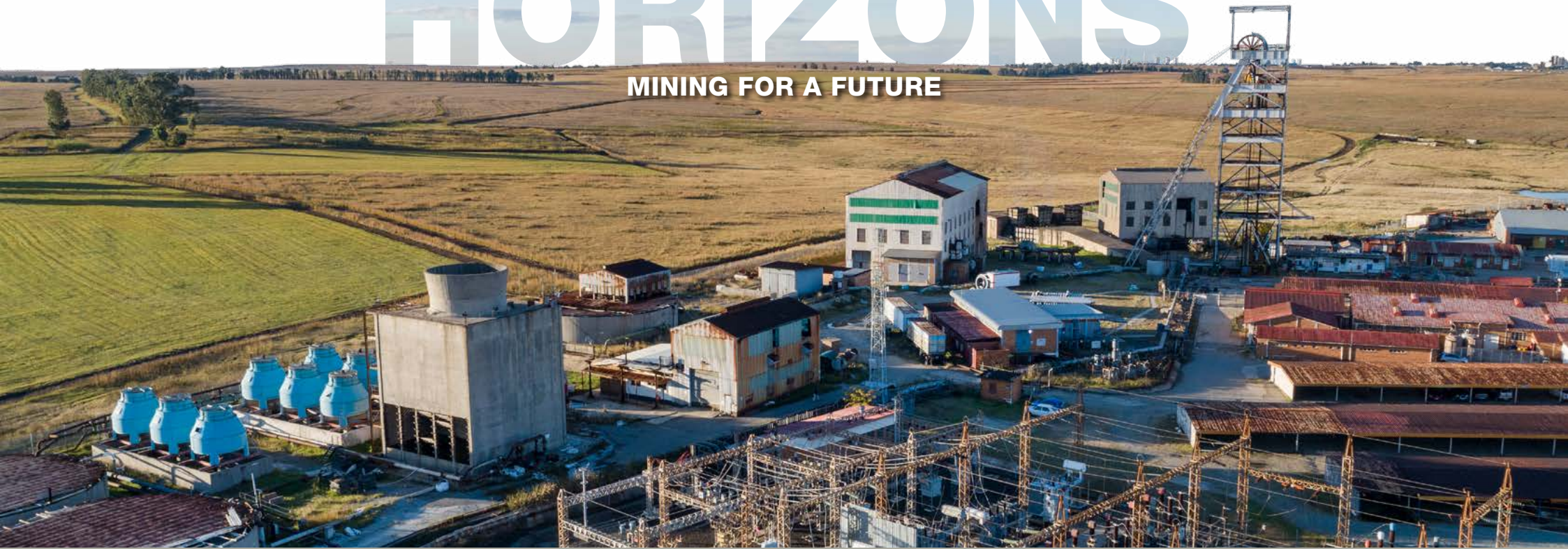


EXPANDING HORIZONS

MINING FOR A FUTURE



REPORT NAVIGATION

The following tool will assist you throughout this report:



Find more information on our website, www.panafricanresources.com/

The following icons and colours are used to show connectivity between sections:

CAPITALS



Financial capital



Manufactured capital



Intellectual capital



Human capital



Social and relationship capital



Natural capital

STAKEHOLDERS



Providers of capital



Customers



Suppliers



Employees and unions



Communities



Governments and regulatory bodies



Collaboration partners



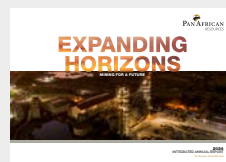
The environment

Refer to pages 4 to 8.

CONTENTS

Corporate governance overview	2
Board of directors	9
Corporate governance	14
King IV™ index	23
Glossary	26
Corporate information	27

OUR REPORTING SUITE



Our **integrated annual report** includes our annual financial statements and is available on our website at:

<https://www.panafricanresources.com/investors/financial-reports/>



Our **sustainable development report** contains additional non-financial disclosures and is available on our website at:

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



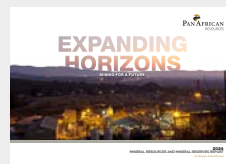
Our **provisional summarised audited results** are available on our website at:

<https://www.panafricanresources.com/investors/financial-reports/>



Our **climate change report** is available on our website at:

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



Our **Mineral Resources and Mineral Reserves report** provides technical information in compliance with the SAMREC Code and is available on our website at:


<https://www.panafricanresources.com/african-mines/mineral-resource-mineral-reserve/>



Our **notice of annual general meeting** will be available on our website on 30 October 2024 at:

<https://www.panafricanresources.com/investors/shareholder-announcements/>

CORPORATE GOVERNANCE OVERVIEW

The Pan African board is committed to upholding corporate governance practices and promoting responsible corporate citizenship as an integral part of the Group's strategic framework. Refer to **page 16** of the  integrated annual report for more information on the Group's strategy.

Compiling this report has been guided by, but not limited to, the following:

- London Stock Exchange's (LSE) AIM Market (AIM) Rules
- JSE Limited (JSE) Listings Requirements
- Global Reporting Initiative (GRI) Standards
- International Integrated Reporting Framework of the IFRS Foundation
- King IV Report on Corporate Governance for South Africa, 2016™ (King IV™)
- Principles of the United Nations Global Compact
- United Nations Sustainable Development Goals South African Companies Act, 71 of 2008 (South African Companies Act¹)
- United Kingdom (UK) Companies Act 2006 (Companies Act 2006).

This report covers material corporate governance matters from 1 July 2023 to 30 June 2024 (the 2024 financial year). We have included information on all material events that occurred after the 2024 financial year and up to the date the board approved this report. Pan African upholds the principles of King IV™, which has been adopted as its recognised corporate governance code for both the JSE and the AIM on the LSE. The King IV™ index can be found on **page 23**.

Our GRI index can be viewed online at  <https://www.panafricanresources.com/investors/gri-and-sustainability/>

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¹ The South African Companies Act is applicable to South African entities.

CORPORATE GOVERNANCE FRAMEWORK

The board is the custodian of the Group's corporate governance framework and is supported by its five committees. The board recognises its responsibility to lead the Group ethically and sustainably through the application of King IV™.

The Group's corporate governance framework forms the foundation of how business is conducted and is guided by:

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.

Our sustainability commitment

Our commitment to sustainability extends beyond compliance. We collaborate with experts in community engagement, conservation and sustainability initiatives to benefit all stakeholders. Our approach prioritises environmental, social and governance (ESG) considerations, including the use of renewable energy and water recycling.

Our values

- Action and delivery
- Teamwork
- Excellence
- Ownership
- Resilience
- Integrity
- Courageous conversations
- Care
- Innovation
- Attitude.

CORPORATE GOVERNANCE OVERVIEW continued

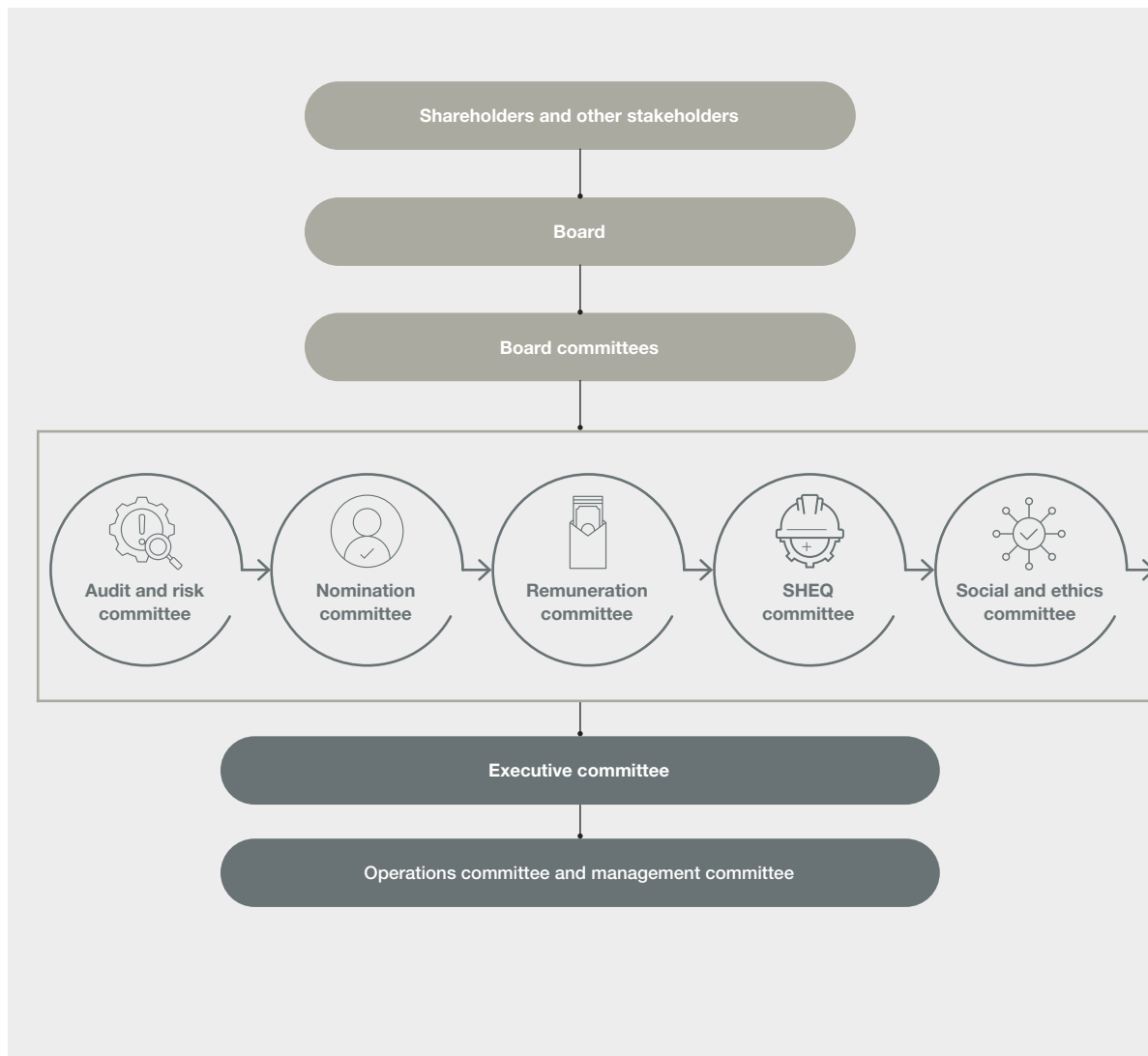
Internal charters, policies and frameworks

- Board charter
- Board committee charters
- Delegation of authority framework
- Corporate governance framework
- Code of ethics
- Values statement
- Diversity policy
- Conflict of interest policy
- Risk management policy
- Internal audit charter
- Compliance management policy
- Commercial malpractices policy
- Anti-bribery and anti-corruption policy
- Whistle-blower policy
- Fraud prevention plan
- Investigative protocols
- Office of foreign assets control (OFAC) policy
- ESG policy and framework
- Modern slavery and human trafficking
- Protection of personal information policy
- Stakeholder and relationship engagement policy
- Community development and corporate social investment (CSI) policy
- Safety, health, environment and quality (SHEQ) policy
- Combined assurance policy
- Human rights policy.

The board assumes ultimate responsibility for ensuring that the Group adheres to sound corporate governance standards and makes business decisions with the appropriate diligence, expertise and focus to maximise sustainable value for all stakeholders.

The board comprises a diverse group of directors who possess the requisite knowledge, expertise, technical experience and business acumen to govern the Group responsibly, ethically, honestly and transparently. We recognise that we operate in an ever-shifting environment shaped by evolving social and political dynamics, and we are committed to maintaining effective and responsible governance structures that safeguard our reputation and social licence to operate.

The board delegates certain powers to its committees, which assist it in fulfilling its corporate governance responsibilities per their board-approved charters. Each committee charter outlines the delegated roles and responsibilities of the committee and is subject to periodic review by the board. Refer to **page 11** for more information on the composition and role of the board committees. For an overview of board members' credentials and their committee membership, please refer to **pages 9 and 10**. The corporate governance framework, which was reviewed in June 2024, is depicted alongside. Refer to **pages 18 to 20** for an overview of the board's committees' activities at June 2024.



Time horizon	● Short-term focus (one year)	● Medium-term focus (two to three years)	● Long-term focus (three years or more)
Progress	● Substantially achieved	● Moderate progress	● Not achieved

STAKEHOLDER CONCERNS, STRATEGIC AREAS OF FOCUS AND ISSUES DISCUSSED AND ACTIONED

Our directors are acutely aware of their responsibility to act in the best interests of the Company and its members as a whole, taking into consideration the short-, medium- and long-term success of the Company, as outlined in section 172 of the UK Companies Act 2006.

The board assumes responsibility for establishing the strategic direction of the Group, overseeing its overall business conduct and culture and ensuring alignment with the Group's purpose and values. Meetings are convened by the board at least four times a year, with additional meetings scheduled as deemed necessary. In 2024, the board convened on seven occasions, reflecting its commitment to diligent governance.

Stakeholder relations are a fundamental component of the Group's governance structure and are managed through various channels. The social and ethics committee is responsible for oversight of stakeholder relationships. The chief executive officer, financial director and head of investor relations ensure an inclusive approach to achieving optimal outcomes for all stakeholders in the execution of the Group's strategy. At an operational level, stakeholder engagement is the responsibility of the general manager, human resources manager and ESG manager.

The board prioritises transparency and accountability by ensuring clear and timely communication with shareholders and other stakeholders about the Group's performance and strategic direction. Inclusivity is central to its approach, with the board reporting annually on ESG performance and maintaining guidelines such as stakeholder relationship and engagement, whistle-blowing and SHEQ policies, which are available on the Group's website. Refer to our key stakeholders section in the integrated annual report for more information.

PROVIDERS OF CAPITAL | Investors, shareholders, fund managers, analysts and financial institutions

Strategic objective Financial capital Ensure adequate, competitively priced and flexible financial resources for the funding of our operations and disciplined capital allocation for sustainable long-term value creation	Governance activities in 2024 <ul style="list-style-type: none"> The board monitored the Group's capital structure, cash flow projections, debt covenant compliance and ongoing operational performance relative to budgets and operational forecasts. The board is confident that the Group's capital structure and its management of liquidity risk are appropriate and effective The board, through the audit and risk committee, monitored the Group's capital reduction process which took effect on 18 July 2024 The board monitored the Group's solar funding strategy and approved the funding package for the construction of Barberton Mines' solar plant and the extension of Evander Mines' solar plant funding facility which was established during June 2024 The board monitored the progress of the power purchase agreement entered into with Sturdee Energy The board reviewed several investment proposals and approved the strategic acquisition of an equity interest in Tennant Consolidated Mining Group Proprietary Limited (TCMG) The board, through the audit and risk committee, monitored the upgrade of the Group's enterprise resource planning (ERP) system The board reviewed the status of the Group's strategic capital projects, ensuring that these projects are being progressed consistent with projected timelines and within the allocated budget The board discussed the Mogale Tailings Retreatment project's (MTR project) execution risk and mitigating actions, specifically those related to social unrest and illegal mining in the area The board, through the social and ethics committee, monitored the Group's progress in meeting the key performance indicators (KPIs) associated with the sustainability-linked bond Taking into consideration the Group's strategic objectives, capital structure and liquidity, the board will recommend the proposed dividend for the year ended 30 June 2024 to shareholders for their approval at the November 2024 annual general meeting (AGM) 																								
Strategic initiatives <ul style="list-style-type: none"> Further strengthen the capital structure and funding flexibility ● ● ● Ensure adequate liquidity for operational requirements and debt redemptions ● ● ● Ensure appropriate and innovative medium-term funding for organic growth, exploration and acquisition opportunities ● ● ● Prioritise sustainable returns to shareholders ● ● ● 	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%;"></th> <th style="width: 25%; text-align: center;">2024</th> <th style="width: 25%; text-align: center;">2023</th> <th style="width: 10%;"></th> </tr> </thead> <tbody> <tr> <td>• Net senior debt</td> <td style="text-align: right;">US\$102.8 million</td> <td style="text-align: right;">US\$18.9 million</td> <td style="text-align: center;">●</td> </tr> <tr> <td>• Net cash from operating activities</td> <td style="text-align: right;">US\$90.8 million</td> <td style="text-align: right;">US\$100.1 million</td> <td style="text-align: center;">●</td> </tr> <tr> <td>• Available debt facilities</td> <td style="text-align: right;">US\$68.7 million</td> <td style="text-align: right;">US\$49.9 million</td> <td style="text-align: center;">●</td> </tr> <tr> <td>• In June 2024, a US\$19.2 million green loan facility was secured for the construction of Barberton Mines' solar plant</td> <td></td> <td></td> <td style="text-align: center;">●</td> </tr> <tr> <td>• Dividend paid</td> <td style="text-align: right;">US\$21.2 million</td> <td style="text-align: right;">US\$23.2 million</td> <td style="text-align: center;">●</td> </tr> </tbody> </table>		2024	2023		• Net senior debt	US\$102.8 million	US\$18.9 million	●	• Net cash from operating activities	US\$90.8 million	US\$100.1 million	●	• Available debt facilities	US\$68.7 million	US\$49.9 million	●	• In June 2024, a US\$19.2 million green loan facility was secured for the construction of Barberton Mines' solar plant			●	• Dividend paid	US\$21.2 million	US\$23.2 million	●
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Key stakeholder concerns during the year <ul style="list-style-type: none"> Consistent financial and operational performance which enables sustainable shareholder returns Increasing debt levels Growth opportunities Distributions made in contravention of the UK Companies Act 2006 Power curtailment Share liquidity and valuation 	Governance responsibility <ul style="list-style-type: none"> Board Audit and risk committee Executive committee (Exco) 																								
Looking ahead <ul style="list-style-type: none"> Monitor the Group's operational optimisation and restructuring initiatives intended to increase production and reduce costs Execute capital projects intended to sustain and increase gold production into the future Monitor debt levels as the MTR project's construction progresses Maintain the focus on generating sustainable shareholder returns Advance organic growth projects within our mining rights, and further progress the exploration programme in north-eastern Sudan once the in-country political situation stabilises 																									

Time horizon	● Short-term focus (one year)	● Medium-term focus (two to three years)	● Long-term focus (three years or more)
Progress	● Substantially achieved	● Moderate progress	● Not achieved

EMPLOYEES AND UNIONS

Strategic objective



Human capital

Attract, cultivate and retain exceptional talent while fostering a culture of safety, respect and continuous learning

Strategic initiatives

- Strive for **zero fatalities** and an average annual improvement of 3.86% in the **total recordable injury frequency rate (TRIFR)** ● ● ●
- **Develop employee skills** and introduce **retention** programmes for scarce skills ● ● ●
- Maintain an **entrepreneurial and performance-driven culture** ● ● ●

Value created/eroded

	2024	2023	
• Fatalities	1	1	●
• TRIFR (per million man hours)	6.52 Target: 8.08	7.96 Target: 8.5	●
• Skills and development training	US\$1.8 million	US\$2.2 million	●
• Continued progress in fostering an entrepreneurial and results-driven culture			●
• Promoted employee health and well-being by advocating for wellness, nutrition and fitness programmes designed to raise awareness among employees			●

Key stakeholder concerns during the year

- Employee safety
- Wage negotiations
- Maturation of Barberton Mines' employee share option plan
- Diversity and transformation

Governance responsibility

- Board
- SHEQ committee
- Social and ethics committee
- Exco

Governance activities in 2024

- The board, assisted by the SHEQ committee, had oversight of the Group's compliance with safety standards. It monitored the implementation of health and safety measures across operations, with a particular focus on reinforcing fundamental safety behaviours and cultivating a robust safety culture
- The board monitored the Group's response to the fatal accident that occurred at Elikhulu Tailings Retreatment Plant (Elikhulu) in February 2024
- Executive directors ensured that employee safety was a consistent and prominent agenda item in every Exco meeting
- The board discussed and approved initiatives to enhance the safety and risk management of the Group's tailings storage facilities (TSFs)
- The board, assisted by the remuneration committee (Remco):
 - deliberated succession plans, retention and remuneration schemes and identified future leaders within the Group and the development of these leaders
 - reviewed, monitored and ensured compliance in terms of stipulated employment equity targets and other regulatory requirements
- The board monitored wage negotiations at Barberton Mines and Evander Mines. In June 2024, Barberton Mines successfully concluded a five-year wage agreement with the National Union of Mineworkers. Similarly, a five-year wage agreement was reached with the United Association of South Africa in July 2021, which is set to expire in June 2026

Looking ahead

- Continue to drive year-on-year improvements in safety performance
- Implement improved safety initiatives at all operations
- Continue to maintain a strong focus on talent management, skills development and succession planning

Time horizon	● Short-term focus (one year)	● Medium-term focus (two to three years)	● Long-term focus (three years or more)
Progress	● Substantially achieved	● Moderate progress	● Not achieved

COMMUNITIES

Strategic objective



Social and relationship capital

Engage stakeholders to build positive relationships, maintain our social licence to operate and create sustainable value

Strategic initiatives

- **Curtail illegal mining** and property theft through cooperation between all stakeholders and law enforcement agencies ● ● ●
- Maintain **compliance** with **Social and Labour Plan (SLP) requirements** while seeking opportunities to go beyond ESG regulatory requirements for the benefit of our stakeholders ● ●
- **Operate TSFs** in line with the **Global Industry Standard on Tailings Management (GISTM)** as far as reasonably practicable ● ●

Value created in 2024

- Reduced illegal mining through partnerships, surveillance and enhanced technology applications ●
- Successfully handed over the computer and science laboratories at the Thomas Nhlabathi High School and Thistle Grove Combined School to the Department of Basic Education in November 2023 ●
- Granted full scholarships to 25 high-achieving students from Barberton's local communities ●
- Created alternative employment opportunities through the Barberton Blueberries project ●
- Implemented phase 1 of a formal health and wellness programme at Barberton Mines ●
- Continued to implement operational measures to progress the Group's TSFs in line with the GISTM as far as reasonably practicable ●

Key stakeholder concern during the year

- Socio-economic support and opportunities through job creation and infrastructure development

Governance responsibility

- Board
- SHEQ committee
- Social and ethics committee
- Exco

Governance activities in 2024

- The executive directors managed stakeholder relationships on behalf of the Group, and the chief executive officer updated the board on the status of stakeholder engagements
- Feedback from external stakeholders such as host communities, financiers, the South African government and shareholders was discussed by the board
- The board, through the SHEQ committee and the social and ethics committee, monitored the progress of the Group's CSI and local economic development (LED) projects and was satisfied with the progress made by the Group on these projects

Looking ahead

- Continue to engage with communities and stakeholders surrounding our operations
- Continue investing in local community socio-economic development projects through Barberton Mines' and Evander Mines' SLP, CSI and our 'beyond compliance' ESG projects
- Continue with small enterprise development assistance for local historically disadvantaged South African (HDSA) companies through business incubation centres that provide training, mentoring and support infrastructure

Time horizon	● Short-term focus (one year)	● Medium-term focus (two to three years)	● Long-term focus (three years or more)
Progress	● Substantially achieved	● Moderate progress	● Not achieved

GOVERNMENTS AND REGULATORY BODIES | The governments of South Africa, the UK and Sudan, the JSE, A2X, AIM, OTCQX and other regulatory authorities

Strategic objective



Social and relationship capital

Engage stakeholders to build positive relationships, maintain our social licence to operate and create sustainable value

Strategic initiatives

- Maintain **compliance** with **SLP requirements** while seeking opportunities to go beyond ESG regulatory requirements for the benefit of our stakeholders ● ●
- **Operate TSFs** in line with the **GISTM** as far as reasonably practicable ● ●
- Continue to enhance, improve and refine sustainability performance and reporting ● ●

Value created in 2024

- Successfully handed over the computer and science laboratories at the Thomas Nhlabathi High School and Thistle Grove Combined School to the Department of Basic Education in November 2023 ●
- Continued to implement measures to progress the operation of the Group's TSFs in line with the GISTM as far as reasonably practicable ●
- Continued to address ESG readiness gaps identified in the 2022 PricewaterhouseCoopers Inc. (PwC) report ●
- Increased the number of assured ESG KPIs from 11 to 16 ●
- Published the Group's second climate change report in alignment with the three-year roadmap, reinforcing and strengthening the Group's climate change strategy ●
- The Taskforce on Nature-related Financial Disclosures (TNFD) maturity assessment and roadmap were finalised to benchmark the Group's alignment with the TNFD recommendations ●

Key stakeholder concern during the year

- Compliance with regulatory requirements

Governance responsibility

- Board
- Audit and risk committee
- Social and ethics committee
- Exco

Governance activities in 2024

- The board, through the audit and risk committee:
 - reviewed ongoing compliance with King IV™, the listings requirements (JSE and AIM) and other relevant regulations applicable to the Group. The board is satisfied with the extent of the Group's compliance with the King IV™ principles and the listings requirements
 - monitored investigations emanating from the Group's whistle-blowing hotline
- The board, through the social and ethics committee and SHEQ committee, monitored compliance with SLP commitments
- The board monitored progress on the Department of Mineral Resources and Energy (DMRE) engagement regarding the MTR project's SLPs
- The board monitored the implementation of risk management initiatives aimed at enhancing the safety and operational management of the Group's TSFs while striving for GISTM compliance as far as reasonably practicable
- The board monitored the construction of phase 2 of Elikhulu's TSF extension on the Kinross footprint
- The board monitored the registration and transfer of mining rights associated with the MTR project
- The board, through the audit and risk committee, approved the share trading policy, the information technology (IT) governance policy and the internal irregularities investigation protocols in November 2023 and reviewed other key policies and charters to ensure their relevance, effectiveness and alignment with best practices

Looking ahead

- Through ethical awareness campaigns, further promote and enhance awareness of ethical behaviour
- Continued compliance with the Group's SLPs
- Continue with our strategy of adopting a 'beyond compliance' ESG approach
- Continue to progress the implementation of TSF audit recommendations and compliance with the GISTM to ensure that the Group's TSFs are compliant, to the extent possible

Time horizon	● Short-term focus (one year)	● Medium-term focus (two to three years)	● Long-term focus (three years or more)
Progress	● Substantially achieved	● Moderate progress	● Not achieved

THE ENVIRONMENT | Represented by civil society groups whose primary areas of interest include environmental-related issues

Strategic objective



Natural capital

Manage our operations with climate-conscious practices that preserve and protect natural resources and promote sustainability

Strategic initiatives

- **Rehabilitate** 41% of the MTR project's surface area **by 2030**, while concurrently conducting remining operations ● ●
- Achieve a **renewable energy mix** of 15% by 2027 ●
- Reduce the Group's **carbon footprint** and advance its **decarbonisation strategy** ● ●
- Progress the **implementation of TSF audit recommendations** and advance compliance with the **GISTM**, as far as reasonably practicable ● ●

Value created	2024	2023	
● MTR project area rehabilitated	122.3ha	–	●
● Renewable energy mix	6.1% Target: 7%	6.1% Target: 5%	●
● Scope 1 and 2 emissions	353.0ktCO ₂ e	335.7ktCO ₂ e	●
● Carbon intensity per ounce sold	1.88tCO ₂ e/oz Au	1.91tCO ₂ e/oz Au	●
● Action plans and remedial activities are being implemented to mitigate high-risk safety and environmental issues associated with the Group's TSFs			

Key stakeholder concerns during the year

- Sustainability performance and reporting
- Tailings management

Governance responsibility

- Board
- SHEQ committee
- Social and ethics committee
- Exco

Governance activities in 2024

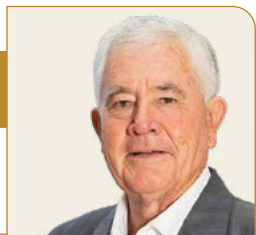
- The board monitored land rehabilitation progress linked to the MTR project ensuring alignment with the sustainability-linked bond KPI
- The board, through the social and ethics committee, monitored:
 - the Group's progress in meeting the KPIs associated with the sustainability-linked bond
 - the operational performance of Evander Mines' solar plant
 - the construction progress of Barberton Mines' 8.75MW solar plant
 - biodiversity and conservation collaboration partnerships between Barberton Nature Reserve and Barberton Mines
 - the sponsorship of the Care for Wild Rhino Sanctuary
- The board monitored the Group's ESG performance including:
 - the progress of its renewable energy and climate change strategy
 - the operational performance of Evander Mines' water treatment plant
 - the Barberton Blueberries project, tracking the extent of employment opportunities created, remuneration paid to employees and blueberries harvested and sold
 - the implementation of phase 1 of a health and wellness programme at Barberton Mines
 - the assurance of ESG disclosures in the 2024 sustainable development report
- No reportable environmental incidents were reported
- The board, through the SHEQ committee, monitored:
 - the Group's carbon footprint and greenhouse gas (GHG) emissions and reviewed initiatives to reduce baseline GHG emissions
 - the progress of the Group's rehabilitation initiatives

Looking ahead

- Continue to monitor and improve regulatory compliance
- Continue to assess and respond to any negative impacts that the Group's operations may have had on the environment and communities surrounding our operations

BOARD OF DIRECTORS

NON-EXECUTIVE DIRECTORS



Keith Spencer (74)
Chairman • Independent

BSc Eng (Mining)

Date of appointment
8 October 2007

Significant directorships

None

Skills and experience

Keith is a mining engineer with 48 years' practical experience. Since 1986, Keith has held senior positions at some of the largest gold mines in the world including:

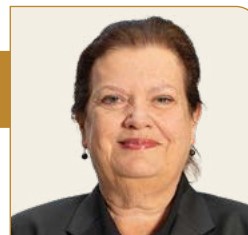
- Managing director of Driefontein Consolidated
- Chairman and managing director of Deelkraal Gold Mine
- Director on the boards of gold mines belonging to Gold Fields, South Africa
- Operations director of Metorex

Experience

- Technical and operational
- Risk management
- Environmental and sustainability
- Business and strategy
- Leadership

Committee membership

- Nomination committee
 - SHEQ committee
- Chairman of the nomination committee*
Chairman of the SHEQ committee



Dawn Earp (62)
Lead independent

BCompt (Hons), CA(SA), CDSA®

Date of appointment
16 September 2021

Significant directorships

Arcelor Mittal South Africa, Impala Platinum Holdings, Truworthe International Limited and South African Guide-dogs Association non-profit organisation

Skills and experience

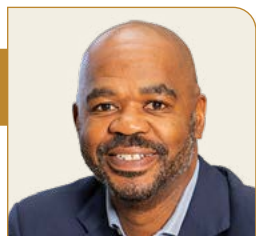
Dawn previously held the position of financial director, both at Implats and Rand Refineries. She has served as a non-executive director of various private and listed companies

Experience

- Finance and accounting
- Risk management
- Governance and regulation
- Business and strategy
- Leadership
- Taxation

Committee membership

- Audit and risk committee
 - Nomination committee
 - SHEQ committee
- Chairperson of the audit and risk committee*



Thabo Mosololi (55)
Independent

BCom (Hons), CA(SA)

Date of appointment
9 December 2013

Significant directorships

MFT Investment Holdings, Truworthe International Limited, New Season Investment Fund, MalaMala Game Reserve and Roadgrass Investments

Skills and experience

Thabo brings a wealth of experience in financial management, corporate governance and audit to the board. He qualified as a chartered accountant with KPMG in 1994. Since then, he has served on various boards as a member and chairman of audit committees in the resources and other industries in South Africa

Experience

- Finance and accounting
- Risk management
- Governance and regulation
- Business and strategy
- Leadership
- Taxation
- Environmental and sustainability

Committee membership

- Audit and risk committee
 - Nomination committee
 - Remuneration committee
 - Social and ethics committee
- Chairman of the social and ethics committee*



Yvonne Themba (59)
Independent

BA, MBA

Date of appointment
17 July 2019

Significant directorships

Adopt-a-School Foundation non-profit organisation, Canadoce Investments Close Corporation, Bo Themba Projects Proprietary Limited, eLogistics Portal Proprietary Limited, Pfortner Holdings Proprietary Limited, Pfortner Solutions Proprietary Limited, Xerosystems Proprietary Limited and Energy Mobility Education Trust

Skills and experience

Yvonne is the executive director of BoThemba Projects. She was previously responsible for human capital at Phembani Group and Shanduka Group. She headed the group corporate communications department at African Life Assurance Limited and the CSI and corporate communications department at Sanlam. Prior to that, she was deputy director of the Life Officers' Association

Experience

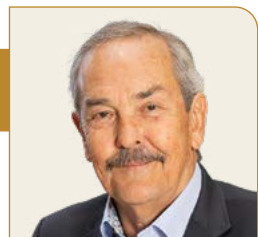
- Technical and operational
- Risk management
- Governance and regulation
- Environmental and sustainability
- Business and strategy
- Leadership

Committee membership

- Nomination committee
 - Remuneration committee
 - Social and ethics committee
- Chairperson of the remuneration committee*

BOARD OF DIRECTORS continued

NON-EXECUTIVE DIRECTORS continued



Charles Needham (70)

Independent

Articles of Clerkship-Accounting, Dip in Mining Taxation

Date of appointment
17 July 2019

Significant directorships

Alphamin Resources Corporation, Divitiae Holdings Limited, Imagined Earth Proprietary Limited, METPROP Proprietary Limited, MetQuip Proprietary Limited, Orpheus Property Holdings Proprietary Limited, Unit 8 Tradewinds Proprietary Limited (company is dormant) and Alphamin Bisie Mining Proprietary Limited

Skills and experience

Charles is chairman of Alphamin Resources Corporation (listed on the Toronto Stock Exchange). His previous experience includes 31 years at Metorex and its mining operations in Namibia, South Africa, Zambia and the Democratic Republic of the Congo. He progressively held the positions of group accountant, financial director and ultimately chief executive officer of Metorex

Experience

- Finance and accounting
- Risk management
- Technical and operational
- Governance and regulation
- Business and strategy
- Leadership

Committee membership

- Audit and risk committee
- Remuneration committee
- SHEQ committee

EXECUTIVE DIRECTORS



Cobus Loots (46)

Chief executive officer • Not independent

CA(SA), CFA®
Charterholder

Date of appointment
26 August 2009

Significant directorships

None

Skills and experience

Cobus has many years of experience in the African mining sector. He qualified as a chartered accountant with Deloitte & Touche in South Africa. He has been a director of Pan African since 2009, serving as financial director from 2013 until his appointment as chief executive officer on 1 March 2015

Experience

- Technical and operational
- Finance and accounting
- Risk management
- Business and strategy
- Leadership
- Technology
- Taxation

Committee membership

- SHEQ committee



Deon Louw (62)

Financial director • Not independent

CA(SA), CFA®
Charterholder,
HDip (Tax Law),
AMCT (UK)

Date of appointment
1 March 2015

Significant directorships

None

Skills and experience

Deon has extensive finance and business experience, which includes investment banking, advisory and business administration in the finance and mining sectors. As a founding member of Investec Bank's emerging market finance team, he was involved in financing mining transactions in sub-Saharan Africa for more than a decade. He fulfilled the roles of chief financial officer of Shanduka Coal, financial director of Sentula Mining Limited, director of Resource Finance Advisers and head of resource structured finance at Investec Bank

Experience

- Finance and accounting
- Risk management
- Business and strategy
- Leadership
- Technology
- Taxation
- Environmental and sustainability

Committee membership

- Social and ethics committee

BOARD OF DIRECTORS continued

THE BOARD AND ITS COMMITTEES (AT 30 JUNE 2024)

Board of directors	Audit and risk committee	Safety, health, environment and quality committee	Social and ethics committee	Nomination committee	Remuneration committee
Meets at least four times a year	Meets at least four times a year	Meets at least four times a year	Meets at least four times a year	Meets when required	Meets at least twice a year
<i>Chairman</i>	<i>Chairperson</i>	<i>Chairman</i>	<i>Chairman</i>	<i>Chairman</i>	<i>Chairperson</i>
KEITH SPENCER	DAWN EARP	KEITH SPENCER	THABO MOSOLOLI	KEITH SPENCER	YVONNE THEMBA
	Members: Charles Needham, Thabo Mosololi Other non-executive and executive board members attend as invitees.	Members: Dawn Earp, Cobus Loots	Members: Yvonne Themba, Deon Louw	Members: Dawn Earp, Thabo Mosololi, Yvonne Themba, Charles Needham	Members: Charles Needham, Thabo Mosololi
The board provides leadership to the Group and is collectively responsible for promoting and safeguarding the long-term success and sustainability of the business. The board is supported by five committees to which certain powers have been delegated. The board delegates the responsibility of managing the Group's operations, developing strategy and implementing the board's directives to executive management.	The audit and risk committee assists the board in fulfilling its corporate governance and oversight responsibilities to ensure the integrity of the Group's financial and corporate reporting, while ensuring that adequate systems of internal control and risk management processes are in place and are operating effectively.	The SHEQ committee was established to assist the board in its oversight of the effectiveness of Pan African's SHEQ policies and programmes and to keep the board informed on Pan African's objectives and compliance with and maintenance of applicable standards.	The social and ethics committee assists the board in ensuring that the Group is and remains a committed and socially responsible corporate citizen by creating a sustainable business, having regard for the Group's economic, social and environmental impact on the areas in which it operates.	The role of the nomination committee is to assist the board in ensuring that: <ul style="list-style-type: none"> the composition of the board has an appropriate level of skills, experience, diversity and independence directors are appointed through a formal nomination process induction of newly appointed directors and ongoing training and development of existing directors is undertaken formal succession plans for the board, chief executive officer and senior management appointments are in place. 	Remco assists the board to ensure that: <ul style="list-style-type: none"> both executive and non-executive directors are fairly and responsibly remunerated executive directors' remuneration is structured to incentivise sustainable performance for the benefit of shareholders the disclosure of director remuneration is accurate, complete and transparent.
Executive committee Exco meets on a regular basis to review the Company's performance against a set of predetermined objectives and to manage the Group's operations, develop the Group's strategy and implement the board's directives. Exco is not a committee of the board. Members of Exco include: Cobus Loots, chief executive officer; Deon Louw, financial director; Niel Symington, executive: shared services; Marileen Kok, Group finance executive; Edmond Thorne, Group mining engineer manager; Hendrik Pretorius, executive: technical services and new business; and Jonathan Irons, Group consulting metallurgist and executive accountable for tailings.					

BOARD OF DIRECTORS continued

BOARD COMPOSITION

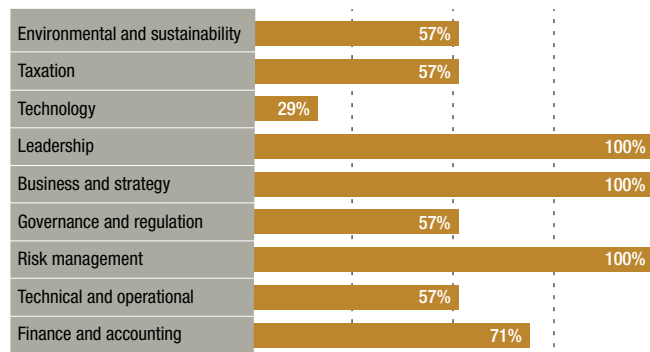
The board delegates the director election and appointment process to the nomination committee. The Group's financial director, Deon Louw, has taken the decision to retire with effect from 30 September 2024 and will continue as a consultant to the Group. Marileen Kok will succeed Deon Louw as Group financial director and, subject to the completion of standard director due diligence, will be appointed to Pan African's board of directors.

The board comprises a majority of independent non-executive directors with five independent non-executive directors and two executive directors (non-independent). The executive directors are the chief executive officer and the financial director. Through an annual appraisal process, the board has concluded that it has the appropriate balance of knowledge, skills, experience, diversity, continuity and independence to objectively and effectively discharge its governance role and responsibilities.

Pursuant to the articles of association of the Company, one-third of directors, excluding any director appointed since the previous AGM, must retire on a rotational basis from office at each AGM. The directors to retire are those who have been longest in office since their last election or re-election. Retiring directors may make themselves available for re-election if they remain eligible, as required by the constitutional documents and in compliance with the AIM Rules and the JSE Listings Requirements. Dawn Earp, Thabo Mosololi and Charles Needham will retire by rotation pursuant to the articles of association. They will again make themselves available for re-election at the November 2024 AGM.

Diversity of experience

Our board reflects a considerable amount of experience in mining, business and related activities and collectively has a wealth of industry knowledge¹.



¹ Percentage of directors with requisite skills.

Director independence

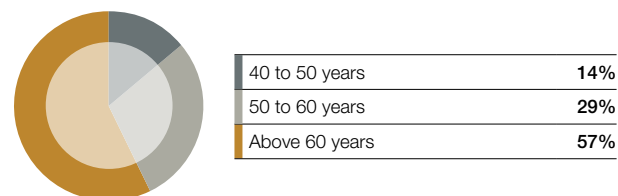
The board comprises seven directors: two executive directors (chief executive officer and financial director) and five non-executive directors. The board's non-executive directors are all independent of management and free from any material business or other relationship which could interfere with their ability to exercise independent judgement.

There is a separation of responsibilities between the leadership of the board (the responsibility of the chairman) and the executive responsibility for the leadership of the Group's business (the responsibility of the chief executive officer).



Diversity of age

The board is responsible for implementing a retirement age of 73 for its members. In certain instances, the board reserves the right to extend the age limit to 78 years, depending on the board member's fitness to serve as a director. An evaluation of Keith Spencer's suitability to serve as a director has been conducted, and the board is confident in his capacity to fulfil the role effectively, including serving as the chairman of the board.

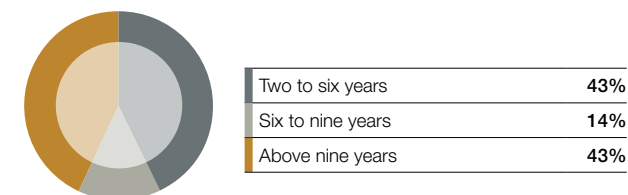


Diversity of tenure

In terms of the JSE Listings Requirements and the Group's constitutional documents, one-third of directors, excluding any director appointed since the previous AGM, must retire from office at each AGM on a rotational basis.

Non-executive directors who have served more than nine years are subject to an annual assessment of their independence by the board.

Keith Spencer and Thabo Mosololi, both independent non-executive directors, have served on the board for more than nine years. An assessment of their independence was conducted, and the board has satisfied itself that they both display independence of thought, mindset and judgement in their roles as chairmen of the board and the social and ethics committee, respectively.



BOARD OF DIRECTORS continued

Time commitment and external appointments

The board acknowledges that non-executive directors have business interests other than those of the Company. Before their appointment to the board, non-executive directors are required to declare any directorships, appointments and other business interests to the Company in writing.

Non-executive directors are required to seek approval from the chairman, on behalf of the board, before accepting significant additional commitments that might affect the time they have available to perform their role as non-executive directors. The board's conflict of interest policy was reviewed in June 2024. A conflict of interest register is maintained to ensure transparency.

Currently, four of the five non-executive directors hold more than two external appointments. Refer to **pages 9 and 10** for the external appointments held. The board has considered these external commitments, taking into account the time commitment required for each appointment, and is satisfied that they do not adversely impact the directors' ability to discharge their responsibilities fully and effectively in fulfilment of their non-executive roles in the Company.

As evidenced in the table on **page 20**, in 2024, the directors attended 95.9% of board and committee meetings.

Executive directors are required to seek approval from the board, following consideration by the nomination committee, before accepting an external directorship. Currently, the two executive directors do not hold any external appointments.

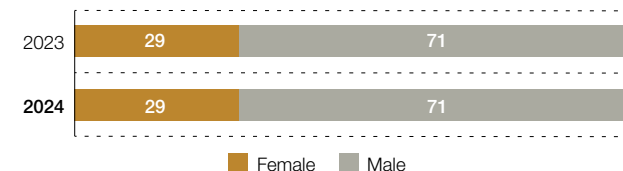
Diversity of gender and employment equity

To enable the board to discharge its duties and responsibilities effectively, the board considers the benefits of all aspects of diversity in its composition. The nomination committee is the custodian of the diversity policy as it pertains to director appointment.

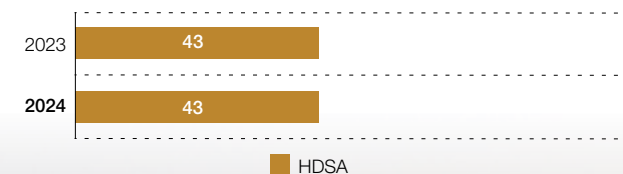
The board has exceeded the following targets for its director representation:

- 25% female
- 40% HDSA.

Gender (%)



Historically disadvantaged South Africans (%)



Overview of Barberton Mines' BIOX[®] plant and the BTRP nestled within the Barberton Mountainland

CORPORATE GOVERNANCE

The board is responsible for overseeing ethics and governance.

Its decision-making process includes research, seeking expert advice, when necessary, and considering the impacts of its decisions on stakeholders.

ETHICAL LEADERSHIP

Ethical leadership at Pan African is not just a statement; it is part of our governance culture. The Group's code of ethics details its values and practices which are in addition to the requirements of formal governance codes and legal requirements. It is designed to provide guidance on ethical conduct across all activities. The code of ethics and values statement, along with other policies, are provided to new employees as part of their introduction pack. Additionally, contracts with third parties include a provision compelling adherence to Pan African's code of ethics. The code of ethics and values statement were reviewed in November 2022 and are available on the Company's website at

<https://www.panafricanresources.com/about/corporate-governance/>

Our commitment to long-term sustainability is demonstrated through the Group's risk management and strategic planning, as evidenced by the Group's renewable energy strategy, the adoption of an ESG policy and framework and support for the sustainability-linked bond finance as well as promoting initiatives such as the Barberton Blueberries project, which seeks to foster economic opportunities with local communities through agricultural projects.

Pan African has a zero-tolerance approach to bribery and corruption. To ensure compliance with the UK Bribery Act, the Foreign Corrupt Practices Act of the United States of America and the South African Prevention and Combating of Corrupt Activities Act, 12 of 2004, a formal anti-bribery and anti-corruption policy has been implemented. The policy, reviewed in June 2023, is communicated to all employees and mine contractors and from whom full compliance is expected. Proactive measures are taken to ensure that the policy is enforced and utilised as an effective mechanism for combating corruption. Employees working in high-risk areas receive additional training and support to enhance their ability to identify and prevent corrupt activities effectively. Additionally, any significant ethical breaches are promptly reported to the board for their awareness and necessary action.

The Group upholds a zero-tolerance approach to fraud and other commercial malpractice and is dedicated to fostering an environment that discourages such behaviour through comprehensive policies, awareness campaigns and training initiatives, and encourages honesty and transparency across all functions within the organisation. In June 2023, the board approved the whistle-blowing policy, fraud prevention plan and investigation protocols. The commercial malpractice policy was also reviewed and updated in June 2023.

The Group has implemented an anonymous whistle-blowing hotline accessible to both employees and external parties, including third-party service providers. This platform enables individuals to report any suspected unlawful or illegal activities associated with any of the Group's operations without fear of retaliation. To ensure effectiveness of this mechanism,

the whistle-blowing register is reviewed quarterly by the audit and risk committee.

The Group's OFAC policy, approved in June 2024, ensures compliance with US Treasury-administered sanctions targeting foreign governments, individuals and entities to uphold national security and foreign policy goals.

KING IV™

Since the release of King IV™ in November 2016, we have performed an annual King IV™ gap analysis, which enables the board to benchmark the Group's compliance to the code and monitor its effectiveness.

The 2024 King IV™ index is included on **page 23**. The board is satisfied with the extent of the Group's compliance with the King IV™ principles.

REMUNERATION GOVERNANCE

Remco provides guidance to the board regarding non-executive directors' remuneration. This includes considerations such as directors' duties throughout the year, the skill set scarcity, Group performance, market conditions and both local and international benchmarking of remuneration levels. As per the King IV™ recommendations, remuneration typically consists of a base fee along with an attendance fee per meeting. The board collectively decided that a fixed fee structure for non-executive directors' services on the board and its committees

better reflects the comprehensive nature of their contributions, which extend beyond mere meeting attendance.

In instances where non-executive directors are required to dedicate substantially more time and effort than usual in preparing for and participating in board meetings, Remco evaluates the possibility of additional compensation to recognise their increased commitment.

It is important to note that there are no contractual arrangements for compensation for loss of office for non-executive directors. Their remuneration is governed by various regulations including the UK Companies Act 2006, the JSE Listings Requirements and the King IV™ principles.

An annual remuneration review is conducted for all Paterson Grading C-suite employees using Old Mutual's REMchannel® internet-based remuneration benchmarking survey.

The remuneration report, which includes the remuneration policy and the implementation report, is reviewed annually by Remco and approved by the board. These reports are annually disclosed in the integrated annual report and are subject to endorsement from shareholders at the AGM. Formal engagements with shareholders on remuneration-related issues were undertaken during the 2024 financial year.

ASSURANCE

A combined assurance model is applied, which includes assurance obtained from management and external assurance providers, to give comfort to the board on the Group's ability to achieve the objectives of an effective control environment and the integrity of its information and reporting. The audit and risk committee oversees the effective implementation of the combined assurance policy, last reviewed in November 2022, in collaboration with relevant functions within the Group. PwC assured the 2024 annual financial statements, with their report set out on pages 194 to 199 of the integrated annual report. Additionally, PwC also assured key sustainability information; this report is set out in the sustainable development report on pages 67 to 71.

The audit and risk committee approved the appointment of an independent firm as the Group's internal auditor. The internal audit charter was reviewed in November 2022. The annual internal audit plan, which follows a risk-based approach, is approved by the audit and risk committee.

BOARD CHARTER

The purpose of the board charter is to detail the board's role and responsibilities, the requirements for its composition and meeting procedures to ensure that Pan African applies the principles of good corporate governance in all its dealings.

The board charter is reviewed biennially and when necessary to reinforce its relevance. The most recent review took place in June 2024.

The board is satisfied that it has fulfilled its responsibilities in accordance with its charter for the 2024 financial year.

The provisions of the board charter are subject to statutory and regulatory requirements, including the UK Companies Act 2006, the South African Companies Act, the AIM Rules of the LSE, the JSE Listings Requirements, King IV™ and the Company's memorandum of incorporation.

BOARD LEADERSHIP AND COMMITTEES

Board of directors

Integrated thinking is essential to the Group's strategy, guiding risk management and opportunity identification. This approach informs the strategic objectives which are set by the Group's management and subsequently approved by the board. The Group's performance is evaluated against these objectives, along with relevant KPIs and other metrics, through reviews of management reports, financial statements and performance data. The board annually reviews and approves material matters, ensuring alignment with the Group's overarching objectives and strategy.

The board is accountable for ensuring that the Group's strategy, values and conduct reflect its commitment to responsible corporate citizenship. This includes aligning the Group's strategic objectives and values with its corporate social responsibility initiatives, sustainability efforts and ethical conduct standards, with the support of the board's SHEQ committee and social and ethics committee. Refer to the Group's website for the Group's policy statement regarding stakeholder and relationship engagement as well as community development and CSI. To track the achievement of the sustainability objectives, sustainability KPIs are used, which are closely monitored by both the SHEQ committee and the social and ethics committee.

The board acts as the focal point for, and the custodian of, corporate governance and assumes responsibility for risk governance and opportunities. Effective risk management is pivotal for the Group to achieve its strategic objectives while safeguarding stakeholder value and promoting long-term sustainability. It also ensures the Group upholds its responsibilities as a corporate citizen, mindful of the environment and social impact of its operations, while adhering to its code of conduct. The Group's five committees assist the board in discharging its corporate governance responsibilities. Each committee is chaired by an independent non-executive director. The composition of these committees complies with the requirements of the South African Companies Act, Pan African's articles of association and each committee's charter. Throughout the year, all board committees fulfilled their responsibilities in accordance with their respective charters.

The board assumes ultimate responsibility for the Group's reporting suite, comprising various documents published annually on the Group's website, which it approves on an annual basis. Central to this suite is the integrated annual report, which comprehensively outlines the Group's strategic initiatives, business model, material matters, as well as its identified risks and opportunities.

At the reporting date, the board comprised five non-executive directors and two executive directors. The executive directors are the chief executive officer and the financial director. Brief CVs of all directors are provided on pages 9 and 10.

The board is responsible for strategy origination and evolution and monitors implementation and performance. Directors' responsibilities under the charter include:

- acting as the focal point for, and custodian of, corporate governance by managing its relationship with management, the shareholders and other stakeholders of the Group
- providing effective leadership based on an ethical foundation
- upholding the Group's reputation as a responsible corporate citizen. This entails not only attending to the financial aspects of the business but also acknowledging and addressing the broader aspects of the Group's activities on the environment and the communities in which it operates
- ensuring that the Group complies with applicable laws and considers adherence to non-binding rules and standards.

The board is kept informed of the developments relating to the Group through its executive directors, Exco and when necessary the company secretary.

Audit and risk committee

The audit and risk committee comprises three independent non-executive directors appointed by the board but who are subject to annual re-election by the shareholders at the AGM.

The committee reports directly to the board and has several responsibilities and duties which have been outlined in the audit and risk committee report on pages 190 to 193 of the integrated annual report. The committee meets at least four times a year and makes recommendations to the board, which retains ultimate responsibility for risk management. It also works closely with the internal audit function and approves and reviews the internal audit plan and its execution. The audit and risk committee charter was reviewed and updated in November 2023.

Nomination committee

The nomination committee comprises five independent non-executive directors. The chairman of the board also serves as the chairman of the nomination committee.

The role of the committee is to assist the board in ensuring that:

- the composition of the board has appropriate skills, experience, diversity and independence
- directors are appointed through a formal process
- induction and ongoing training and development of directors are undertaken

CORPORATE GOVERNANCE continued

- formal succession plans for the board, chief executive officer and senior management appointments are in place.

Remuneration committee

Remco comprises three independent non-executive directors.

The remuneration report, which includes the background statement, remuneration policy and the remuneration implementation report, is included in the integrated annual report on **pages 149 to 183**. The committee's functions include:

- monitoring the setting of remuneration at all levels
- monitoring the establishment of a remuneration policy
- ensuring that the remuneration policy is put to a non-binding advisory vote at the AGM
- reviewing the implementation of the remuneration policy and its outcomes to ascertain whether the set objectives are being achieved
- ensuring a mix of fixed and variable compensation to ensure alignment with the Group's strategic objectives
- satisfying itself of the accuracy of recorded performance measures that govern the vesting of incentives
- ensuring that all benefits, including retirement benefits and other financial arrangements, are justified and correctly valued
- considering the results of the performance evaluation of the executive directors, both as directors and as executives, in determining their remuneration

- selecting appropriate peer groups for remuneration-level comparisons
- regularly reviewing incentive schemes to ensure continued alignment to shareholder value and the administration thereof in terms of the rules
- considering the appropriateness of early vesting of share-based schemes on termination of an employment term
- advising on the remuneration of non-executive directors
- ensuring accurate, transparent and complete remuneration disclosure in the integrated annual report.

SHEQ committee

The SHEQ committee, which is an Occupational Health and Safety Act, 85 of 1993, requirement, comprises two independent non-executive directors and one executive director.

The committee was established by the board to assist with oversight of the effectiveness of its SHEQ policies and programmes and to keep the board informed of the Group's objectives and compliance with and maintenance of standards.

The committee's responsibilities include:

- improving occupational health and safety performance and environmental performance
- monitoring compliance of the Group's operations with regulations, policies and standards related to the environment and occupational health and safety
- ensuring that appropriate resources, training and personal protective equipment are provided to improve occupational health and safety standards within the Group

- minimising the use of consumptive resources and promoting the reuse, reduction and recycling of waste products, where possible
- rehabilitating disturbed land and protecting environmental biodiversity
- managing environmental risks in the workplace and surrounding areas
- training employees and making them aware of environmental aspects.

Social and ethics committee

The social and ethics committee, which is a South African Companies Act requirement, comprises two independent non-executive directors and one executive director.

The committee ensures compliance with statutory obligations under King IV™ and the JSE Listings Requirements. It assists the board in ensuring that the Group is a committed, socially responsible corporate citizen by promoting sustainable business practices and considering the economic, social and environmental impacts on local communities.

The primary focus of the committee is to oversee the Group's efforts in sustainable development focusing on economic, social and environmental considerations. The committee's work plan adheres to the Social and Ethics Committee Handbook which includes economic, natural environment, workplace and social considerations. Themes that are monitored and reported on include: employee health and safety, environmental management, CSI, labour and employment practices, the promotion of equality and ethics management.

The committee's responsibilities include:

- monitoring the Group's activities (via other committees of the board) in the context of relevant legislation, other legal requirements or prevailing codes of best practice relating to:
 - social and economic development
 - good corporate citizenship
 - labour and employment
 - environmental stewardship
 - the renewable energy strategy
 - our social licence to operate
 - the sustainable development strategy
 - the stakeholder engagement strategy
- ensuring the effective management of the Group's ethics
- overseeing the Group's response to communicable diseases and implementing measures to prevent and limit their spread, while ensuring regular stakeholder engagement
- improving community development and investment programmes through monitoring, measuring and managing socio-economic and environmental impacts
- monitoring the implementation of community development and investment programmes
- developing programmes and initiatives that promote sustainable communities
- upholding and promoting the human rights of our employees, contractors, suppliers and the communities in which we operate.

Executive committee

Exco is not a committee of the board and is responsible for managing the Group's operations, developing strategy and implementing the board's directives.

Exco meetings are held at least monthly. Its responsibilities include:

- leading executives, management and employees in all aspects of the Group's operations
- developing the Group's strategy for approval by the board
- preparation, management and presentation of the annual budget for the board's approval
- ensuring that the presented budget is aligned to the Group's strategic objectives.

BOARD INFORMATION AND SUPPORT

All directors have full access to the information needed to carry out their duties effectively and have access to the company secretary, the Group's management, employees and external advisers at the Group's expense.

Where a director is unable to attend a board or committee meeting, the director is provided with all relevant information relating to that meeting and is encouraged to discuss issues with the respective chairpersons and/or other board or committee members. In 2024, the directors attended most of the meetings they were eligible to attend, as evidenced in the table on **page 20**.

BOARD INDUCTION AND DEVELOPMENT

Following their appointment, directors receive training appropriate to their level of experience and knowledge. This includes induction packs with relevant information to assist directors in performing their duties, operational site visits and externally facilitated workshops.

ACCOUNTABILITY

The board takes overall responsibility for the success of Pan African. The role of the board is to exercise leadership and sound judgement in directing the Group to achieve sustainable growth and act in the best interests of stakeholders.

FUNCTION

The role of the chairman is separate and distinct from that of the chief executive officer. Keith Spencer, an independent non-executive director, has served as the chairman since December 2011. Dawn Earp, also an independent non-executive director, has served as the lead independent director since September 2021.

The chief executive officer is accountable to the board and Remco who monitor his performance. The board's authority is delegated to management through the chief executive officer. The delegation of authority framework was reviewed in November 2022.

Chairman

Responsibilities

- Setting an ethical tone for the board and the Company
- Providing overall leadership to the board while upholding the principle of collective responsibility for board decisions. This includes being cognisant of the individual duties of board members
- Overseeing the formal succession plan for the board, the chief executive officer and the financial director

- Maintaining regular dialogue with the chief executive officer regarding all material matters affecting the Company and the Group, and consulting with other board members promptly, when deemed appropriate
- Acting as a liaison between management and the board
- Providing independent advice and counsel to the chief executive officer
- Keeping abreast of the activities of the Company and its management
- Ensuring that the directors are adequately informed and receive sufficient information to make appropriate judgements
- Collaborating with the chief executive officer to develop an annual work plan for the board, based on agreed objectives
- Taking an active role in agenda setting for board meetings and ensuring that significant matters pertaining to the business or governance of the Company or the Group are addressed
- Chairing meetings of the board
- Recommending an annual schedule for board and committee meetings including dates, times and locations
- Reviewing and approving minutes of board meetings
- Serving on other committees of the board as determined by the board
- Calling special board meetings when necessary
- Collaborating with the chief executive officer to determine the date, time and location of the AGM

of shareholders and developing the agenda for the meeting

- Chairing shareholders' meetings
- Recommending the appointment of committee members to the board after consulting with directors, management and the nomination committee
- Collaborating with Remco and the board to establish performance objectives for the chief executive officer and monitoring the chief executive officer's performance against these objectives
- Assessing and making annual recommendations to the board regarding the effectiveness of the board, its committees and individual directors. This assessment includes evaluating the performance of the board as a whole.

Chief executive officer

Responsibilities

- Developing the Group's long-term strategy for board approval
- Monitoring and managing the implementation of the Group's strategy and the day-to-day operational decision-making and business activities
- Creating a positive and constructive working environment conducive to attracting, retaining and developing employees
- Ensuring adequate succession planning for the executive management team
- Developing annual budgets that support the Group's strategy

- Monitoring and reporting to the board on the Group's performance
- Establishing an organisational structure that enables the execution of the Group's strategy in an optimal manner
- Ensuring that the Group complies with all relevant laws and corporate governance principles
- Ensuring constructive relationships with critical stakeholders.

Lead independent director

Responsibilities


- Assuming leadership responsibilities in the absence of the chairman
- Serving as a trusted adviser and providing a valuable sounding board for the chairman
- Acting as an intermediary between the chairman and other members of the board, if necessary
- Addressing shareholders' concerns when regular communication channels have been ineffective or deemed inappropriate
- Reinforcing the independence of the board in situations where the chairman does not hold an independent non-executive position
- Chairing discussions and decision-making processes of the board on matters where the chairman has a conflict of interest
- Leading the chairman's performance appraisal.

**General view of Wadi Dirut
in Block 12A South**

CORPORATE GOVERNANCE continued

BOARD ACTIVITIES

Other areas of focus and issues discussed by the board during the financial year are tabled below.

Focus areas	Other matters discussed in 2024
 <p>Strategy and operational execution</p>	<ul style="list-style-type: none"> Monitored the implementation of the Group's strategy Monitored the Group's operational and financial performance relative to budgets and operational forecasts Monitored progress of the: <ul style="list-style-type: none"> – 24, 25 and 26 Level project at Evander Mines – Sheba Fault project at Barberton Mines – Phased approach in developing Egoli – Exploration programme in Sudan
Governance	<ul style="list-style-type: none"> Approved the 2024 financial year integrated annual report, annual financial statements and associated Stock Exchange News Service (SENS) and Regulatory News Services (RNS) updates Approved the going concern basis of accounting for the preparation of the June 2023 and June 2024¹ annual financial statements, December 2023 interim results and the June 2024¹ provisional results Ratified the minutes of meetings held by the board's various committees Approved the 2024 financial year Group budgets
Involvement and oversight of sustainability matters	<ul style="list-style-type: none"> The social and ethics committee and SHEQ committee provided the board with quarterly updates on ESG projects underway within the Group Monitored the progress of the Group's TSF compliance with environmental regulations and the GISTM as far as reasonably practicable Monitored the progress of Barberton Mines' 8.75MW solar plant project Monitored the performance of the Sustainability Bond Linked Finance

Refer to **pages 4 to 8** for the key strategic focus areas and issues discussed and actioned by the board.

COMMITTEE ACTIVITIES

The following tables detail the key issues discussed during the year under review.



Audit and risk committee

Members

- Dawn Earp (*chairperson*)
- Thabo Mosololi
- Charles Needham

Invitees

- Keith Spencer (*chairman*)
- Yvonne Themba (*non-executive director*)
- Cobus Loots (*chief executive officer*)
- Deon Louw (*financial director*)
- The external auditor, internal auditor and financial managers

Key issues discussed in 2024

- Recommended the Group's integrated annual report, corporate governance report as well as the SENS and RNS announcements for June 2023 and June 2024² to the board for approval
- Monitored the implementation of the Group's ERP system
- Monitored the Group's capital reduction process which took effect on 18 July 2024
- Recommended the 31 December 2023 interim report to the board for approval
- Reviewed the internal and external audit reports
- Monitored the Group's risk philosophy and risk tolerance levels
- Approved the internal and external audit fees
- Monitored the external auditors' independence
- Considered the external auditors' independence in providing assurance of key sustainability information in relation to the Group's sustainable development report
- Monitored the internal audit programme and reviewed the internal audit findings
- Evaluated the performance of the financial director, the finance department, the internal and external auditors as well as the company secretary
- Monitored ongoing compliance with King IV™, the listings requirements (JSE and AIM) and other regulations relevant to the Group
- Considered the JSE report on proactive monitoring of financial statements
- Recommended the reappointment of PwC as the external auditor of the Group to the board for shareholder approval at the AGM held in November 2023
- Reviewed and recommended the Group's 2023 and 2024¹ going concern assessment for board approval
- Monitored the Group's tax matters
- Monitored investigations emanating from the Group's whistle-blowing hotline

¹ The board approved the June 2024 going concern basis of accounting and provisional results in September 2024.

² Recommended by the committee in September 2024.



Remuneration committee

Members

- Yvonne Themba (*chairperson*)
- Thabo Mosololi
- Charles Needham

Invitees

- Cobus Loots (*chief executive officer*)
- Deon Louw (*financial director*)
- Niel Symington (*executive: shared services*)

Key issues discussed in 2024

- Ratified salary increases for the Group's operations
- Re-evaluated and agreed appropriate companies for peer group comparisons
- Approved salary increases for senior management and corporate staff
- Approved the annual non-executive directors' remuneration, subject to board approval and shareholder endorsement, at the November 2023 AGM
- Discussed succession plans, retention and remuneration schemes and identified future leaders within the Group and the recommended development plans for these leaders
- Monitored the Group's long-term incentive schemes and approved the proposed vesting criteria
- Engaged with key shareholders regarding the Group's remuneration policy and framework
- Approved the annual short-term incentive (STI) payable to employees from the Group's operations and the corporate office
- Approved the STI parameters for the 2024 financial year



Safety, health, environment and quality committee

Members

- Keith Spencer (*chairman*)
- Dawn Earp
- Cobus Loots

Invitees

- Edmond Thorne (*Group mining engineer*)
- Mandla Ndlozi (*Group SHEQ manager*)
- Barry Naicker (*Group ESG manager*)
- Hethen Hira (*Group head of investor relations and communication*)
- General managers: Barberton Mines, Evander Mines, Elikhulu and the MTR project

Key issues discussed in 2024

- Monitored the Group's compliance with health and safety standards and monitored the health and safety performance and improvement measures implemented at the operations
- Monitored the progress of the implementation of TSF audit recommendations and compliance with environmental regulations and the GISTM, as far as reasonably practicable
- Approved the revised safety criteria for 2025
- Approved the services of PwC for the external assurance of key sustainability information in the sustainable development report
- Monitored environmental management and adherence to relevant legislation
- Approved independent safety contractors to review safety controls at the mining operations
- Monitored community and SLP activities
- Monitored the progress of CSI and LED projects
- Monitored the progress of the Group's ESG projects
- Monitored the progress of rehabilitation work being undertaken by the Group
- Reviewed independent safety compliance audit reports and monitored the implementation of the audit recommendations to ensure ongoing compliance
- The Group conducted independent environmental and safety audits at both Barberton Mines and Evander Mines



Evander Mines' 7 Shaft headgear and surface infrastructure



Social and ethics committee

Members

- Thabo Mosololi (*chairman*)
- Yvonne Themba
- Deon Louw (*financial director*)

Invitees

- Cobus Loots (*chief executive officer*)
- Niel Symington (*executive: shared services*)
- Barry Naicker (*Group ESG manager*)

Key issues discussed in 2024

- Monitored the preparation of the integrated annual report, the sustainable development report and the climate change report
- Monitored the Group's ESG strategy and compliance
- Monitored the Group's progress in implementing the Task Force on Climate-related Financial Disclosures recommendations following the maturity assessment conducted in the 2022 financial year
- Monitored compliance with carbon tax regulations
- Monitored the progress of CSI and LED projects
- Monitored the construction progress of Barberton Mines' solar plant project
- Monitored the operational performance of Evander Mines' water treatment plant
- Monitored the impact of the Barberton Blueberries project, tracking the extent of employment opportunities created, remuneration paid to employees and blueberries harvested and sold
- Monitored the Group's compliance with environmental regulations
- Monitored compliance with employment equity targets and other regulatory requirements
- Monitored sustainability KPIs to track the Group's progress in achieving its sustainability objectives
- Monitored biodiversity initiatives and conservation collaboration partnerships between Barberton Nature Reserve and Barberton Mines
- Discussed the Group's energy and climate change management approach and related disclosures

BOARD AND COMMITTEE MEETINGS

The board meets at least quarterly, supplemented with additional meetings as needed. In addition, ad hoc meetings and conference calls are held regularly, although not all of these interactions are documented. Attendance at board and committee meetings is recorded through the completion of an attendance register. Below is a summary of the attendance of these meetings.

	Keith Spencer	Dawn Earp	Thabo Mosololi	Charles Needham	Yvonne Themba	Cobus Loots	Deon Louw
Board meetings	7/7	7/7	7/7	7/7	6/7	7/7	7/7
Audit and risk committee meetings ¹	6/6	6/6	6/6	6/6	5/6	6/6	6/6
Remuneration committee meetings ²			2/2	2/2	2/2	2/2	2/2
SHEQ committee meetings	3/3	3/3				3/3	
Social and ethics committee meetings ³			3/3		2/3	3/3	2/3

¹ Keith Spencer, Yvonne Themba, Cobus Loots and Deon Louw attended as invitees.

² Cobus Loots and Deon Louw attended as invitees.

³ Cobus Loots attended as an invitee.

In anticipation of board meetings, all directors receive comprehensive board packs collated by management beforehand. These packs contain information relevant to each board or committee meeting. The packs enable directors to effectively fulfil their responsibilities during meetings.

BOARD EVALUATION

An annual effectiveness self-evaluation of the board and its committees is undertaken. For the year under review, the board is satisfied that it and its committees operated effectively and in line with their respective charters. The board is satisfied that the evaluation process is improving its performance and effectiveness as well as that of its committees. The audit and risk committee conducts an annual evaluation of the financial director and reviews the adequacy of resources and expertise within the finance department, ensuring they align with the Group's needs. This encompasses an assessment of staffing levels, expertise and capabilities to proficiently fulfil its duties. Following their assessment, the committee affirmed that Deon Louw together with his finance team effectively managed the Group's financial affairs throughout the 2024 financial year.

SHARE DEALINGS

The share trading policy, reviewed in November 2023, stipulates that directors, employees with management responsibilities or prescribed officers, excluding their associates, must seek clearance from the chairman or the Group financial director before trading in Pan African securities. The chairman or the Group financial director must inform the board in advance to obtain clearance for dealing in Pan African securities. If the director or prescribed officer has control over an associate's trading (such as a minor child or a controlled entity), the associate must also obtain clearance before trading.

Associates of directors or prescribed officers must adhere to trading restrictions during closed periods or when price-sensitive information exists. Closed periods remain in place until annual and interim results have been published. Clearance to trade in Pan African securities may not be permitted during a prohibited

period which includes closed periods or any period when price-sensitive information exists.

NEW APPOINTMENTS

The nomination committee identifies and interviews potential new candidates. It also considers various factors including the collective knowledge, diverse skills and experience of current board members. The board aims for a balanced mix of executive and non-executive directors to ensure well-rounded decision-making. The committee also ensures there are enough directors for committees and establishes a quorum when required. Regulatory requirements for meetings and achieving gender and diversity targets are priorities. Ultimately, the goal is to form a cohesive team capable of effectively addressing governance challenges and representing stakeholders' interests.

All new and existing directors are informed of the AIM Rules and the JSE Listings Requirements with the assistance of training workshops provided by the UK-based nominated adviser (NOMAD) or JSE sponsor. A formal letter of appointment is provided to newly appointed directors. They are also provided with an introductory pack, which includes the latest annual and interim results, the Group's reporting suite and minutes of previous board meetings to assist in their understanding of the Group's business.

COMPANY SECRETARY

Pan African outsources the Company secretarial function to St James's Corporate Services Limited. The company secretary advises the board of any relevant regulatory changes and updates. The company secretary keeps records of shareholder registers, meeting attendance registers, meeting minutes, resolutions, directors' declarations of personal interest(s), notices and circulars issued by the Company, guidance on directors' duties and good governance. The company secretary is well-versed in all relevant updates to current legislation and regulations and is responsible for advising the board in this regard. Furthermore, the company secretary reviews the rules and procedures applicable to the conduct of the board.

CORPORATE GOVERNANCE continued

Wherever necessary, the JSE sponsor, UK NOMAD and other relevant experts are involved in ensuring that the directors have adequate information to sufficiently discharge their responsibilities in the best interests of the Company.

The appointment and removal of the company secretary is the responsibility of the board. The audit and risk committee reviews the company secretary's qualifications and competence and provides recommendations to the board. The board is comfortable that the company secretary, St James's Corporate Services Limited, always maintains an arm's-length relationship with the board and is sufficiently qualified and skilled to update directors on the UK and international regulations and legislation and acts in accordance with those regulations and legislation.

ADVISERS

The Group's advisers include Questco Corporate Advisory Proprietary Limited, Peel Hunt LLP, BMO Capital Markets Limited and Joh. Berenberg, Gossler & Co KG which provide advice regarding legislative requirements and specialised matters. Questco Corporate Advisory Proprietary Limited is the Group's South African appointed sponsor in compliance with the JSE Listings Requirements and is responsible for ensuring that the Company is advised on the application of the JSE Listings Requirements. Peel Hunt LLP is the Group's NOMAD for its AIM listing. The other advisers are mostly UK-based and provide guidance on UK-related legislative requirements and corporate-related matters.

COMPLIANCE

During the financial year, the board became aware that the net assets test required by section 831 of the UK Companies Act 2006 is required to be performed by the Company on presentation currency (the currency in which the Company's financial results are presented) amounts and not on functional currency (the currency in which the day-to-day operations of the Company are conducted) amounts. It came to the board's attention that the foreign currency translation reserve does not form part of the Company's undistributable reserves, despite not being realised, and as such cannot be included as undistributable reserves when carrying out the net assets test. This means that dividends paid in respect of the reporting periods ended 30 June 2019, 2020, 2021, 2022 and 2023 (together relevant dividends) and the repurchase of ordinary shares (the share buy-backs) by the Company between 1 April and 9 May 2022 have been made otherwise than in accordance with the UK Companies Act 2006.

The consequences of the relevant distributions (the Company's payment of each of the relevant dividends and the payments made in respect of the purchase of each of the share buy-backs) having been made otherwise than in accordance with the UK Companies Act 2006 were rectified by way of the cancellation of the Company's share premium account. That reduction of share premium was confirmed by the Court on 2 July 2024 and took effect on 18 July 2024. The share premium reduction required (among other actions) a special resolution being passed by shareholders at a general meeting held on 10 June 2024.

Following the share premium, reduction taking effect on 18 July 2024, Pan African's share premium account of US\$235,063,183 was cancelled, with that amount appropriated to retained earnings to ensure that the Company meets the net assets test for the relevant distributions as well as future distributions to shareholders. The technical issues identified in respect of the relevant distributions were of a historical nature and there has been no change in the Company's financial position or its net asset value as a consequence.

The Company has taken and continues to take the necessary steps to ensure adequate distributable income (and the ability of the Company to comply with the net assets test) in the future.

Compliance management is overseen by the audit and risk committee. At an operational level, safety officers ensure compliance with health and safety standards, complemented by external audits conducted by the DMRE. At a corporate office level, the company secretary and external advisers provide updates on any new legislation that may impact the Group. Through governance processes, management regularly informs the board and its committees about compliance matters. The compliance management policy was reviewed by the board in November 2022. The Company has not incurred any penalties, sanctions or fines for contraventions of or non-compliance with statutory obligations. The Group did not have any reportable environmental incidents during the 2024 financial year.

TAX GOVERNANCE AND MANAGEMENT

Pan African's tax management strategy is closely aligned with its strategic objectives and aims to ensure compliance with tax laws while optimising the Group's tax position within the established governance framework outlined in the Group's tax compliance policy. The tax compliance policy undergoes regular review and approval by the audit and risk committee. The most recent review took place in June 2024.

Paying the requisite taxes is not only a legal obligation but also a critical factor in securing and maintaining our social licence to operate. This social licence encompasses the acceptance and approval of our operations by communities and governments. To guide our approach to tax compliance, we adhere to the following principles:

- Decision-making: Tax-related decisions are made by qualified and experienced management within the finance team, under the supervision of the Group finance manager and oversight of the financial director. The board, through the audit and risk committee, is informed of tax-related strategies and decisions by the Group finance manager and the financial director, seeking their approval when necessary
- Resources: Employees involved in tax matters are required to possess the necessary qualifications, experience and resources to make informed decisions. They are responsible for keeping the Group finance manager and financial director informed prior to making significant tax-related decisions

- Traceability: We have implemented mechanisms to ensure traceability and accountability in the decision-making process and the implementation of tax compliance measures. Employees responsible for tax matters are required to maintain comprehensive records of decisions and measures undertaken in the records of each company.

By adhering to these principles, we strive to uphold a robust and transparent approach to tax compliance, fostering trust among stakeholders and reinforcing our commitment to responsible financial practices.

The tax risks are managed as part of the Group's risk governance process.

The process followed to address any tax-related concerns entails the following:

- Internal discussion: Initiate a discussion with the Group's finance manager and financial director to address the concern internally. This step allows for an initial evaluation and exploration of possible solutions within Pan African
- External tax advice: In cases where the matter is complex and requires specialised knowledge, the Group obtains external tax advice.

By adopting this approach, tax-related concerns can efficiently be addressed and resolved, ensuring they receive the necessary attention and solutions. This fosters transparency and trust and promotes a resolution of issues within Pan African.

CORPORATE GOVERNANCE continued

In accordance with the Payments to Governments Regulations 2014, the Group is committed to reporting payments to the South African government during the year under review. The table below is a record of these payments.

Payments to the South African government	Barberton Mines US\$ thousand	Evander Mines US\$ thousand	MTR project US\$ thousand	Corporate US\$ thousand	Total US\$ thousand
2024					
Royalties payments	2,063.7	405.3	–	–	2,469.0
Income taxation payments	12,245.5	–	–	761.9	13,007.4
Value-added tax (VAT) payment/(refunds) ¹	(13,362.8)	(24,789.7)	(4,370.5)	(17,496.4)	(60,019.4)
Withholding taxation	–	–	–	1,747.5	1,747.5
Securities tax	–	–	–	–	–
Pay as you earn income tax (PAYE)	7,584.7	2,580.4	408.6	1,218.6	11,792.3
Skills development levy (SDL)	440.6	98.8	11.9	35.9	587.2
Unemployment Insurance Fund (UIF)	517.0	64.6	3.4	11.4	596.4
Total payments	9,488.7	(21,640.6)	(3,946.6)	(13,721.1)	(29,819.6)
2023					
Royalties payments	800.2	393.7	–	–	1,193.9
Income taxation payments	5,216.4	–	–	1,305.5	6,521.9
VAT payment/(refunds) ¹	(12,306.0)	(23,949.8)	448.8	95.2	(35,656.8)
Withholding taxation	–	–	–	2,304.7	2,304.7
Securities tax	–	–	7.2	–	7.2
PAYE	6,871.0	2,693.8	87.0	1,352.8	11,004.6
SDL	397.6	99.5	2.7	39.7	539.5
UIF	237.0	64.0	0.8	11.1	313.2
Total payments	1,216.5	(20,643.8)	546.5	8,680.5	(13,771.8)

¹ The Group received VAT refunds as a result of large capital expenditure during the year under review and the output of gold mining operations being zero-rated.

Pan African does not make financial contributions to political parties unless explicitly approved by the board. No financial contributions were made during the 2024 financial year.

RISK GOVERNANCE

Risk management is integrated into Pan African's business culture and operations. Oversight of the risk management process lies with the board and is guided by its committees, own experience and knowledge of the business, internal risk assessments and reviews of risk reports. A formal risk governance process is in place, ensuring that the board fulfils its responsibilities in this regard. Management has been delegated the responsibility to effectively execute the risk management process. The Group's risk management policy was reviewed and updated in June 2024. The board regularly reviews the operational risk reports, ensuring that the appropriate risk management programmes and monitoring of progress against key risk indicators are being effectively implemented and managed.

The Group's management approach and key risks are set out on **pages 48 and 49** of the integrated annual report.

IT GOVERNANCE

IT governance is overseen by the audit and risk committee, and governed by the IT governance policy which was approved in November 2023. The shared services executive assumes responsibility for overseeing, managing and evaluating the IT operations and procedures of the Group. The risk management process incorporates the evaluation of IT-related risks. The Group conducts an annual cybersecurity penetration test, with the audit and risk committee regularly updated on identified gaps and the corresponding remedial actions. The protection of personal information policy was reviewed

in November 2022, reinforcing the Group's commitment to robust data protection measures.

SUSTAINABILITY AND ENVIRONMENTAL RESPONSIBILITY

Pan African is committed to sustainable business practices and environmental stewardship, aiming to achieve a balance between economic growth, social progress and environmental sustainability. Our efforts are guided by the Group's ESG policy, which outlines the principles and guidelines that shape our actions. The social and ethics committee oversees the effective implementation of the ESG policy.

We recognise the challenges posed by climate change, energy management, waste and water management, TSFs, as well as land and resource use. With a firm commitment to responsible environmental practices, we actively manage associated risks and seize opportunities while upholding ecological boundaries. This ensures that our pursuit of sustainable growth aligns with our responsibility towards the environment.

We prioritise the well-being and sustainable development of our host communities by actively engaging in proactive measures to mitigate the impacts of our mining operations. Our efforts include supporting LED programmes and initiatives that foster positive change. Through our community development and CSI programmes, we focus on various areas such as economic development, health, education, poverty alleviation, food security, women development and youth development.

KING IV™ INDEX

To ensure sound corporate governance, Pan African subscribes to the principles of the King IV™ framework and has adopted an objectives-driven approach to align its practices, enabling the achievement of its corporate governance goals. The following objectives have been derived from the 16 core principles.

The practices demonstrating the achievement of these objectives for the 2024 financial year are as follows.

LEADERSHIP, ETHICS AND CORPORATE CITIZENSHIP

Principle 1 Ethical and effective leadership

The board should lead ethically and effectively

Objective	Practice	Page reference
Every board member and office bearer is ethical, not conflicted, competent, sufficiently experienced and diligent	Nomination committee – appointment process	20
	Conflict of interest registry and policy	13
	Share trading policy	20
	Board and committee meeting attendance registers	20

Principle 2 Establishment of an ethical culture

The board should govern the ethics of the Company in a way that supports the establishment of an ethical culture

Objective	Practice	Page reference
The board is responsible for the establishment of an ethical culture	A code of ethics for internal and external stakeholders	14
	An established and functioning whistle-blowing hotline complemented by the board-approved whistle-blowing policy, fraud prevention plan and investigation protocols	14
	The code of ethics and values statement along with other policies are provided to new employees as part of their induction	14

Principle 3 Responsible corporate citizenship

The board should ensure that the Company is and is seen to be a responsible corporate citizen

Objective	Practice	Page reference
The board is responsible for the organisation being a responsible corporate citizen	Sustainability KPIs are in place and monitored	Sustainable development report
	SHEQ committee	16
	Social and ethics committee	16
	A stakeholder and relationship engagement policy statement and community development and CSI policy statement	15

STRATEGY, REPORTING AND PERFORMANCE

Principle 4 Strategy and performance

The board should appreciate that the Company's core purpose, its risks and opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value-creation process

Objective	Practice	Page reference
The board ensures that the organisation holds true to its core purpose with embedded integrated thinking	A clearly articulated vision, purpose, values and sustainability commitment	2
	An integrated annual report	Refer to the website
	Measurement of six capitals	Integrated annual report
	KPIs (strategy/risk/stakeholders/performance/sustainability)	Integrated annual report and the sustainable development report

Principle 5 Reporting

The board should ensure that reports issued by the Company enable stakeholders to make informed assessments of the Company's performance and its short-, medium- and long-term prospects

Objective	Practice	Page reference
The board ensures that the organisation is adequately transparent to its stakeholders	Publication of reports	Refer to the website

GOVERNING STRUCTURES AND DELEGATIONS

Principle 6 Primary role and responsibilities of the board

The board should serve as the focal point and custodian of corporate governance in the Company

Objective	Practice	Page reference
The board is responsible for corporate governance	Board charter	15
	Detailed King IV™ governance register	2

Principle 7 Composition of the board

The board should comprise the appropriate balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively

Objective	Practice	Page reference
The board comprises the appropriate knowledge, skills, experience, diversity and independence	Nomination committee – appointment process	20
	Composition matrix – function and diversity	9 and 10
	Diversity policy	13
	Board appraisal confirming the required attributes	12
	Full transparency in the integrated annual report articulating the achievement of each attribute	12 and in the integrated annual report on page 140
	Director rotation	12

Principle 8 Committees of the board

The board should ensure that its arrangements for delegation within its own structures promote independent judgement and assist with balance of power and the effective discharge of its duties

Objective	Practice	Page reference
The board ensures that the delegation to committees upholds the effective discharge of its duties	Committee charters	3
	Audit and risk and social and ethics committees	3
	Detailed committee member credentials	9 and 10

Principle 9 Evaluation of the performance of the board governing body

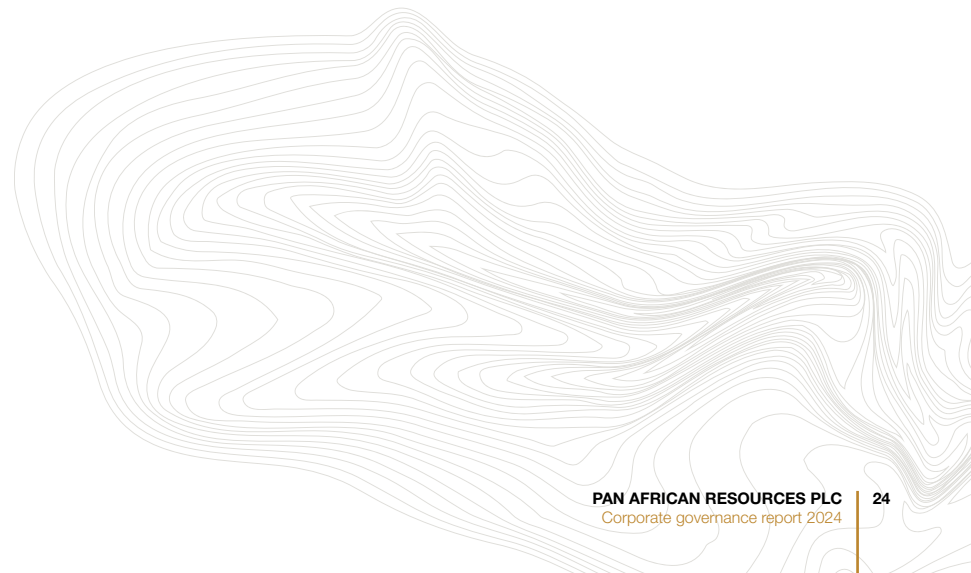
The board should ensure that the evaluation of its own performance and that of its committees, its chair and its individual members supports continued improvement in its performance and effectiveness

Objective	Practice	Page reference
Board members and office bearers confirm/pursue optimal performance through regular appraisals	Reports of performance appraisal findings	20
	Annual board self-evaluation and an evaluation of board committees	20

Principle 10 Appointment and delegation to management

The board should ensure that the appointment of, and delegation to, management contribute to role clarity and the effective exercise of authority and responsibilities

Objective	Practice	Page reference
The board ensures the appointment of an optimal management team and delegates authority and responsibilities to the team	Delegation of authority framework	17
	Performance appraisals of the financial director and the adequacy and expertise in the finance department	20



GOVERNANCE FUNCTIONAL AREAS

Principle 11 Risk governance

The board should govern risk in a way that supports the Company in setting and achieving its strategic objectives

Objective	Practice	Page reference
The board is responsible for risk governance and both negative and positive outcomes	A risk management policy	22

Principle 12 Technology and information governance

The board should govern technology and information in a way that supports the Company setting and achieving its strategic objectives

Objective	Practice	Page reference
The board is responsible for technology and information governance	A third-party cybersecurity penetration test is conducted annually	22
	Protection of personal information policy	22

Principle 13 Compliance governance

The board should govern compliance with applicable laws and adopted, non-binding rules, codes and standards in a way that supports the Company being ethical and a good corporate citizen

Objective	Practice	Page reference
The board is responsible for compliance with regulatory requirements as well as the adoption of non-binding rules, codes and standards that support principles 2 and 3	Compliance policy	22
	No penalties incurred for non-compliance	22

Principle 14 Remuneration governance

The board should ensure that the Company remunerates fairly, responsibly and transparently so as to promote the achievement of strategic objectives and positive outcomes in the short, medium and long term

Objective	Practice	Page reference
The board ensures that the organisation rewards and remunerates fairly and responsibly	Remuneration policy	14
	Remuneration report of high quality and not lacking in integrity	14
	Remuneration benchmarking review	14

Principle 15 Assurance

The board should ensure that assurance services and functions enable an effective control environment and that these support the integrity of information for internal decision-making and of the Company's external reports

Objective	Practice	Page reference
The board ensures there is an effective control environment	Unqualified external audit report	Integrated annual report
	Combined assurance plan	15
	Internal audit plan	15

STAKEHOLDER RELATIONSHIPS

Principle 16 Stakeholders

In the execution of its governance role and responsibilities, the board should adopt a stakeholder-inclusive approach that balances the needs, interests and expectations of material stakeholders in the best interests of the Company over time

Objective	Practice	Page reference
The board ensures the organisation enjoys good quality relationships with all of its material stakeholders	A stakeholder and relationship engagement policy statement and community development and CSI policy statement	15
	Disclosure of key stakeholder concerns, actions taken to address these concerns and the resulting outcomes	Integrated annual report

GLOSSARY

TERMS AND ABBREVIATIONS USED IN THIS REPORT

%	Parts per hundred/percentage
AGM	Annual general meeting
AIM	Alternative Investment Market, the LSE's international market for smaller growing companies
Au	Gold
Barberton Mines	Barberton Mines Proprietary Limited
the board	The board of directors of Pan African Resources
Companies Act 2006	An act of the Parliament of the UK which forms the primary source of UK company law
CSI	Corporate social investment
DMRE	Department of Mineral Resources and Energy
Elikhulu	Elikhulu Tailings Retreatment Plant
ERP	Enterprise resource planning
ESG	Environmental, social and governance
Evander Mines	Evander Gold Mines Limited and Evander Gold Mining Proprietary Limited
Exco	Executive committee of Pan African Resources
GHG	Greenhouse gas
GISTM	Global Industry Standard on Tailings Management
GRI	Global Reporting Initiative
HDSA	Historically disadvantaged South African
IFRS	International Financial Reporting Standards
IT	Information technology
JSE	JSE Limited, the main board in South Africa
King IV™	King IV™ Report on Corporate Governance for South Africa 2016™
KPI	Key performance indicator
ktCO ₂ e	Kilotonne carbon dioxide equivalent
LED	Local economic development
LSE	London Stock Exchange
MTR project or plant	The Mogale Tailings Retreatment project is located in the Mogale district. A plant is being constructed to process gold tailings deposited onto the Mogale Gold Proprietary Limited and Mintails SA Soweto Cluster Proprietary Limited TSFs

MW	Megawatt
NOMAD	Nominated adviser
OFAC	Office of Foreign Assets Control
oz	Ounce
Pan African	Holding company – Pan African Resources PLC
PAYE	Pay as you earn income tax
PwC	PricewaterhouseCoopers LLP/PricewaterhouseCoopers Inc.
Remco	Remuneration committee
RNS	Regulatory News Services
SAMREC Code	South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves, 2016 edition
SDL	Skills Development Levy
SENS	Stock Exchange News Service
SHEQ	Safety, health, environment and quality
SLP	Social and Labour Plan
South African Companies Act	South African Companies Act 71 of 2008
STI	Short-term incentive
TCMG	Tenant Consolidated Mining Group Proprietary Limited
tCO ₂ e	Tonnes (t) of carbon dioxide (CO ₂) equivalent
TNFD	Taskforce on Nature-related Financial Disclosures
TRIFR	Total recordable injury frequency rate
TSF	Tailings storage facility
UIF	Unemployment Insurance Fund
UK	United Kingdom
US	United States
US\$	United States dollar
VAT	Value-added tax

CORPORATE INFORMATION

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HEAD: INVESTOR RELATIONS

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Installation of underground rock support at Evander Mines' 8 Shaft pillar mining



www.panafricanresources.com