particularly at Barberton Mines. An influx of new illegal mining syndicates targeting Barberton Mines' operations continues to pose a security threat and has led to a significant increase in the number of arrests made and the amount of gold-bearing material and illegal mining equipment seized. Pan African's response to illegal mining requires significant tactical and investigative resources to arrest and process.

Total number of arrests: PAR Group: 7851



This trend is concerning. Two thousand nine hundred and fifty-nine individuals were arrested over the nine months from June 2024 to May 2025, constituting 74% of total arrests for FY25. Over the nine months, an average of 329 individuals were arrested monthly at these operations. The vast majority of illegal miners arrested over that period were from Mozambique (57%), South Africa (21%) and Zimbabwe (15%).

The recent influx of new illegal mining syndicates has also resulted in increased competition between the syndicates and the use of weapons to protect themselves from competing syndicate members and the mine's security personnel. Unfortunately, this has also resulted in an increase in violence as syndicates who are new to the area are prepared to use violence to achieve their objectives.



The South African Police Service's national project combating illegal mining, Vala Ungodi, assisted with several external crime-combating operations over the last quarter of FY25.

The trends identified are outlined below:

- A monthly average of 332 suspects were arrested across the Group's operations. Barberton Mines accounted for most of the arrests (99%), which indicates the high levels of illegal mining and other criminal activities in and around these mining operations (as indicated previously)
- 26% of suspects arrested were repeat offenders (previously arrested at the mines on one or more occasions)
- The majority of arrested suspects were foreign nationals (77.75%), with Mozambicans (55.48%) accounting for the majority of these foreign nationals being arrested. Post the reporting period, during early August 2025, in an attempt to control the increasingly prevalent scourge of illegal mining in the Barberton area, Pan African's security teams, in collaboration with the South African National Police's 'Operation Vala Umgodi' deployment, conducted a week-long operation to eradicate illegal mining activity. This resulted in over 500 illegal miners at the Sheba operations being arrested and processed, including by the Department of Home Affairs, which will deport illegal aliens and develop a more permanent solution to eradicate illegal mining. The situation continues to be monitored and security systems reinforced to protect the Group's assets, employees and host communities for the longer term.

ECONOMIC

REGULATORY REPORTING REQUIREMENTS FOR PAN AFRICAN TO THE DMPR

Introduction

Pan African operates several mining assets in South Africa. As a mining company operating under South African jurisdiction, it is subject to a comprehensive regulatory framework governed by the DMPR. This section of our report outlines the key reporting obligations the Group must fulfil to remain compliant with South African and Australian mining legislation and policy frameworks.

Legislative and regulatory framework

The primary legislation governing mining operations in South Africa includes the following:

- Mineral and Petroleum Resources Development Act, 28 of 2002 (MPRDA)
- Mining Charter III (Broad-based Socio-economic Empowerment Charter for the Mining and Minerals Industry)
- National Environmental Management Act, 107 of 1998 (NEMA)
- Mine Health and Safety Act, 29 of 1996 (MHSA)
- South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves, 2016 edition (SAMREC Code)
- Pan African Public Reporting Standard for Minerals and Energy Resources (PARC).

These laws and standards collectively ensure that mining companies operate transparently, sustainably and in a manner that benefits the broader South African society.

Key reporting requirements

Mineral Resources and Mineral Reserves reporting

Pan African must submit annual reports on its Mineral Resources and Mineral Reserves in accordance with the SAMREC Code and the PARC standard. These reports must:

- be prepared by a competent person as defined by the SAMREC Code
- include detailed geological data, resource estimation methodologies and classification of Mineral Resources and Mineral Reserves
- be submitted to the DMPR and disclosed to shareholders and the public.

This ensures transparency and investor confidence in the Company's mineral asset base.

To view Pan African's Mineral Resources and Mineral Reserves report, please click here at <https://www.panafricanresources.com/reserves-resources/>

Commissioning of the MTR plant



Environmental management reports

Under NEMA and the MPRDA, Pan African must:

- submit an environmental management programme (EMP) before commencing mining operations
- provide annual environmental performance reports detailing compliance with the EMP
- conduct and report on environmental risk assessments, rehabilitation progress and biodiversity conservation efforts
- maintain and report on financial provisions for mine closure and rehabilitation.

These reports are critical for ensuring that mining activities do not cause long-term environmental harm.

Social and Labour Plans

As part of its mining rights obligations under the MPRDA, Pan African must develop and implement an SLP for each and every site. The SLP must be submitted to the DMPR and updated regularly. It includes:

- human resource development plans (training, skills development and bursaries)
- local economic development projects (infrastructure, education and health)
- employment equity targets
- mine community development initiatives.

Annual progress reports on the implementation of the SLP must be submitted to the DMPR to demonstrate the Company's contribution to socio-economic development.

Health and safety reporting

In compliance with the MHSA, Pan African must:

- submit monthly and annual health and safety reports to the DMPR's Mine Health and Safety Inspectorate
- report all incidents, injuries and fatalities within prescribed timeframes
- conduct and report on risk assessments, safety audits and training programmes
- participate in industry-wide health and safety initiatives and benchmarking.

These reports are essential for promoting a safe working environment and reducing occupational hazards.

Employment and transformation reporting

In line with the Mining Charter III, Pan African must report on:

- its ownership structure, particularly B-BBEE compliance
- procurement and supplier development, including local and B-BBEE-compliant suppliers
- employment equity, including representation of historically disadvantaged South Africans (HDSAs)
- skills development and training investments.

These reports are submitted annually and are used to assess the Company's contribution to transformation in the mining sector.

Financial and production reporting

Pan African must also submit:

- quarterly and annual production reports, including tonnage mined, processed and gold produced
- royalty and tax declarations under the Mineral and Petroleum Resources Royalty Act, 28 of 2008
- financial statements and audit reports to verify compliance with fiscal obligations.

These reports support the DMPR's oversight of the economic performance and fiscal contributions of mining companies.

Compliance with the Draft Mineral Resources Development Bill, 2025

The Draft Mineral Resources Development Bill, 2025, currently under consultation, proposes additional reporting obligations, including:

- enhanced stakeholder engagement and community consultation reports
- sustainability disclosures aligned with global ESG standards
- digital submission of compliance data to improve transparency and efficiency.

Pan African will need to align its reporting systems with these upcoming requirements once the Bill is enacted.

Reporting timelines and submission channels

- Annual reports: Due within 90 days of the financial year-end
- Quarterly reports: Submitted within 30 days of the end of each quarter
- Incident reports: Submitted within 24 to 72 hours of occurrence
- SLPs are valid for five years and require submission of annual progress reports. New SLPs are submitted every five years.



ECONOMIC continued

Reports are submitted via the South African Mineral Resources Administration System or directly to regional DMPR offices, depending on the report type.

Pan African is subject to a robust and evolving regulatory framework that requires comprehensive and regular reporting to the DMPR. By adhering to these requirements, Pan African not only ensures legal compliance but also contributes to the sustainable development of South Africa's mining sector.

As regulatory expectations continue to evolve, particularly with the introduction of the Draft Mineral Resources Development Bill, Pan African must remain proactive in updating its compliance systems and stakeholder engagement practices.

Regulatory reporting requirements for Tennant Mines

Gold mining operations in Australia are governed by a robust regulatory framework that combines both state and federal oversight. Each state enforces its own mining legislation, which outlines the requirements for licensing, operational reporting and compliance monitoring. At the federal level, the Environment Protection and Biodiversity Conservation Act, 1999, applies to activities that may impact nationally significant environmental assets.

Mining companies are also required to report exploration results, mineral resources and ore reserves in accordance with the JORC Code, which sets mandatory standards for public reporting by mining companies. This ensures that technical disclosures are prepared by qualified professionals and meet industry standards for transparency and accuracy.

In addition to resource reporting, operators must submit environmental management plans, rehabilitation strategies and regular health and safety reports to relevant state authorities. These obligations are designed to ensure responsible resource development, safeguard worker welfare and minimise environmental impacts throughout the life of the mine.

LOCAL PROCUREMENT

Pan African continues to prioritise local procurement as a cornerstone of its inclusive economic strategy. In FY25, the Group deepened its commitment to sourcing goods and services from local suppliers, particularly those based in host communities surrounding our mining operations in Mpumalanga and Gauteng.

This approach not only strengthens local economies but also fosters resilient supply chains and supports SMEs. In alignment with GRI 204 and IFRS S1, our procurement practices are designed to promote transparency, fair competition and long-term value creation. Over 70% of our procurement spend in FY25 was directed to South African-based suppliers, with a growing proportion allocated to black-owned and women-owned businesses. Refer to the procurement section on **pages 62 to 65**.

ECONOMIC CONTRIBUTIONS TO LOCAL COMMUNITIES

Our economic footprint extends beyond procurement. In FY25, Pan African invested significantly in community development initiatives, including infrastructure upgrades, education support and health programmes. These investments are guided by our social licence to operate and are aligned with GRI 201 and IFRS S1 disclosures. Notable contributions included the expansion and construction of school facilities in Barberton, the provision of clean water systems in Evander and the funding of local entrepreneurship hubs. These initiatives are co-developed with community stakeholders to ensure relevance and sustainability, reinforcing our role as a responsible corporate citizen.

FINANCIAL PERFORMANCE RELATED TO SUSTAINABILITY

Sustainability is embedded in our financial strategy. In FY25, Pan African maintained strong financial performance while advancing its sustainability-linked objectives. Our sustainability-linked finance framework, introduced in FY24, continued to guide capital allocation toward projects with measurable ESG outcomes. For further information on these instruments, refer to **page 98** in the **integrated annual report** at <https://www.panafricanresources.com/investors/financial-reports/>. This includes investments in renewable energy, tailings retreatment, safety initiatives and biodiversity conservation. The Group's EBITDA and net profit margins remained robust, supported by operational efficiencies and responsible cost management. These outcomes are reported in accordance with IFRS S1 and demonstrate the financial viability of our sustainability agenda.

TAX TRANSPARENCY

Pan African is committed to transparent and responsible tax practices. In FY25, we disclosed our tax contributions across jurisdictions in line with GRI 207 and IFRS S1. The Group paid over US\$46.8 million in taxes and royalties to the South African government, contributing to national development and public services. Our tax strategy is aligned with Organisation for Economic Co-operation and Development guidelines and is overseen by the audit and risk committee to ensure compliance and ethical conduct. We continue to engage with regulators and stakeholders to promote fair tax systems and fiscal transparency.

FUTURE INVESTMENT IN SUSTAINABLE PROJECTS

Looking ahead, Pan African is poised to expand its portfolio of sustainable investments. The Group has committed over ZAR500 million to new projects that align with our climate and social impact goals under IFRS S2. These include the development of a second solar energy facility at Evander Mines, and potentially MTR, the commissioning of a 4MW facility at Tennant Mines, the launch of a regenerative agriculture programme on rehabilitated land and the expansion of water treatment plants. These initiatives are expected to deliver long-term environmental benefits, create employment and enhance community resilience. Refer to the **integrated annual report** for a full overview of our sustainable investments at <https://www.panafricanresources.com/investors/financial-reports/>

CORPORATE GOVERNANCE

Pan African follows high standards of corporate governance, acknowledging that ethical leadership, transparency and accountability are crucial for long-term value creation and sustainability.

SUSTAINABLE CORPORATE GOVERNANCE

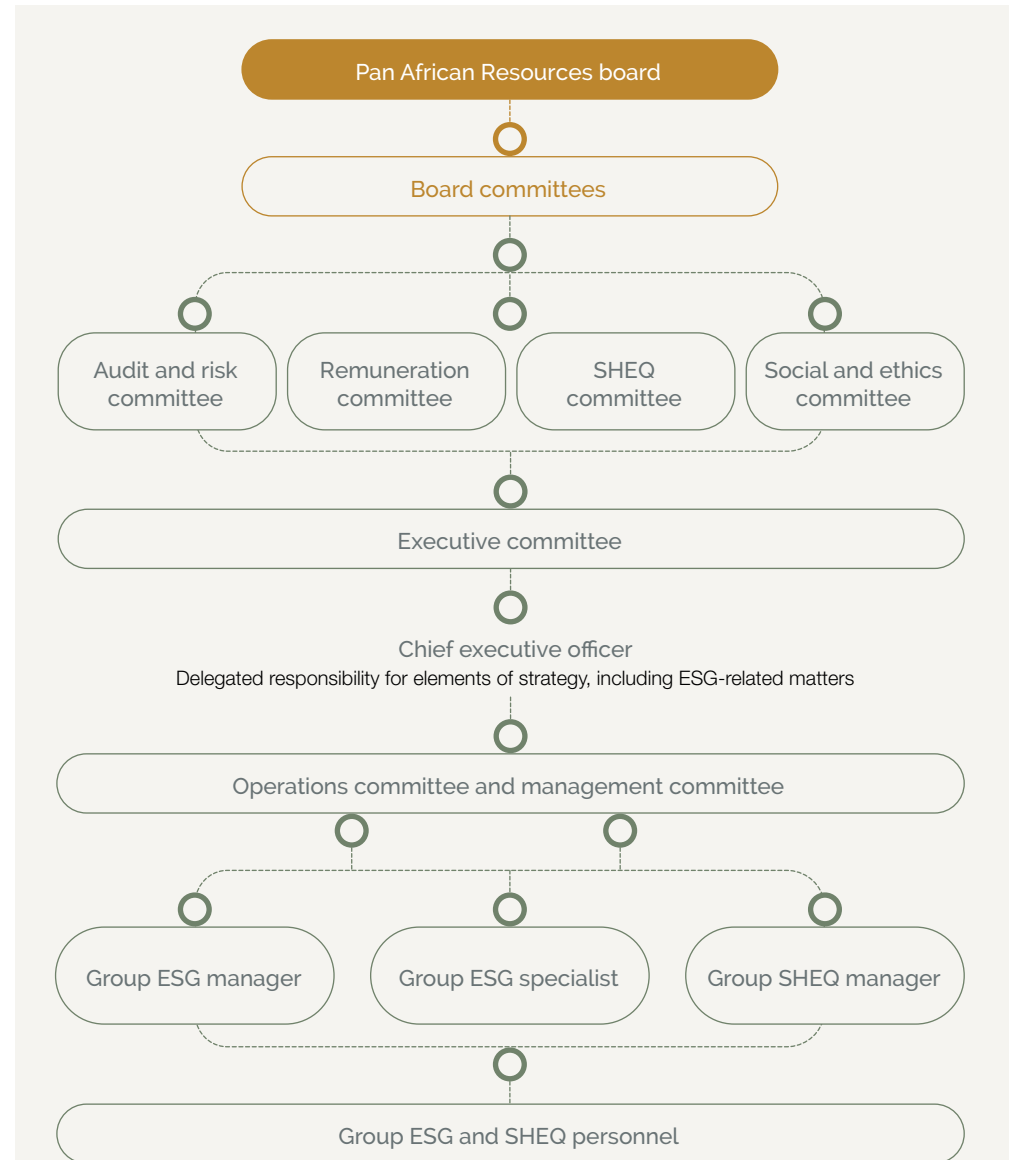
The Company is dedicated to sustainable business practices and environmental stewardship, aiming to balance economic growth, social progress and environmental sustainability. These efforts are directed by the Group's corporate governance framework and ESG policy, which provide the principles and guidelines for our actions. The social and ethics, SHEQ and audit and risk committees support the board in monitoring the effectiveness of the Group's sustainable development policies and programmes and compliance with relevant standards. These committees aid the board in ensuring that the Group is a committed and socially and environmentally responsible corporate citizen by developing a sustainable business model that considers the Group's economic, social and environmental impact in the areas where it operates.

The challenges of climate change, energy management, waste and water management, TSFs as well as land and resource use are recognised. With a commitment to responsible environmental practices, associated risks are managed and opportunities seized while adhering to ecological boundaries. This ensures that the pursuit of sustainable growth aligns with environmental responsibilities. We also focus on the well-being and sustainable development of our host communities by mitigating mining impacts and supporting local economic programmes that foster positive social change.

Our corporate governance framework ensures that strategic decisions are made responsibly, risks are effectively managed and stakeholder interests are protected.

Pan African's board of directors has ultimate responsibility for setting and overseeing the Group's strategy, business plans, annual budgets and the risk management approach. Sustainable development risks, opportunities and activities are considered by the board in relation to performing each of these responsibilities. These considerations are embedded in our board-level decision-making process and are cascaded through management structures to operational execution.

The committees prepare a report for the board each quarter on key issues identified, including specifics on ESG-related risks and opportunities. The board discusses the report as a recurring board meeting agenda item each quarter. Each committee has its own terms of reference, which describe the scope of decision-making related to the matter.



SUSTAINABILITY GOVERNANCE FRAMEWORK

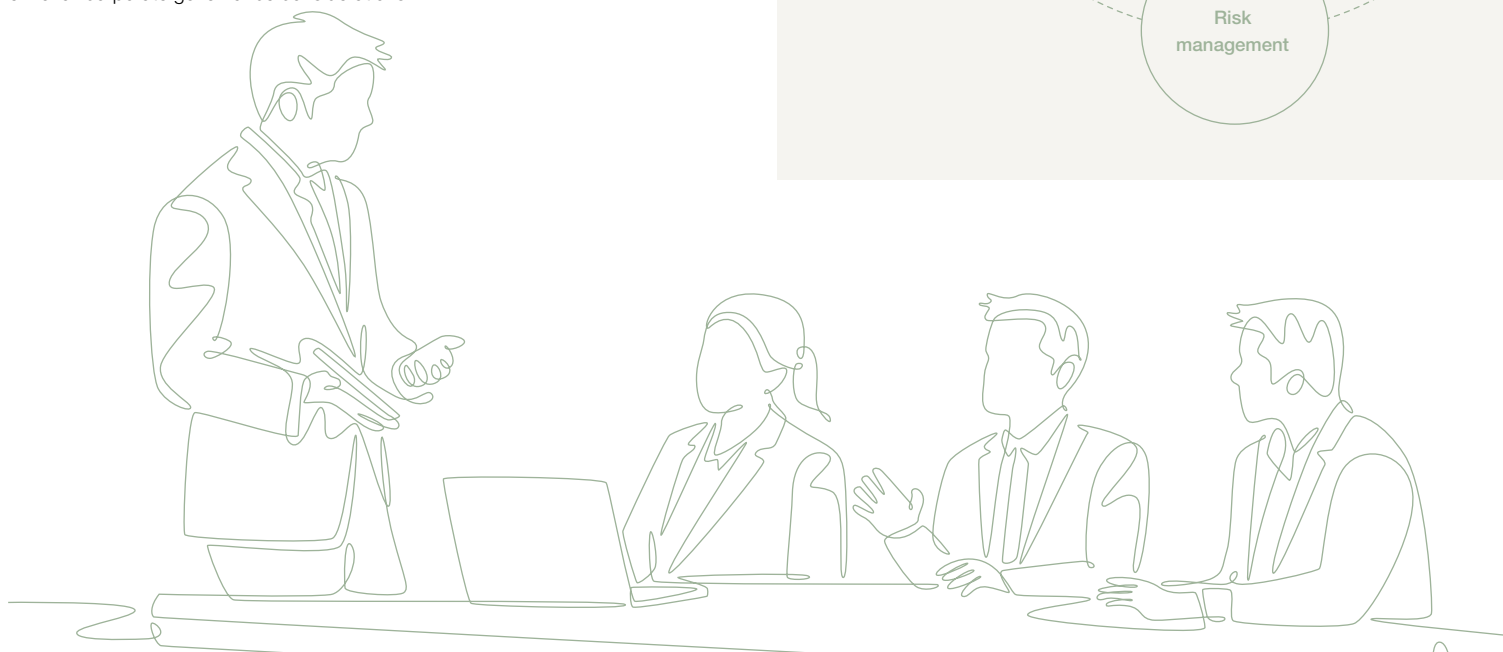
The board has implemented a comprehensive corporate governance framework that aligns with international best practices, including King IV™, the JSE Listings Requirements, the Social and Ethics Committee Handbook and the UK Corporate Governance Code.

Our governance processes include rigorous controls and procedures to ensure compliance with the World Gold Council's Responsible Gold Mining Principles and GRI 14 guidelines. These principles provide a clear framework for ethical conduct, environmental stewardship and social responsibility in the gold mining industry. Pan African is committed to adhering to these principles and continuously improving our governance practices to meet evolving standards and stakeholder expectations.

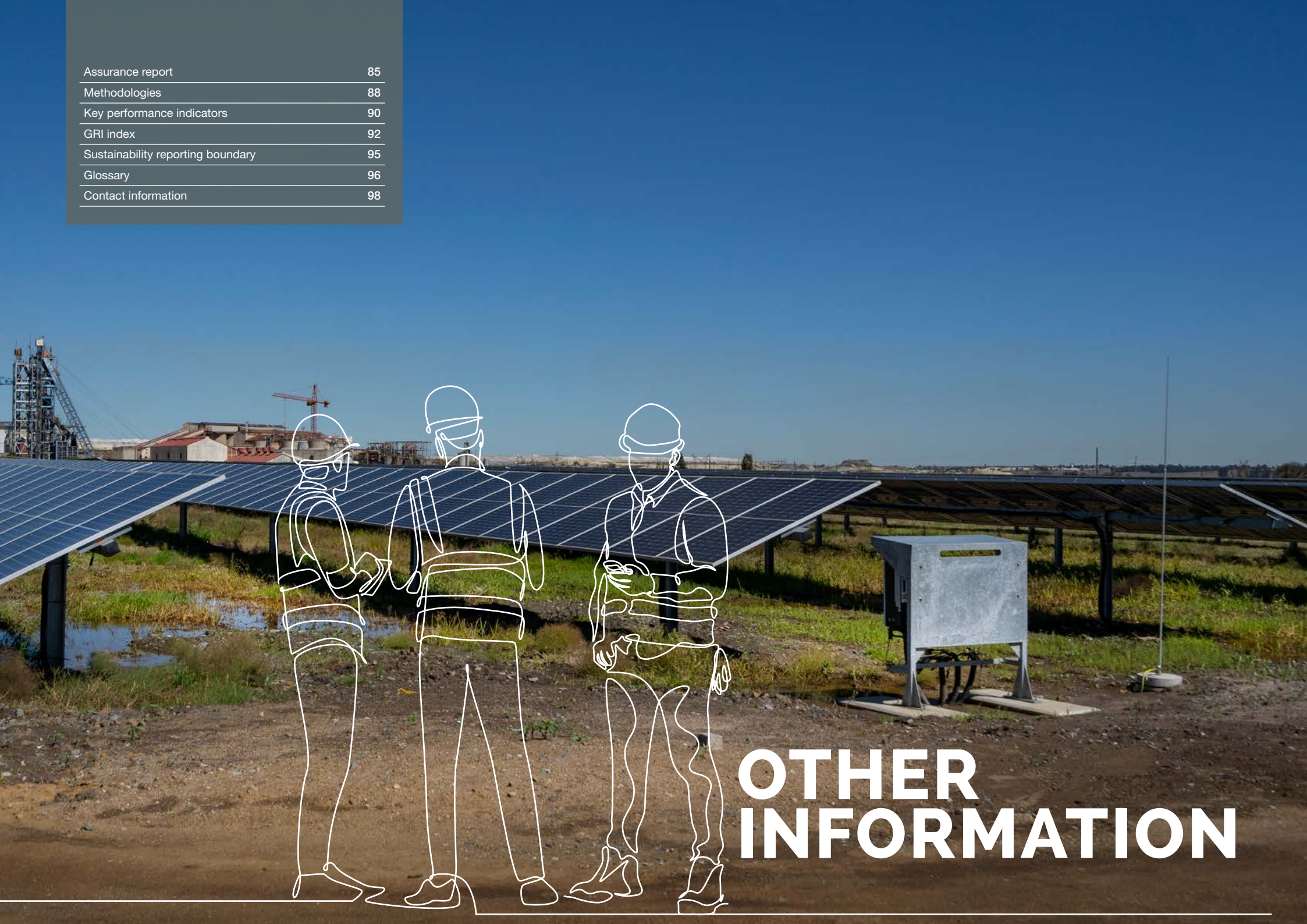
Our governance framework illustrates how we integrate leadership, strategic management and operational management across our business as illustrated alongside and is underpinned by the principles.

It is designed to ensure that ESG risks and opportunities are identified, escalated and addressed at the highest levels of the organisation. This framework includes regular risk assessments, stakeholder consultations and performance monitoring to ensure that our sustainability initiatives are aligned with our strategic objectives and stakeholder expectations.

Refer to Pan African's **corporate governance report** at <https://www.panafricanresources.com/investors/gri-and-sustainability/> for a detailed review of all corporate governance considerations.



Assurance report	85
Methodologies	88
Key performance indicators	90
GRI index	92
Sustainability reporting boundary	95
Glossary	96
Contact information	98



OTHER INFORMATION


ASSURANCE REPORT

Independent Auditor's limited Assurance Report on the Selected Sustainability Information in Pan African Resources PLC's 2025 Sustainable Development (SD) Report, Climate Change (CC) Report, Integrated Annual Report (IAR) and Taskforce on Nature Related Financial Disclosures Report (TNFD).

TO THE DIRECTORS OF PAN AFRICAN RESOURCES PLC

We have undertaken a limited assurance engagement in respect of the selected sustainability information, as described below, and presented in the 2025 Sustainable Development (SD) Report, Climate Change (CC) Report, Integrated Annual Report (IAR) and Taskforce on Nature-Related Financial Disclosures Report (TNFD) of Pan African Resources PLC (the 'Company', 'Pan African Resources' or 'you') for the year ended 30 June 2025 (the Reports). This engagement was conducted by a multidisciplinary team including health, safety, social, environmental and assurance specialists with relevant experience in sustainability reporting.

SUBJECT MATTER

We have been engaged to provide a limited assurance conclusion in our report on the following selected sustainability information, marked with a  on the relevant pages in the Reports. The selected sustainability information described below have been prepared in accordance with the Company's reporting criteria that accompanies the sustainability information on the relevant pages of the Reports (the accompanying reporting criteria).

Selected Sustainability Information	Unit of measurement	Boundary	Page
Non-renewable energy consumption	GWh	Pan African Resources PLC	CC: page 4 ; TNFD: page 32 ; SD: page 44 ; IAR: page 55
Renewable electricity consumption	GWh	Pan African Resources PLC	CC: page 4 ; TNFD: page 32 ; SD: page 44 ; IAR: pages 32, 55
Diesel consumption	ML	Pan African Resources PLC	CC: page 4 ; TNFD: page 32 ; SD: page 44
Energy consumption	TJ	Pan African Resources PLC	CC: page 4 ; TNFD: page 32 ; SD: pages 34, 44 ; IAR: pages 13, 32, 65, 73
Energy intensity (energy consumed per ounce of gold sold)	GJ/oz	Pan African Resources PLC (Excluding the Sudan exploration, Barberton Blue and the Corporate Office components)	CC: pages 4, 23 ; TNFD: page 32 ; SD: pages 44, 46 ; IAR: page 135
GHG emissions Scope 1	ktCO ₂ e	Pan African Resources PLC	CC: pages 4, 21 ; TNFD: page 32 ; SD: pages 34, 44, 47 ; IAR: pages 13, 73, 136
GHG emissions Scope 2	ktCO ₂ e	Pan African Resources PLC	CC: pages 4, 21 ; TNFD: page 32 ; SD: pages 34, 44, 47 ; IAR: pages 13, 73, 136
GHG emissions per ounce of gold sold	tCO ₂ e/oz	Pan African Resources PLC (Excluding the Sudan exploration, Barberton Blue and the Corporate Office components)	CC: page 4 ; TNFD: page 32 ; SD: pages 34, 44 ; IAR: pages 13, 27, 33, 55, 65, 73
GHG emissions averted	ktCO ₂ e	Pan African Resources PLC	CC: pages 4, 22 ; TNFD: page 32 ; SD: page 44 ; IAR: page 75
Renewable energy as a percentage of total energy consumed	%	Pan African Resources PLC	CC: pages 4, 6, 21 ; TNFD: page 32 ; SD: pages 11, 17, 32, 44, 59 ; IAR: pages 27, 44, 55, 75, 82, 99, 122
Land rehabilitation (Project Level – Mogale Tailings Retreatment)	%	Mogale Tailings Retreatment Proprietary Limited (MTR company)	TNFD: pages 6, 7, 18, 28, 32 ; SD: page 44 ; IAR: pages 13, 99, 122
Employment equity – Historically Disadvantaged Persons (HDPs)	%	Pan African Resources PLC (Excluding the Sudan exploration, Tennant Mines and Barberton Blue components)	SD: pages 61, 67 ; IAR: page 73
Percentage of women in mining	%	Pan African Resources PLC (Excluding the Sudan exploration and Barberton Blue components)	SD: pages 61, 67 ; IAR: pages 30, 62
Total recordable injury frequency rate	Rate per million person hours	Pan African Resources PLC (Excluding the Sudan exploration, Barberton Blue and the Corporate Office components)	SD: pages 12, 18, 61, 73 ; IAR: pages 25, 31, 49, 62, 73, 77, 99, 101, 122
Percentage of the total mining goods procurement spend on South African manufactured goods from 50% + 1 vote HDP-owned and controlled companies	%	Pan African Resources PLC (Excluding the Sudan exploration, Barberton Blue, Tennant Mines and the Corporate Office components)	SD: page 61 ; IAR: pages 33, 61
Percentage of the total services procurement spend on South African companies that are 50% + 1 vote HDP-owned and controlled companies	%	Pan African Resources PLC (Excluding the Sudan exploration, Barberton Blue, Tennant Mines and the Corporate Office components)	SD: page 61 ; IAR: pages 33, 61

We refer to this information as the "selected sustainability information".

YOUR RESPONSIBILITIES

The Directors are responsible for the selection, preparation and presentation of the selected sustainability information in accordance with the accompanying reporting criteria as set out on **pages 90 and 91** of the SD Report (the "Reporting Criteria").

This responsibility includes:

- the identification of stakeholders and stakeholder requirements, material issues, commitments with respect to sustainability performance, and
- the design, implementation and maintenance of internal control relevant to the preparation of the Reports that is free from material misstatement, whether due to fraud or error.

The Directors are also responsible for determining the appropriateness of the measurement and reporting criteria in view of the intended users of the selected sustainability information and for ensuring that those criteria are publicly available to the Reports users.

INHERENT LIMITATIONS

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for determining, calculating, sampling and estimating such information. The absence of a significant body of established practices on which to draw allows for the selection of different but acceptable measurement techniques which can result in materially different measurements and can impact comparability. Qualitative interpretations of relevance, materiality and the accuracy of data are subject to individual assumptions and judgements. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision thereof, may change over time.

In particular, where the information relies on carbon and other emissions conversion factors derived by independent third parties, or internal laboratory results, our assurance work will not include examination of the derivation of those factors and other third-party or laboratory information.

OUR INDEPENDENCE AND QUALITY MANAGEMENT

We have complied with the independence and other ethical requirements of the *Code of Professional Conduct for Registered Auditors*, issued by the Independent Regulatory Board for Auditors'

(IRBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*.

The firm applies the International Standard on Quality Management 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, which requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

OUR RESPONSIBILITY

Our responsibility is to express a limited assurance conclusion on the selected sustainability information based on the procedures we have performed and the evidence we have obtained. We conducted our assurance engagement in accordance with the International Standard on Assurance Engagements 3000 (Revised), *Assurance Engagements other than Audits or Reviews of Historical Financial Information* (ISAE 3000 (Revised)), and, in respect of greenhouse gas emissions, International Standard on Assurance Engagements 3410, *Assurance Engagements on Greenhouse Gas Statements* (ISAE 3410) issued by the International Auditing and Assurance Standards Board. These Standards require that we plan and perform our engagement to obtain limited assurance about whether the selected sustainability information are free from material misstatement.

A limited assurance engagement undertaken in accordance with ISAE 3000 (Revised), and ISAE 3410, involves assessing the suitability in the circumstances of the Company's use of its reporting criteria as the basis of preparation for the selected KPIs, assessing the risks of material misstatement of the selected sustainability information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the selected sustainability information. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks. The procedures we performed were based on our professional judgement and included inquiries, observation of processes followed, inspection of documents, analytical



Produce from our sponsored farming projects being prepared for market

ASSURANCE REPORT continued

procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above we:

- Interviewed management and senior executives to obtain an understanding of the internal control environment, risk assessment process and information systems relevant to the sustainability reporting process;
- Inspected documentation to corroborate the statements of management and senior executives in our interviews;
- Tested the processes and systems to generate, collate, aggregate, monitor and report the selected sustainability information;
- Performed a controls walkthrough of identified key controls;
- Inspected supporting documentation on a sample basis and performed analytical procedures to evaluate the data generation and reporting processes against the reporting criteria;

- Evaluated the reasonableness and appropriateness of significant estimates and judgements made by the directors in the preparation of the selected sustainability information; and
- Evaluated whether the selected sustainability information presented in the Reports are consistent with our overall knowledge and experience of sustainability management and performance at the Company.

The procedures performed in a limited assurance engagement vary in nature and timing, and are less in extent than for a reasonable assurance engagement. As a result, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether the Company's selected sustainability information has been prepared, in all material respects, in accordance with the Company's reporting criteria.

LIMITED ASSURANCE CONCLUSION

Based on the procedures we have performed and the evidence we have obtained, and subject to the inherent limitations outlined elsewhere in this report, nothing has come to our attention that causes us to believe that the selected sustainability information as set out in the Subject Matter paragraph for the year ended 30 June 2025 has not been prepared, in all material respects, in accordance with the reporting criteria.

OTHER MATTERS

The maintenance and integrity of Pan African Resources' website is the responsibility of the Pan African Resources directors. Our procedures did not involve consideration of these matters and, accordingly, we accept no responsibility for any changes to either the information in the Reports or our independent assurance report that may have occurred since the initial date of presentation on Pan African Resources' website.

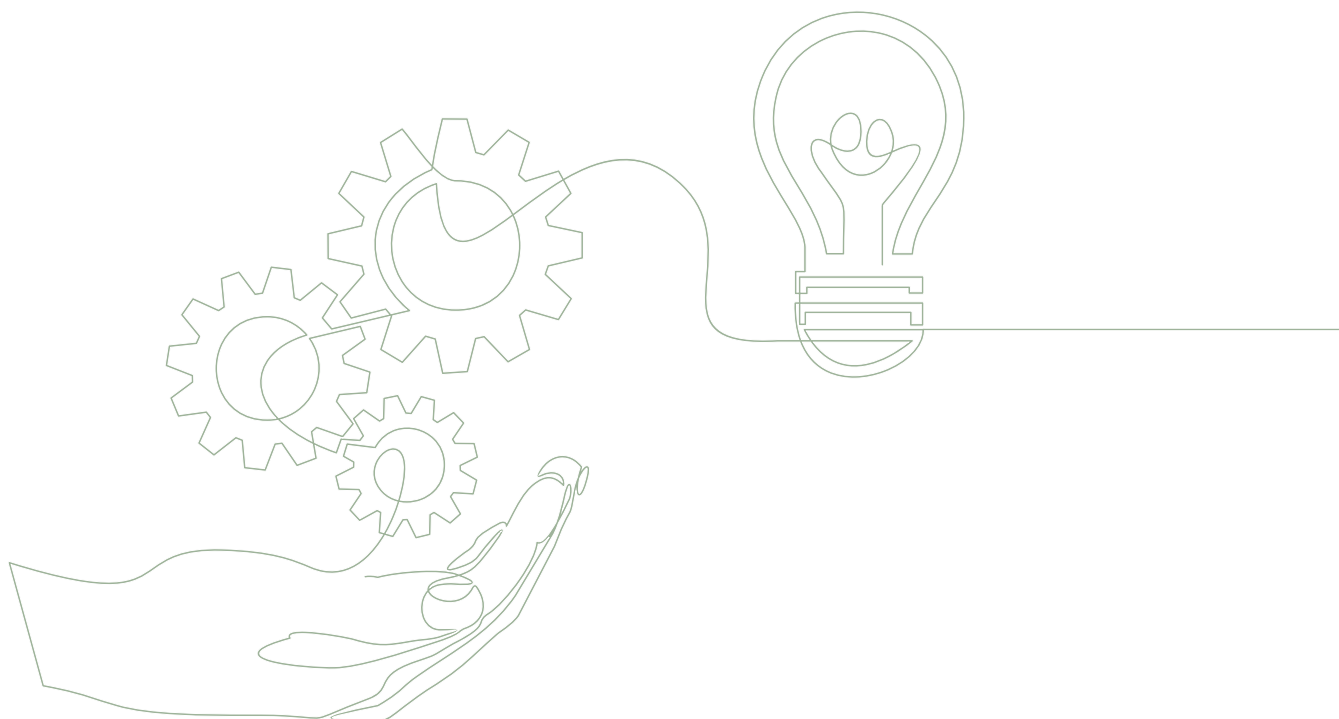
RESTRICTION OF LIABILITY

Our work has been undertaken to enable us to express a limited assurance conclusion on the selected sustainability information to the directors of the Company in accordance with the terms of our engagement, and for no other purpose. We do not accept or assume liability to any party other than the Company, for our work, for this report, or for the conclusion we have reached.

PricewaterhouseCoopers Inc.

*Director: Jameel Essop
Registered Auditor*

Johannesburg, South Africa
10 September 2025



METHODOLOGIES

METHODOLOGY FOR CALCULATING TOTAL ENERGY CONSUMPTION WITHIN THE ORGANISATION

Energy consumption from diesel and petrol

The following formula is applied to convert stationary and mobile combusted diesel or petrol to **Terajoules** using country-specific net calorific values (NCVs) or the energy content of fuel when combusted.

$$\text{Fuel Combustion Energy (TJ)} = \text{fuel (}\ell\text{)} \times \frac{\text{NCV} \times \text{Density}_{\text{fuel}}}{1,000} \left(\frac{\text{TJ}}{\ell}\right)$$

Table 1: Country-specific fuel densities

Country-specific fuel densities			South Africa	Australia
Standard	Unit	Fuel	Density	Density
GRI 302 – 1(g)	Density (kg/litre)	Diesel	0.8255	0.8500
		Petrol	0.7405	0.7700

Table 2: Country-specific net calorific values

Country-specific net calorific values			South Africa	Australia
Standard	Unit	Combustion type	NCV	NCV
GRI 302 – 1(g)	Net calorific values (TJ/tonne)	Stationary diesel	0.0430	0.0454
		Mobile diesel	0.0430	0.0454
		Stationary petrol	0.0443	0.0444
		Mobile petrol	0.0443	0.0444

Energy consumption from electricity

The following formula is applied to convert stationary and mobile combusted diesel or petrol to **Terajoules** using the power formula (kWh = 3,600kJ).

$$\text{Electricity Energy (TJ)} = \text{electricity consumed (kWh)} \times 3,600 \text{ (kJ)} \times \left(\frac{\text{T}}{\text{J}}\right)$$

The sum of energy from **diesel**, **petrol** and **electricity** is the **total energy consumption within the organisation** as defined by the GRI¹ 302: Energy (2016) standard.

¹ Global Reporting Initiative

Where:

- EM = Eskom's emissions
- PE = Eskom's produced electricity
- OC = Eskom's consumption
- IPPs = Independent power producers (IPPs) generation
- IP = International purchases

METHODOLOGY FOR CALCULATING TOTAL GHG EMISSIONS PRODUCED WITHIN THE ORGANISATION

Direct (Scope 1) GHG emissions from the consumption of diesel, petrol and explosives

The following formula is applied to convert energy from stationary and mobile combusted diesel or petrol to GHG emissions using **country-specific emissions factors**² for carbon dioxide (CO₂), methane (CH₄) and nitrous oxide (N₂O).

$$\text{Stationary or Mobile GHG Emissions} \left(\frac{\text{tCO}_2}{\text{TJ}}, \frac{\text{tCH}_4}{\text{TJ}}, \frac{\text{tN}_2\text{O}}{\text{TJ}}\right) =$$

$$\text{Stationary or Mobile Fuel Combustion Energy (TJ)} \times \text{emission factor} \left(\frac{\text{tCO}_2}{\text{TJ}}, \frac{\text{tCH}_4}{\text{TJ}}, \frac{\text{tN}_2\text{O}}{\text{TJ}}\right)$$

² Department of Environment, Forestry and Fisheries' **methodological guidelines for quantification of greenhouse gas emissions (2022)** and the **technical guidelines for monitoring, reporting and verification of greenhouse gas emissions by industry (2017)**.

Table 3: Country-specific emissions factors

Country-specific emissions values			South Africa	Australia
Standard	Unit	Combustion type	Emission factors	Emission factors
GRI 302 – 1(g)	tCO ₂ e	Stationary diesel	74.3466	70.2000
		Mobile diesel	82.6611	70.3700
		Stationary petrol	69.5466	67.8000
		Mobile petrol	71.0677	67.6200
		Explosives	0.1700	0.1700

To convert to metric tonnes of carbon dioxide equivalent (CO₂e), resulting in CO₂e values for CH₄ and N₂O, the emissions for CH₄ and N₂O are multiplied by their respective one-hundred-year global warming potential (GWP) as shown below.

Global warming potential (GWP). IPCC 3rd Assessment Report 2001 (Chapter 6, page 388)					
Standard	Gas	Symbol	Radiative efficiency	Lifetime (year)	100 years
GRI 302 – 1(g)	Methane	CH ₄	0.000370	12	23
	Nitrous Oxide	N ₂ O	0.003100	114	296

The GHG emissions from explosives are calculated using a GHG emission factor of 0.17tCO₂e/tonne product sourced from the Australian government's Department of Climate Change's National Greenhouse Accounts Factors (2024). The South African guidelines do not have emission factors for explosives.

INDIRECT (SCOPE 2) GHG EMISSIONS FROM CONSUMPTION OF FOSSIL FUEL ELECTRICITY

The following formula is applied to convert energy from fossil fuel electricity consumption to **Terajoules** using the following grid emissions factor.

$$\begin{aligned} \text{Electricity Emissions (tCO}_2\text{e)} &= \text{Electricity Energy (TJ)} \times \text{Grid Factor} \left(\frac{\text{tCO}_2\text{e}}{\text{MWh}} \right) \\ &= \text{Electricity Energy (TJ)} \times \text{GF} \left(\frac{\text{tCO}_2\text{e}}{3.600\text{MJ}} \right) \\ &= \text{Electricity Energy (10}^3\text{)} \left(\frac{\text{tCO}_2\text{e}}{3.6} \right) \end{aligned}$$

Eskom's grid factor or the emission factor at generation (EFG) is estimated using the following formula in accordance with **Appendix A** of the GHG Protocol: Corporate Accounting and Reporting Standard:

$$\text{EFG} = \frac{\text{EM}}{(\text{PE} - \text{OC} + \text{IPPs} + \text{IP})} = \left(\frac{\text{tCO}_2\text{e}}{\text{MWh}} \right)$$

The South African grid factor for reporting Scope 2 GHG emissions is 0.92417389183tCO₂e/MWh, shown in the table below.

Table 4: EFG calculated in accordance with Appendix A of the GHG Protocol

SA grid emission factor (March 2024)				
Description	Values	Units	Sources	
South Africa – grid	0.901	tCO ₂ e/MWh	GHG Protocol: Appendix A	EFG factor calculated in accordance with GHG protocols Appendix A
Eskom emissions	188.771	ktCO ₂ e	Eskom IAR pg 120	
Electricity produced by Eskom	184.576	GWh	Eskom IAR pg 142	
Eskom's own consumption	5.710	GWh	Eskom IAR pg 153	
IPP generation	20.183	GWh	Eskom IAR pg 99	
International purchases	10.362	GWh	Eskom IAR pg 142	
Eskom sales	183.311	GWh	Eskom IAR pg 152	
EFC	1.030	tCO ₂ e/MWh	GHG Protocol: Appendix A	EFG factor calculated in accordance with GHG Protocol Appendix A

The Australian market-based grid factor for reporting Scope 2 emissions is 0.810tCO₂e/MWh from Table 1 in the Australian National Greenhouse Account Factors 2024.

The sum of Scope 1 and Scope 2 GHG emissions from **diesel, petrol, explosives, and electricity** is the **total GHG emissions within the organisation** in accordance with the GRI 305: Emission (2016) standard.

METHODOLOGY FOR CALCULATING GHG AVERTED BY THE ORGANISATION:

Averted Scope 2 GHG Emissions refer to the GHG emissions from total indirect energy or energy from renewable and non-renewable electricity minus GHG emissions from indirect energy or energy from non-renewable electricity.

Scope 2 GHG emissions from non-renewable energy are theoretical and comprise averted Scope 2 GHG emissions since these would be GHG emissions based on energy consumption in the absence of renewable energy.

$$\text{Averted scope 2 GHG emissions (ktCO}_2\text{e)} = \text{Scope 2 GHG emissions (renewable electricity ktCO}_2\text{e)}$$

The averted GHG emissions computation excludes life cycle emissions associated with renewable electricity generation.

METHODOLOGY FOR CALCULATING ENERGY AND CARBON INTENSITIES OF THE ORGANISATION

- Energy intensity** adheres to the guidance provided by the GRI 302 disclosure 302 – 3 as delineated below.

$$\frac{\text{Total energy consumption within the organisation (electricity and fuels)}}{\text{Gold sold}} = \left(\frac{\text{GJ}}{\text{oz}} \right)$$

- GHG emissions intensity** adheres to the guidance provided by the GRI 305 disclosure 305 – 4.

$$\frac{\text{Total Scope 1 and 2 emissions}}{\text{Gold sold}} = \left(\frac{\text{tCO}_2\text{e}}{\text{oz}} \right)$$

Metric (SI) prefixes

Table 5: Source: International Recommendation of Energy Statistics

Factor	Name	Symbol	Factor	Name	Symbol
10 ¹	deca	da	10 ⁻¹	deci	d
10 ²	hecto	h	10 ⁻²	centi	c
10 ³	kilo	k	10 ⁻³	milli	m
10 ⁶	mega	M	10 ⁻⁶	micro	μ
10 ⁹	giga	G	10 ⁻⁹	nano	n
10 ¹²	tera	T	10 ⁻¹²	pico	p
10 ¹⁵	peta	P	10 ⁻¹⁵	femto	f
10 ¹⁸	exa	E	10 ⁻¹⁸	atto	a
10 ²¹	zetta	Z	10 ⁻²¹	zepto	z
10 ²⁴	yotta	Y	10 ⁻²⁴	yocto	y

KEY PERFORMANCE INDICATORS

Sustainability KPIs	Units	Definitions of KPIs
Environmental		
Non-renewable electricity consumption	GWh	Non-renewable electricity consumption refers to the organisation's use of electricity or any energy carrier produced from non-renewable or finite resources, including fossil fuels (coal and natural gas) and nuclear.
Renewable electricity consumption	GWh	Renewable electricity consumption refers to the organisation's use of electricity or any energy carrier produced from renewable or infinite resources, including solar, wind, water (hydro), biomass and waste.
Diesel consumption	ML	Diesel consumption refers to the organisation's use of diesel fuel in mobile and stationary applications designed to combust diesel for energy generation.
Energy consumption	TJ	Energy consumption refers to renewable and non-renewable fuels combusted by the organisation's leased or owned equipment plus electricity purchased from Eskom and self-generated electricity, less electricity sold to third parties. The energy consumption reported includes fuels (diesel and petrol) and electricity (renewable and non-renewable).
Energy intensity per ounce of gold sold	GJ/oz	Energy intensity expresses the amount of energy used or consumed per unit of product, activity or specific metric an organisation chooses. Energy intensity (GJ/oz) = energy consumption (GJ) ÷ gold sold (oz).
Greenhouse gases (GHGs)	ktCO ₂ e	GHGs are climate change-forcing emissions released into the atmosphere through natural and anthropogenic activities, mostly the combustion of fossil fuels. Common GHGs include water vapour (non-forcing GHGs), carbon dioxide (CO ₂), methane (CH ₄), nitrous oxide (N ₂ O), chlorofluorocarbons (CFCs), perfluorocarbons (PFCs) and sulphur hexafluoride (SF ₆). The GHG emissions reported are CO ₂ e or the amount of CO ₂ emission that would cause the same integrated radiative forcing over a given time horizon as an emitted amount of a mixture of GHGs, including CO ₂ , CH ₄ and N ₂ O.
Scope 1 GHG emissions	ktCO ₂ e	Scope 1 GHG emissions refer to the Company-owned or leased stationary equipment that combusts fossil fuels (liquid, gaseous or solid) for electricity, steam or heat generation or waste stream materials, including combustion from Company-owned or leased off-road and on-road mobile (transportation) sources, as well as process and fugitive emissions. The reported Scope 1 GHG emissions include emissions from the combustion of diesel and petrol and explosives.

Sustainability KPIs	Units	Definitions of KPIs
Environmental continued		
Scope 2 GHG emissions	ktCO ₂ e	Scope 2 GHG emissions refer to indirect emissions attributable to purchased electricity, heat or steam. The reported Scope 2 GHG emissions comprise electricity purchased from Eskom, the South African energy utility.
GHG emissions intensity	tCO ₂ /oz	GHG emissions intensity expresses the amount of GHG emitted per unit of product sold, activity, or any specific metric an organisation chooses. GHG emissions intensity (tCO ₂ e/oz) = Scope 1 and 2 GHG emissions (CO ₂ e) ÷ gold sold (oz).
Averted Scope 2 GHG emissions	ktCO ₂ e	Averted Scope 2 GHG emissions refer to the GHG emissions from total indirect energy or energy from renewable and non-renewable electricity minus GHG emissions from indirect energy or energy from non-renewable electricity. Scope 2 GHG emissions from non-renewable energy are theoretical and comprise averted Scope 2 GHG emissions since these would be GHG emissions based on energy consumption in the absence of renewable energy. This computation excludes lifecycle emissions associated with renewable electricity generation.
Renewable energy as a % of total electricity consumed	%	Total electricity consumption includes non-renewable electricity purchased from Eskom plus renewable electricity generated (solar PV). Renewable energy as a percentage of total electricity consumed (%) = Renewable electricity consumption (MWh) ÷ total electricity (non-renewable and renewable) consumption (MWh).
Percentage of land in the process of rehabilitation	%	Rehabilitation is a process that aims to restore degraded or damaged ecosystems to a functional state, including returning disturbed land to a stable, productive and self-sustaining condition. It involves implementing various remediation techniques and interventions to accelerate the recovery of ecosystem structure and functioning. It encompasses measurable actions such as re-establishing vegetation, improving soil quality, promoting ecological succession, and monitoring the success of restoration efforts. Percentage of land in the process of rehabilitated (%) = Area in the process of rehabilitation (ha) ÷ Land available for rehabilitation (ha). Where: Land available for rehabilitation excludes the area related to tailings storage facilities (TSFs).

KEY PERFORMANCE INDICATORS continued

Sustainability KPIs	Units	Definitions of KPIs
Social		
Employment equity – historically disadvantaged persons (HDP)	%	<p>Employment equity (EE) refers to the representation of HDP¹ on the Board, Executive management, senior management, middle management, junior management, people with disabilities and <i>core and critical skills</i>.</p> <p>The reported EE % = Africans (male, female) + Coloured (male, female) + Indian (male, female) + White (female)/(all persons <i>in the roles above</i> including foreign nationals).</p> <p>¹ Historically disadvantaged person (HDP)-owned and controlled company for the purpose of the Mining Charter refers to an entity in which HDPs hold at least 51% of exercisable voting rights and economic interest, including the Flow-Through Principle.</p>
Percentage of females in mining	%	<p>The females in mining (%) = the number of total (permanent and temporary) females employed/total number of permanent and temporary employees (males and females).</p>
Total recordable injury frequency rate (TRIFR)	Rate per million person hours	<p>Recordable work-related injury or ill health refers to a work-related injury or ill health that results in any of the following: death, days away from work, restricted work or transfer to another job, medical treatment beyond first aid, or loss of consciousness; or significant injury or ill health diagnosed by a physician or other licensed healthcare professional, even if it does not result in death, days away from work, restricted work or job transfer, medical treatment beyond first aid, or loss of consciousness. The definition of TRIFR covers the following subset of workers:</p> <ul style="list-style-type: none"> • All workers who are employees • All workers who are not employees but whose work and workplace are controlled by the organisation • All workers who are not employees and whose work and workplace are not controlled by the organisation, but the organisation's operations, products and services are directly linked to significant occupational health and safety impacts on those workers by its business operations.
Percentage of total mining goods procurement spend on South African-manufactured goods from 50% + 1 vote HDP-owned and controlled companies	%	<p>Mining goods refer to capital goods and consumables used by a right holder or by a contractor on behalf of a right holder, excluding non-discretionary expenditure (procurement from rail, utilities (electricity, water, rates and taxes) and fuel, which now also eliminates buildings, lubricants and roads).</p> <p>The reported procurement of mining goods from HDPs = Total mining goods procurement spend on South African manufactured goods from 50% + 1 vote HDP-owned and controlled companies/Total procurement budget for services (Table H).</p>
Percentage of total services procurement spend on South African-based companies that are 50% + 1 vote HDP-owned and controlled companies	%	<p>Services refer to services contracted by a right holder or by a contractor on behalf of a right holder, including but not limited to mining production services, drilling, mineral trading, mineral marketing, legal, shipping, transportation, information technology services, security, payroll, finance, medical, consulting, cleaning, insurance and any other services which are supplementary to the mine, excluding non-discretionary expenditures.</p> <p>The reported procurement of services from HDPs = Total services procurement spend on South African-based companies that are 50% + 1 vote HDP-owned and controlled companies/Total procurement spent for services (Table I).</p>

Portable skills training in building and construction skills at Barberton Mines



GRI INDEX

Pan African has developed this report, in accordance with the GRI Universal Standards, which focuses on the key risks and opportunities significant to our business and stakeholders. This report also includes indicators from the GRI Mining and Metals Sector disclosures. The GRI index is provided for reference.

SDG linkage	Indicator	Disclosure	Reference and information	Page(s)
	2 – 1	Organisational details	Integrated annual report <ul style="list-style-type: none"> About this report About Pan African Corporate information 	6
	2 – 2	Entities included in the organisation's sustainability reporting	Sustainable development report <ul style="list-style-type: none"> About our report 	6
	2 – 3	Reporting period, frequency and contact point	Sustainable development report <ul style="list-style-type: none"> About this report Corporate information 	6 98
	2 – 4	Restatements of information	Sustainable development report <ul style="list-style-type: none"> Environmental performance and impact 	N/A
	2 – 5	External assurance	Sustainable development report <ul style="list-style-type: none"> Assurance report 	85
Activities and workers				
	2 – 6	Activities, value chain and other business relationships	Integrated annual report <ul style="list-style-type: none"> About Pan African Our business model 	6 28 to 33
SDG5; SDG8; SDG10	2 – 7	Employees	Sustainable development report <ul style="list-style-type: none"> Workforce profile 	66
SDG5; SDG8; SDG10	2 – 8	Workers who are not employees	Sustainable development report <ul style="list-style-type: none"> Social performance indicators 	61
Governance				
SDG5	2 – 9	Governance structure and composition	Corporate governance report <ul style="list-style-type: none"> Board of directors 	10 to 14
SDG5	2 – 10	Nomination and selection of the highest governance body	Corporate governance report <ul style="list-style-type: none"> Corporate governance 	13
	2 – 11	Chair of the highest governance body	Corporate governance report <ul style="list-style-type: none"> Board of directors 	12
	2 – 12	Role of the highest governance body in overseeing the management of impacts	Corporate governance report <ul style="list-style-type: none"> Corporate governance 	12
	2 – 13	Delegation of responsibility for managing impacts	Corporate governance report <ul style="list-style-type: none"> Board of directors 	12

SDG linkage	Indicator	Disclosure	Reference and information	Page(s)
Governance continued				
	2 – 14	Role of the highest governance body in sustainability reporting	Corporate governance report <ul style="list-style-type: none"> Corporate governance 	12
	2 – 15	Conflicts of interest	Corporate governance report <ul style="list-style-type: none"> Conflicts of interest policy and registry 	14
SDG16	2 – 16	Communication of critical concerns	Corporate governance report <ul style="list-style-type: none"> Corporate governance 	18
	2 – 17	Collective knowledge of the highest governance body	Corporate governance report <ul style="list-style-type: none"> Corporate governance 	13
	2 – 18	Evaluation of the performance of the highest governance body	Corporate governance report <ul style="list-style-type: none"> Corporate governance 	13
	2 – 19	Remuneration policies	Integrated annual report <ul style="list-style-type: none"> Remuneration report 	158 to 167
	2 – 20	Process to determine remuneration	Integrated annual report <ul style="list-style-type: none"> Remuneration report 	155 to 167
Strategy, policies and practices				
	2 – 22	Statement on sustainable development strategy	Sustainable development report <ul style="list-style-type: none"> Overview of sustainable development activities 	10
SDG16	2 – 23	Policy commitments	Sustainable development report <ul style="list-style-type: none"> Sustainable development strategy 	36 to 29
SDG16	2 – 24	Embedding policy commitments	Sustainable development report <ul style="list-style-type: none"> Sustainable development strategy 	36 to 29
SDG16	2 – 25	Processes to remediate negative impacts	Sustainable development report <ul style="list-style-type: none"> Social performance and impact 	40
SDG16	2 – 26	Mechanisms for seeking advice and raising concerns	Sustainable development report <ul style="list-style-type: none"> Grievance mechanism 	76
SDG16	2 – 27	Compliance with laws and regulations	Corporate governance report <ul style="list-style-type: none"> Corporate governance 	16
	2 – 28	Memberships of association	Integrated annual report <ul style="list-style-type: none"> Global Initiative against Transnational Organised Crime 	84
Stakeholder engagement				
	2 – 29	Approach to stakeholder engagement	Sustainable development report <ul style="list-style-type: none"> Our key stakeholders and engagement 	22
SDG8	2 – 30	Collective bargaining agreements	Sustainable development report <ul style="list-style-type: none"> Human rights 	75

SDG linkage	Indicator	Disclosure	Reference and information	Page(s)
Material topics				
	3 – 1	Process to determine material topics	Sustainable development report • Materiality approach	7
	3 – 2	List of material topics	Sustainable development report • Our material sustainable development topics	25
	3 – 3	Management of material topics	Climate change report • Our material sustainable development topics	25 to 30
Economic performance				
SDG1; SDG8; SDG9	201 – 1	Direct economic value generated and distributed	Sustainable development report • Value created and distributed in FY25	33 to 34
SDG13	201 – 2	Financial implications and other risks and opportunities due to climate change	Climate change report • Climate-related risks and opportunities	11 to 17
	201 – 3	Defined benefit plan obligations and other retirement plans	Integrated annual report • Remuneration framework	160 to 161
	201 – 4	Financial assistance received from government		N/A
Indirect economic impacts				
SDG5; SDG9; SDG11	203 – 1	Infrastructure investments and services supported	Sustainable development report • Inclusive economic growth	32
SDG1; SDG3; SDG8	203 – 2	Significant indirect economic impacts	Sustainable development report • Social impact and community development	32
Procurement practices				
SDG8	204 – 1	Proportion of spending on local suppliers	Sustainable development report • Local procurement	65
Anti-corruption				
SDG16	205 – 2	Communication and training about anti-corruption policies and procedures	Corporate governance report • Corporate governance	12
SDG16	205 – 3	Confirmed incidents of corruption and actions taken	Sustainable development report • Security management	77
Energy				
SDG7; SDG12; SDG13	302 – 1	Energy consumption within the organisation	Climate change report • Metrics and target	21
SDG7; SDG13	302 – 2	Energy consumption outside of the organisation	Climate change report • Metrics and targets	21

SDG linkage	Indicator	Disclosure	Reference and information	Page(s)
Energy continued				
SDG7; SDG12; SDG13	302 – 3	Energy intensity	Climate change report • Metrics and targets	23
SDG7; SDG12; SDG13	302 – 4	Reduction of energy consumption	Climate change report • Energy consumption	22
SDG7; SDG12; SDG13	302 – 5	Reductions in energy requirements of products and services	Climate change report • Energy savings	22
Water and effluents				
SDG6; SDG12; SDG13	303 – 1	Interactions with water as a shared resource	Sustainable development report • Water management	51 to 52
SDG6	303 – 2	Management of water discharge-related impacts	Sustainable development report • Water management	51 to 52
SDG6	303 – 3	Water withdrawal	Sustainable development report • Water management	51 to 52
SDG6	303 – 4	Water discharge	Sustainable development report • Water management	51 to 52
SDG6	303 – 5	Water consumption	Sustainable development report • Water management	51 to 52
Biodiversity				
SDG6; SDG14; SDG15	304 – 1	Operational sites owned, leased, managed in, or adjacent to protected areas and areas of high biodiversity value outside protected areas	TNFD report • Operational report	25
SDG6; SDG14; SDG15	304 – 2	Significant impacts of activities, products, and services on biodiversity	TNFD report • Scenario analysis for biodiversity impacts	14
SDG6; SDG14; SDG15	304 – 3	Habitats protected or restored	TNFD report • Risk mitigation strategies	24
Emissions				
SDG13;	305 – 1	Direct (Scope 1) GHG emissions	Climate change report • Metrics and targets	21
SDG13	305 – 2	Energy indirect (Scope 2) GHG emissions	Climate change report • Metrics and targets	21
SDG13	305 – 4	GHG emissions intensity	Climate change report • Metrics and targets	21
SDG13;	305 – 5	Reduction of GHG emissions	Climate change report • Metrics and targets	21
SDG13	305 – 6	Emissions of ozone-depleting substances	Climate change report • Metrics and targets	21

SDG linkage	Indicator	Disclosure	Reference and information	Page(s)
Waste				
SDG3; SDG11; SDG12; SDG13; SDG15	306 – 1	Waste generation and significant waste-related impacts	Sustainable development report • Waste management	53 to 54
SDG3; SDG11; SDG12; SDG13; SDG15	306 – 2	Management of significant waste-related impacts	Sustainable development report • Waste management	53 to 54
SDG3; SDG11; SDG12; SDG13; SDG15	306 – 3	Waste generated	Sustainable development report • Waste management	53 to 54
SDG3; SDG12; SDG13; SDG15	306 – 4	Waste diverted from disposal	Sustainable development report • Waste management	53 to 54
SDG3; SDG12; SDG13; SDG15	306 – 5	Waste directed to disposal	Sustainable development report • Waste management	53 to 54
Employment				
SDG5; SDG8; SDG10	401 – 1	New employee hires and employee turnover	Sustainable development report • Workforce profile	66
SDG3; SDG8	401 – 2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Sustainable development report • Employee incentives	67
SDG8	402 – 1	Minimum notice periods regarding operational changes	Sustainable development report • Commitment to inclusive employment and development	67
SDG3; SDG8	403 – 1	Occupational health and safety management system	Sustainable development report • Occupational health	72
SDG3; SDG8	403 – 2	Hazard identification, risk assessment and incident investigation	Sustainable development report • Safety initiatives	74
SDG3; SDG8	403 – 3	Occupational health services	Sustainable development report • Occupational health and hygiene	71
SDG3; SDG8	403 – 4	Worker participation, consultation and communication on occupational health and safety	Sustainable development report • Occupational health	72
SDG3; SDG4; SDG8	403 – 5	Worker training on occupational health and safety	Sustainable development report • Health, safety and well-being	71

SDG linkage	Indicator	Disclosure	Reference and information	Page(s)
Employment continued				
SDG3; SDG4; SDG8	403 – 6	Promotion of worker health	Sustainable development report • Occupational health	72
SDG3; SDG8	403 – 7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Sustainable development report • Occupational health	72
SDG3; SDG8	403 – 9	Work-related injuries	Sustainable development report • Safety performance review	73
SDG3; SDG8	403 – 10	Work-related ill health	Sustainable development report • Work-related ill health	72
Training and education				
SDG4; SDG5; SDG8; SDG10	404 – 1	Average hours of training per year per employee	Sustainable development report • Learning and development	68
SDG4; SDG5; SDG8; SDG10	404 – 2	Programmes for upgrading employee skills and transition assistance programmes	Sustainable development report • Learnership, internships, graduate programmes and apprenticeships	69
SDG4; SDG5; SDG8; SDG10	404 – 3	Percentage of employees receiving regular performance and career development reviews	Sustainable development report • Learning and development	68
Diversity and equal opportunity				
SDG5; SDG8; SDG10	405 – 1	Diversity of governance bodies and employees	Sustainable development report • Workforce profile Corporate governance report • Board of directors	66 13
Non-discrimination				
SDG5; SDG8; SDG10; SDG16	406 – 1	Incidents of discrimination and corrective actions taken	Sustainable development report • Commitment to inclusive employment and development	67
Forced or compulsory labor				
SDG5; SDG8; SDG16	409 – 1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	Sustainable development report • Human rights	75
Local communities				
SDG8; SDG10	413 – 1	Operations with local community engagement, impact assessments and development programs	Sustainable development report • Community engagement	62

SUSTAINABILITY REPORTING BOUNDARY

Scope

● Included

● Excluded

Selected sustainability information	Unit of measurement	Barberton Mines	Evander Mines	MTR project	Tennant Mines	Sudan exploration	Barberton Blue	Pan African Resources corporate office	Reason for exclusion
Non-renewable electricity consumption	GWh	●	●	●	●	●	●	●	
Renewable electricity consumption	GWh	●	●	●	●	●	●	●	
Diesel consumption	ML	●	●	●	●	●	●	●	
Energy consumption	TJ	●	●	●	●	●	●	●	
Energy intensity (energy consumed per ounce of gold sold)	GJ/oz	●	●	●	●	●	●	●	The KPI depends on the ounces of gold sold; the excluded entities are not gold-producing operations
GHG emissions Scope 1	ktCO ₂ e	●	●	●	●	●	●	●	
GHG emissions Scope 2	ktCO ₂ e	●	●	●	●	●	●	●	
GHG emissions per ounce of gold sold	tCO ₂ e/oz	●	●	●	●	●	●	●	The KPI depends on the ounces of gold sold; the excluded entities are not gold-producing operations
GHG emissions averted	ktCO ₂ e	●	●	●	●	●	●	●	
Renewable energy as a percentage of total energy consumed	%	●	●	●	●	●	●	●	
Land rehabilitation (project level – MTR operation)	%	●	●	●	●	●	●	●	The KPI linked specifically to the MTR operation
Employment equity – historically disadvantaged persons (HDPs)	%	●	●	●	●	●	●	●	The KPI is aligned with the Mining Charter III and excludes entities not associated with mining
Percentage of women in mining	%	●	●	●	●	●	●	●	The KPI is aligned with the Mining Charter III and excludes entities not associated with mining
Total recordable injury frequency rate	Rate per million person hours	●	●	●	●	●	●	●	The KPI is aligned with the Mine Health and Safety Act and excludes entities not associated to mining
Percentage of the total mining goods procurement spend on South African- manufactured goods from 50% + 1 vote HDP-owned and controlled companies	%	●	●	●	●	●	●	●	The KPI is aligned with the Mining Charter III and the procurement of mining goods, which currently includes only gold mining operations
Percentage of the total services procurement spend on South African companies that are 50% + 1 vote HDP-owned and controlled companies	%	●	●	●	●	●	●	●	The KPI is related to the Mining Charter III and the procurement of mining services, which currently includes only gold mining operations

GLOSSARY

TERMS AND ABBREVIATIONS USED IN THIS REPORT

%	Parts per hundred/percentage
AI	Artificial intelligence
Aids	Acquired immunodeficiency syndrome
AIM	The London Stock Exchange's international market for smaller growing companies (formerly known as the Alternative Investment Market)
AISC [®]	All-in sustaining costs
ALARP	As low as reasonably practicable
Au	Gold
BAP	Biodiversity action plan
Barberton Blue	Barberton Blue Proprietary Limited
Barberton Mines	Barberton Mines Proprietary Limited
B-BBEE	Broad-based black economic empowerment
BIOX [®]	The Biological Oxidation (BIOX [®]) gold extraction process
the board	The board of directors of Pan African Resources
BTRP	Barberton Tailings Retreatment Plant
CAGR	Compound annual growth rate
CO ₂ e	Carbon dioxide emissions
CSI	Corporate social investment
DMPR	Department of Mineral and Petroleum Resources
DWS	Department of Water and Sanitation
EBITDA	Earnings before interest, income taxation expense, depreciation and amortisation
EE	Employment equity
EFG	Emissions factor at generation
EIA	Environmental impact assessment
Elikhulu	Elikhulu Tailings Retreatment Plant
EMP	Environmental management programme
EoR	Engineer of Record
ESD	Enterprise and supplier development
ESG	Environmental, social and governance

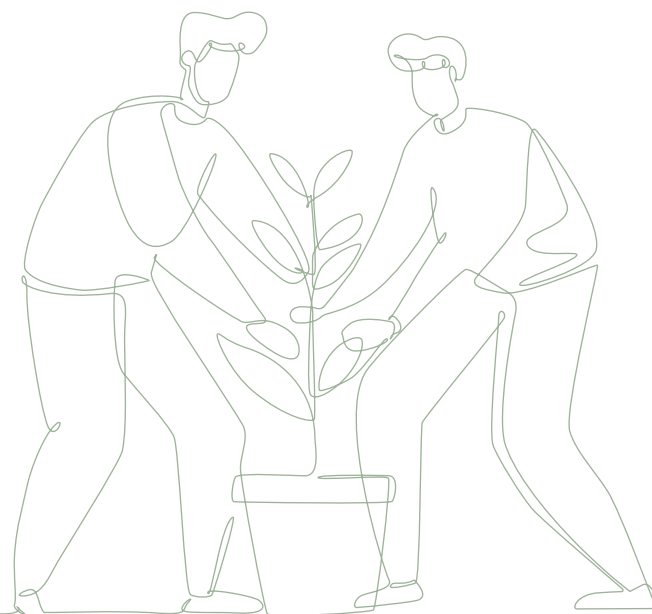
EPRP	Emergency preparedness and response plan
ERT	Emergency response teams
Eskom	Electricity Supply Commission, South African electricity supplier
Evander Mines	Evander Gold Mines Limited and Evander Gold Mining Proprietary Limited
FSD	Federation for Sustainable Development
FSE	Mariette Liefierink Federation for Sustainable Development
FY20	Financial year ended 30 June 2020
FY21	Financial year ended 30 June 2021
FY23	Financial year ended 30 June 2023
FY24	Financial year ended 30 June 2024
FY25	Financial year ended 30 June 2025
FY26	Financial year ending 30 June 2026
FY27	Financial year ending 30 June 2027
FY29	Financial year ending 30 June 2029
FY30	Financial year ending 30 June 2030
GDP	Gross domestic product
GHG	Greenhouse gas
GISTM	Global Industry Standard on Tailings Management
GJ	Gigajoule
GRI	Global Reporting Initiative
GTMI	Global Tailings Management Institute
GWh	Gigawatt hour
GWP	Global warming potential
ha	Hectare
HDP	Historically disadvantaged person
HDSA	Historically disadvantaged South African
HEPS	Headline earnings per share
HIV	Human immunodeficiency virus
HR	Human resources

IAR	Integrated annual report
ICMM	International Council for Mining and Metals
IFC	International Finance Corporation
IFRS	IFRS [®] Accounting Standards
IFRS S1	IFRS S1: General Requirements for Disclosure of Sustainability-related Financial Information
IFRS S2	IFRS S2: Climate-related Disclosures
IPCC	Intergovernmental Panel on Climate Change
IPP	Independent power producer
IRBA Code	Code of Professional Conduct for Registered Auditors, issued by the Independent Regulatory Board for Auditors
ISAE	International Standard on Assurance Engagement
ISO	International Standards Organisation
ISSB	International Sustainability Standards Board
ITRB	Independent tailings review board
JET	Just Energy Transition
JORC Code	The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves
JSE	JSE Limited, the main board in South Africa
kg	Kilogramme
King IV [™]	King IV [™] Report on Corporate Governance for South Africa 2016 [™]
KPA	Key performance area
KPI	Key performance indicator
kt	Kilotonne
ktCO ₂ e	Kilotonne carbon dioxide equivalent
kWh	Megawatt hour
LEAP	Locate, Assess, Evaluate, Prepare
LiDAR	Light detection and ranging
LTIFR	Lost time injury frequency rate
m ³	Cubic metre
MHSA	Mine Health and Safety Act, 29 of 1996

GLOSSARY continued

Mining Charter III	Charter to facilitate the sustainable transformation and development of the South African mining industry
ML	Megalitre
mm	Millimetre
Mogale Gold	Mogale Gold Proprietary Limited
MPRDA	Mineral and Petroleum Resources Development Act, 28 of 2000
MQA	Mining Qualifications Authority
MSC	Mintails SA Soweto Cluster Proprietary Limited
MTR company	Mogale Tailings Retreatment Proprietary Limited
MTR operation or plant	The Mogale Tailings Retreatment operation is located in the Mogale district. A plant has been constructed to process gold tailings deposited onto the Mogale Cluster and Soweto Cluster
MW	Megawatt
MWac	Megawatt alternating current
MWh	Megawatt hour
NCPC-SA	National Cleaner Production Centre South Africa
NCV	Net calorific value
NEMA	National Environmental Management Act, 107 of 1998
NGO	Non-governmental organisation
NOx	Nitrogen oxide
NPC	Non-profit company
oz	Ounce
Pan African	Holding company – Pan African Resources PLC
PAR	Pan African Resources
PARC	Pan African Public Reporting Standard for Minerals and Energy Resources
PPA	Power purchase agreement
PPE	Personal protective equipment
PV	Photovoltaic
PwC Inc.	PricewaterhouseCoopers Inc.
RIFR	Reportable injury frequency rate

RMB	Rand Merchant Bank, a division of FirstRand Bank Limited
SAMREC Code	South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves, 2016 edition
SBLF	Sustainability Bond Linked Finance
SCADA	Supervisory Control and Data Acquisition
SDG	Sustainable Development Goal
SHEQ	Safety, health, environment and quality
SLP	Social and Labour Plan
SME	Small and medium-sized enterprise
SMME	Small, medium and micro enterprise
SO ₂	Sulphur dioxide
t	Tonne
TCFD	Task Force on Climate-related Financial Disclosures
tCO ₂ e	Tonnes (t) of carbon dioxide (CO ₂) equivalent
TCTA	Trans-Caledon Tunnel Authority
Tennant company	Tennant Consolidated Mining Group Proprietary Limited
Tennant Mines	Tennant Mines consists of the Nobles Gold operation (consisting of stockpiles, open pit and underground mines) and the Warrego copper and gold project in Tennant Creek, Northern Territory, Australia
TJ	Terajoule (Tera = 10 ¹²) or a trillion joules
TNFD	Taskforce on Nature-related Financial Disclosures
TRIFR	Total recordable injury frequency rate
TSF	Tailings storage facility
UN	United Nations
UN SDGs	United Nations Sustainable Development Goals
UK	United Kingdom
US\$	United States dollar
VOC	Volatile organic compound
WUL	Water use licence
ZAR	South African rand



CORPORATE INFORMATION

CORPORATE OFFICE

The Firs Building
2nd Floor, Office 204
Corner Cradock and Biermann Avenues
Rosebank, Johannesburg
South Africa
Office: +27 (0) 11 243 2900
Email: info@paf.co.za

REGISTERED OFFICE

107 Cheapside, 2nd Floor
London EC2V 6DN
United Kingdom
Office: +44 (0) 20 3869 0706

CHIEF EXECUTIVE OFFICER

Cobus Loots
Office: +27 (0) 11 243 2900

FINANCIAL DIRECTOR AND DEBT OFFICER

Marileen Kok
Office: +27 (0) 11 243 2900

COMPANY SECRETARY

Jane Kirton
St James's Corporate Services Limited
Office: +44 (0) 20 3869 0706

JSE SPONSOR AND JSE DEBT SPONSOR

Ciska Kloppers
Questco Corporate Advisory Proprietary Limited
Office: +27 (0) 63 482 3802

NOMINATED ADVISER AND JOINT BROKER

Ross Allister/Georgia Langoulant
Peel Hunt LLP
Office: +44 (0) 20 7418 8900

JOINT BROKERS

Thomas Rider/Nick Macann
BMO Capital Markets Limited
Office: +44 (0) 20 7236 1010

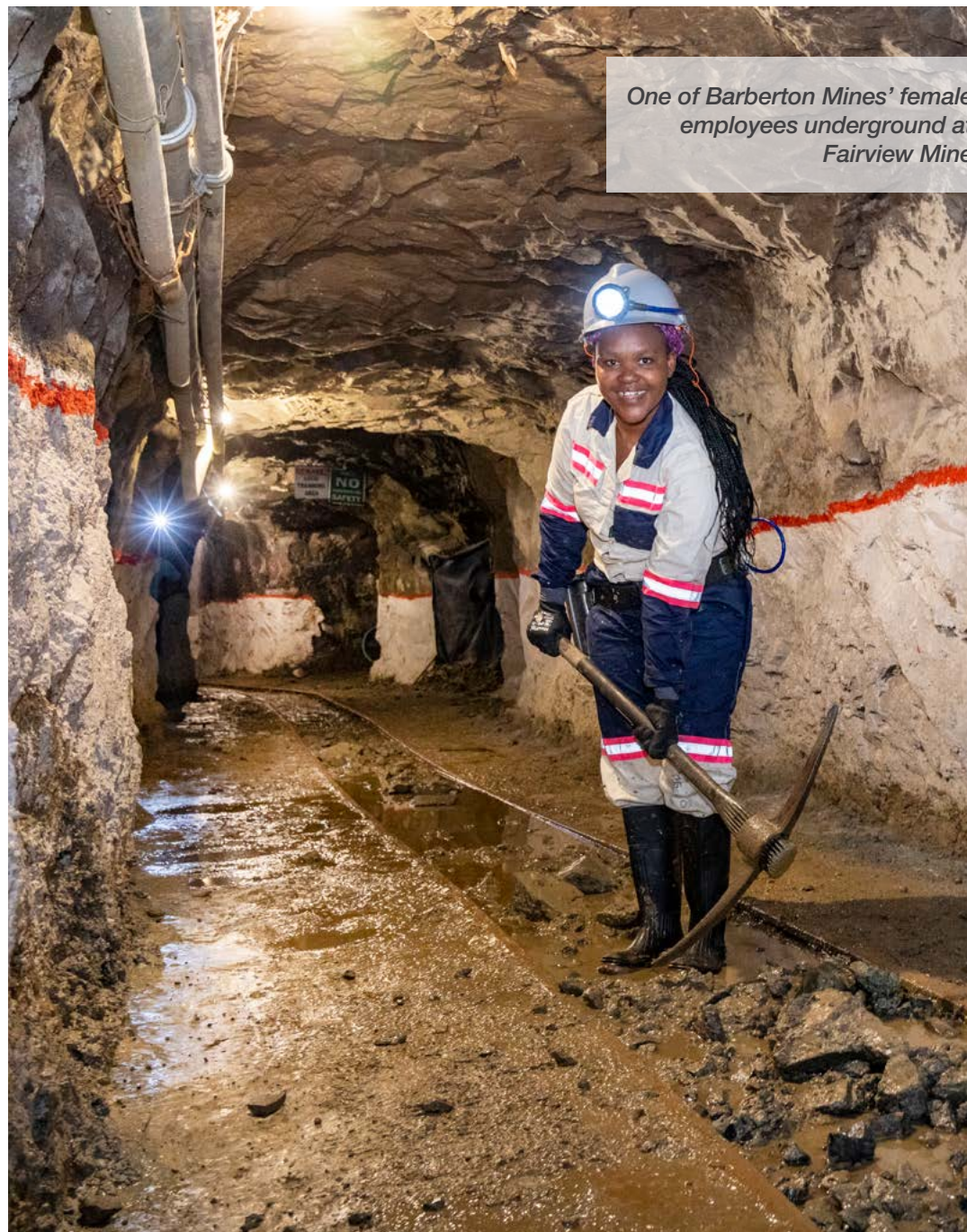
Matthew Armitt/Jennifer Lee
Joh. Berenberg, Gossler & Co KG
Office: +44 (0) 20 3207 7800

HEAD: INVESTOR RELATIONS

Hethen Hira
Office: +27 (0) 11 243 2900
Email: hhira@paf.co.za

GROUP ESG MANAGER

Barry Naicker
Office: +27 (0) 11 243 2900
Email: barry@paf.co.za



One of Barberton Mines' female employees underground at Fairview Mine



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