MATERIAL RISKS AND OPPORTUNITIES

Integrated risk management

At Valterra Platinum, integrated risk management (IRM) encapsulates the systematic application of management policies, procedures and practices to the tasks of identifying, analysing, evaluating, treating, monitoring and reviewing risk as an **integral part of our business process.**

We keenly understand that effectively managing risk is integral to good management practice and fundamental to the sustainable creation of value and stable operational performance.

By understanding, prioritising and managing risk, we safeguard our people, our assets, our legal position, our values and reputation, and the environment. Equally important, we identify related opportunities to best serve the long-term interests of all our stakeholders.

Our IRM methodology takes cognisance of best-practice requirements and is aligned with:
- ISO 31000
- Institute of Internal Auditors three-lines model
- Principle 11 of the King IV Code on Corporate Governance.

Principles

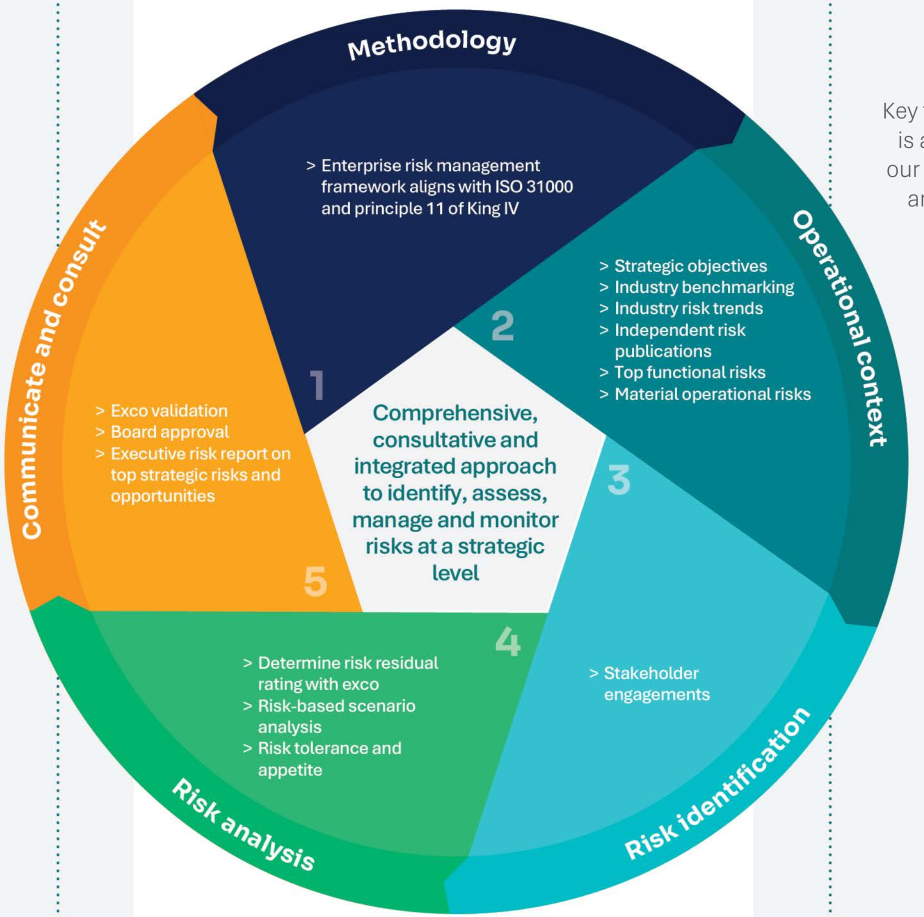
Our IRM procedure is based on key principles:
- Risk is owned by executive and line management
- Risk management is integrated across the company and embedded in critical business processes to ensure it supports daily activities and executive decisions at both operational and organisational levels
- A formal risk management process ensures risks are identified and effectively managed, and that risk information is disseminated across the company for informed decision making at every level.

Twice a year, key risks identified through IRM activities are reported to the Valterra Platinum board audit and risk committee.

From left, Malesela Sebopa, Thabang Mathipa and Farai Ndlovu at the Jameson cells at Mogalakwena

MATERIAL RISKS AND OPPORTUNITIES CONTINUED

IRM process

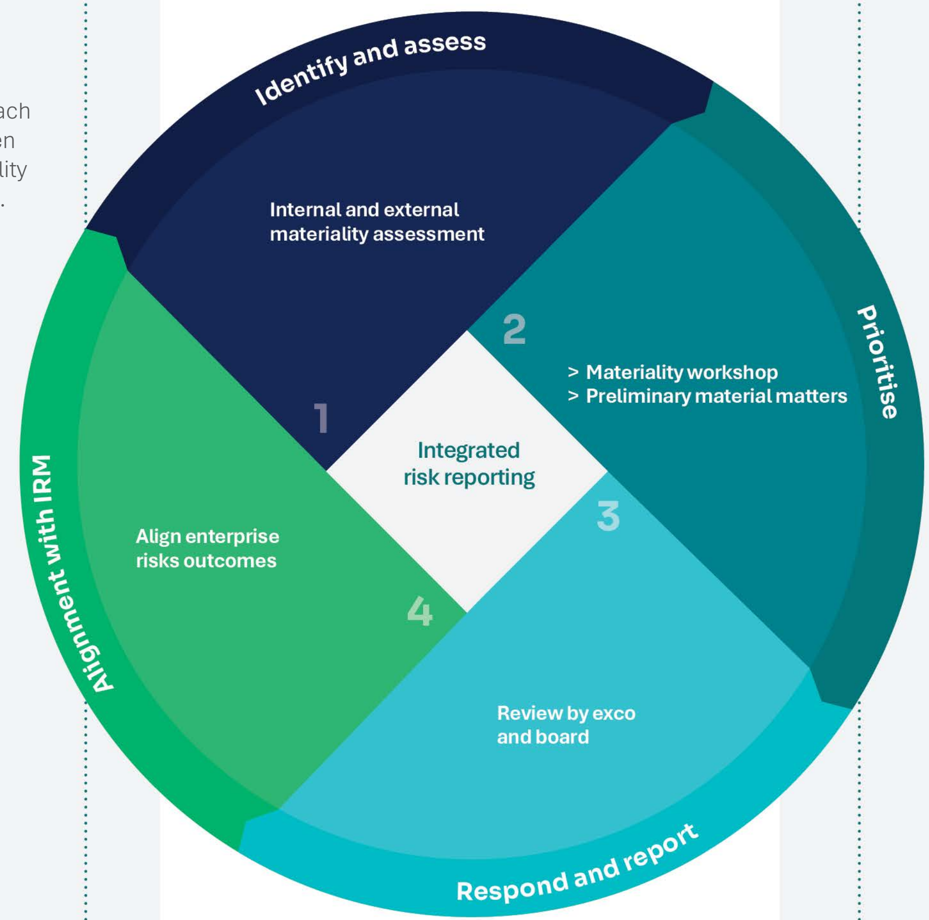


Our IRM framework enables effective governance of operational, functional and strategic risks (events that may threaten our ability to deliver our strategic objectives and, ultimately, hinder value creation).

Alignment

Key to our IRM approach is alignment between our strategy, materiality and risk processes.

Materiality process



The objective is to identify key matters that materially impact our ability to create, preserve and prevent the erosion of value over time. Identifying materiality is a fundamental component of the integrated and sustainability reporting process, meaning material matters are linked to our strategic risks.

MATERIAL RISKS AND OPPORTUNITIES CONTINUED

Material issues for 2025

The issues identified in our materiality assessment are interdependent and dynamic, meaning they are often closely linked and evolve over time. While we have reported on the top 13 issues, we recognise that the remaining issues identified may also be important to the business. They continue to be closely monitored to ensure they are appropriately managed within our broader sustainability strategy, even where they are not an immediate focus.

The table summarises the outcome of our double materiality assessment. For each material matter, we have indicated whether it is considered an impact or financial matter (or both), associated timeframes and whether it is a risk or opportunity. We have also indicated where the matter is discussed in this report. While the matters are ranked, we recognise that their relative importance may change.

	Issue	Financial or impact	Timeframe	Risk or opportunity	Our response
1	Ensuring employee safety, health and mental wellbeing	Impact, Financial	Short	Risk	See SD pages 30 to 59
2	Climate action: Establishing resilience to climate-related risks, reducing carbon emissions across our operations and value chain, and positioning our products for a low-carbon economy	Impact, Financial	Medium, long	Risk, Opportunity	See SD pages 60 to 83
3	Delivering operational excellence and consistency	Impact, Financial	Short, medium	Opportunity	See pages 22 to 23; 60 to 90
4	Resilient communities: Fostering meaningful community engagement that strengthens trust and partnerships through impactful community development and creating shared value. This includes facilitating fair and timely community-focused resettlement and restoration	Impact, Financial	Medium	Risk	See SD pages 84 to 101
5	Ensuring effective capital allocation	Financial	Medium	Opportunity	See page 28; 60 to 90
6	Ensuring cybersecurity and data privacy	Impact, Financial	Short	Risk	See SD pages 112 to 113
7	Upholding ethical business conduct and protecting against corruption	Impact, Financial	Short, medium	Risk	See SD pages 104 to 113
8	Supporting demand for our metals	Impact, Financial	Medium, long	Risk, Opportunity	See pages 41
9	Building and retaining a talented workforce through a compelling employee value proposition	Impact, Financial	Medium	Opportunity	See SD pages 47 to 53
10	Navigating global geopolitical volatility and regional regulatory uncertainty	Financial	Medium	Risk	See page 42
11	Responsible, leading tailings management	Impact, Financial	Medium	Risk	See SD pages 69 to 73
12	Responsible environmental management and compliance, from permitting to closure	Impact, Financial	Medium	Risk	See SD pages 80 to 83
13	Responsible water stewardship, access and security	Impact, Financial	Medium	Risk	See SD pages 74 to 77

MATERIAL RISKS AND OPPORTUNITIES CONTINUED

Drivers of risk profile change

Structured risk screening considers prevailing trends to verify that Valterra Platinum's risk profile is thorough and aligned.

1 Macro-economic trends

- Evolving global trade tensions, resource nationalism, tariffs, sanctions and export controls
- Global and domestic economic conditions – inflation and interest-rate uncertainty
- Commodity price fluctuations
- Logistics and infrastructure network challenges
- Global uncertainties around pace of energy transition.

2 Socio-political trends

- Regulatory uncertainty
- Heightened community expectations
- Stakeholders/investors demanding greater transparency and accountability on sustainability commitments.

3 Industry trends

- Critical skills and talent competition
- Deteriorating/ageing third-party infrastructure
- Technology changes, digitisation and innovation
- Increased frequency and sophistication of cyberattacks.

4 Other impacts

- Investing in our assets to optimise life-of-assets
- Climate change – extreme weather events and global decarbonisation imperative.

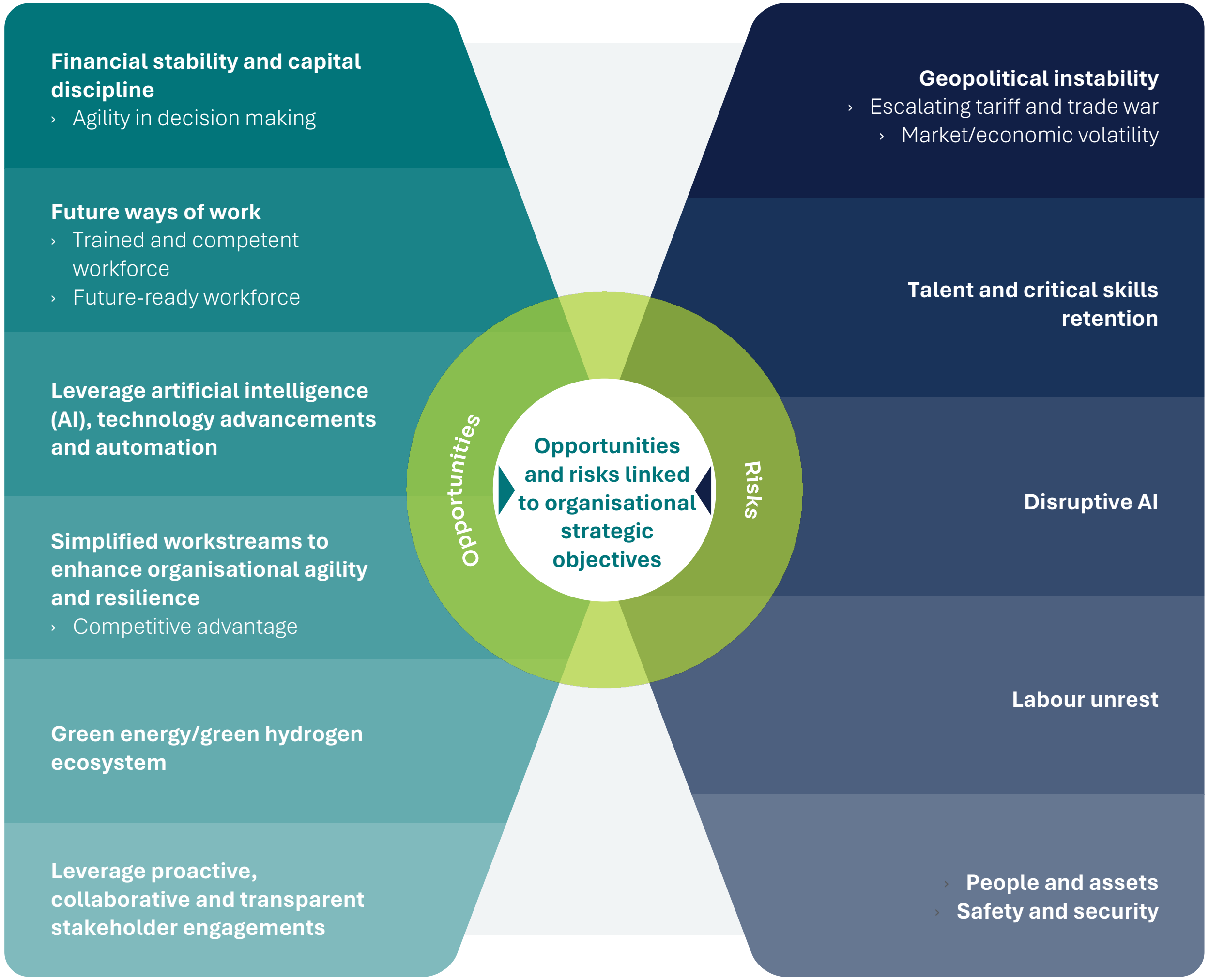
Risk and assurance governance model

Three lines

	First	Second	Third
Who	Operation	Corporate functions	Internal audit
Activity	Risk management		Independent audit/third party
	Self-check and verify	Monitor, assure and execution support	
Purpose	› Empowered to own risks, monitor and self-correct deviations › Complete and accurate self-checking and verification to enable informed risk decisions.	› Work with operations to improve risk management by ensuring first line is complete and accurate › Confirm and challenge opinions of first line.	Independent and objective opinion on governance and risk management

MATERIAL RISKS AND OPPORTUNITIES CONTINUED

Emerging risks and opportunities



Emerging risks

Emerging risk

Disruptive AI

Cybersecurity is now a principal risk, reflecting escalating threats to information and operating technology systems that may impact safety and production. However, as AI adoption transforms mining operations, management must also address disruptive AI, including misinformation and governance challenges.

- AI-assisted misinformation
- AI-enhanced malicious attacks
- AI intellectual property control
- Employee misuse of AI.

Geopolitical instability

Escalating global tariff and trade conflicts present a broader emerging risk. These could disrupt supply chains, raise capital project costs and increase market volatility. Recognising this enables proactive planning and strengthens alignment with existing regulatory and logistics risk management.

Talent and critical skills retention

Given the global mining sector's systemic shortage of critical skills, failure to attract and retain top leadership and technical expertise poses a direct threat to strategic project delivery and innovation capacity. This has been elevated to a principal risk.

MATERIAL RISKS AND OPPORTUNITIES CONTINUED

Opportunities

> We view an opportunity as a set of circumstances on which we can capitalise, understanding that outcomes are not certain and most opportunities involve resource commitment and exposure to risk. Risk and opportunity are generally interconnected: in addition to managing the risks, it is important to transform opportunities into value and profit through strategic priorities.

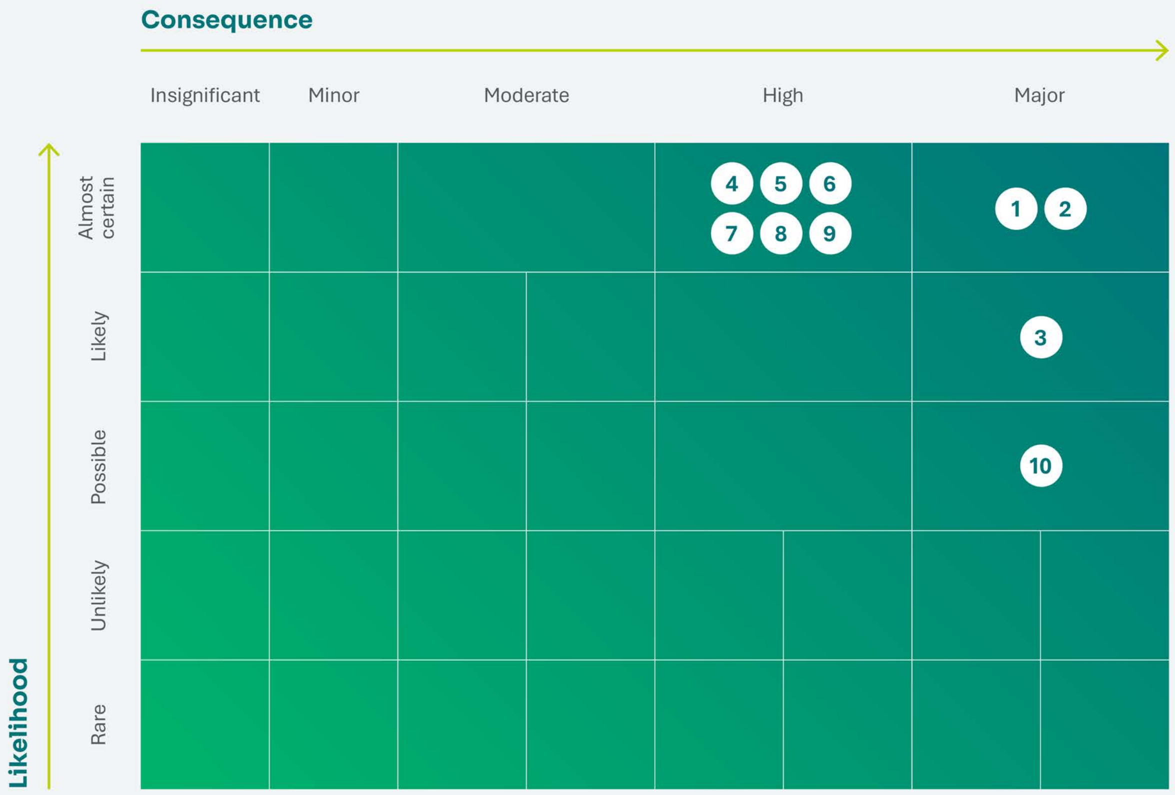
We have identified a number of opportunities as part of the Valterra Platinum strategy, and their connection to relevant risk areas is outlined below:

Opportunity	Strategic response
Financial stability and capital discipline	Financial stability will provide resilience to navigate volatile PGM markets while investing in our future and opportunities that align with our strategy. Once we have committed to a project that meets our stringent investment criteria, we allocate capital that will yield sustainable value for Valterra Platinum. At all times, our goal is to ensure industry-leading shareholder returns.
Future ways of work › Trained and competent workforce › Future-ready workforce	We understand that our sustainability depends on having the right capabilities directly linked to both the adopted ways of work and future ways of work, creating early career pathways of choice (early-stage learning hubs) and establishing future skills development partnerships.
Leverage AI, technological advancements and automation	We are committed to adopting sustainable business models, technologies, AI and innovation in our operations and projects. We are actively investing in further enhancing our technological capabilities and implementing advanced AI solutions across our business. Scaling AI across our concentrators and refineries is expected to unlock financial gain and reduce production costs.
Simplified workstreams to enhance organisational agility and resilience	We continue to streamline our organisation and strengthen key capabilities. The more we improve, the better our organisational resilience which in turn enhances our competitive advantage.
Green energy/green hydrogen ecosystem	We remain committed to become a leading energy solutions business. Accordingly, we are investing in renewable energy facilities (like solar plants) to transition our mining operations to renewable power. This will reduce our carbon footprint and lower emissions across our value chain in pursuit of our goal to achieve carbon-neutrality across scope 1 and 2 emissions by 2040, with a near-future goal of 30% reduction by 2030.
Leverage proactive, collaborative and transparent stakeholder engagements	Our strategy is underpinned by integrating sustainability in everything we do. Integral to this priority is constructive engagement with our stakeholders – particularly local and host communities – to build relationships based on trust and shared understanding. By prioritising the company's contribution to our communities and broader society, we facilitate the creation of resilient communities and mitigate the risk of interrupted production and associated revenue loss.

MATERIAL RISKS AND OPPORTUNITIES CONTINUED

Top 10 principal risks

Our top 10 principal risks are detailed below. In simplifying our executive reporting process, certain risks have been grouped and any changes in year-on-year rankings reflect this grouping. In terms of our IRM procedure, principal risks include catastrophic risks (slope failure, explosion and fire, asset structural failure).



1. Infrastructure power, water and route-to-market services – unchanged
2. Macro-economic uncertainty creating price and exchange rate volatility, future demand for PGMs – unchanged
3. Social licence to operate – decreasing
4. Water security – unchanged
5. Employee safety – unchanged
6. Transportation – unchanged
7. Socio-economic political instability/unrest – unchanged
8. Information and cybersecurity – unchanged
9. Failure to deliver the full potential of operating assets – decreasing
10. Disruption of logistic chains and critical services – decreasing

MATERIAL RISKS AND OPPORTUNITIES CONTINUED

1

Infrastructure power, water and route-to-market services

Risk description

- Ability of Eskom to sustainably supply power: sustainability of performance improvement challenged by uncertainty at some power stations
- Failing water infrastructure: inability to secure and sustain level of water supply needed for operations due to water utility infrastructure failure
- Failure of critical route-to-market third-party infrastructure (our chrome exports rely on Transnet facilities).

Impact: operational disruptions, safety concerns and financial losses.

Our response

- Load-curtailment and emergency response plans
- Infrastructure vulnerability assessments and security task teams
- Targets to reduce freshwater withdrawal and improve efficiency
- Maintenance and upgrade of on-site storage and infrastructure
- Chrome logistics plans and alternative rail sidings
- Engaging with private sector for infrastructure repair and upgrades.

Ongoing engagement with all utilities, relevant government authorities, industry groups and forums.

Strategy impact and link: Pursuing operational excellence and advancing safety and health

Risk owners: executive heads: processing and mining operations

Key stakeholders affected

Employees, communities, customers, investors and shareholders, government (infrastructure utilities)

Potential impact on capitals

- Financial (production, cost)
- Manufactured (asset integrity)
- Human.

Time frame

Medium term

Opportunity

- Renewable energy strategy
- Green hydrogen ecosystem.

2

Macro-economic uncertainty, creating price and exchange rate volatility; future demand for PGMs

Risk description

Macro-economic uncertainty can impact current and future market demand, our commodity price and the exchange rate.

Impact: significantly weaker levels of cash flow, profitability and returns to shareholders.

Our response

- Asset strategy for cost-curve positioning (first half of the cost curve)
- Enhanced commodity and foreign exchange hedging programme
- Developing new PGM markets (industrial, hydrogen, electronics).

Strategy impact and link: Driving demand to ensure long-term success

Risk owners: chief financial officer; executive head: marketing and market development

Key stakeholders affected

Investors and shareholders, employees, communities

Potential impact on capitals

- Financial (production, cost, returns).

Time frame

Medium to long term

Opportunity

- Strategic market development, including new geographic areas and developing alternative PGM applications
- Partner with industry peers, research institutions and customers to co-develop new uses.

MATERIAL RISKS AND OPPORTUNITIES CONTINUED

3 Social licence to operate

Risk description
Our ability to do business could be threatened if local communities and wider society actively oppose the presence of our operations. This opposition could emanate from poor and declining service delivery, unresolved legacy issues and less-than-expected benefits from mining.

Impact: reputational damage, reduced levels of trust between the company and our social partners as well as threats of violence and physical harm to our team members.

Our response
- Targeted internal strategies to manage stakeholder engagement, community participation, grievances, livelihoods restoration programmes and municipal capacity-building programmes.

Strategy impact and link: Pursuing operational excellence and advancing safety and health

Risk owners: executive head: corporate affairs and sustainability

Key stakeholders affected
Communities and society, employees

Potential impact on capitals
- Safety and health
- Socio-political
- Financial.

Production and financial impact of incidents, operational impact due to resettlements and relocation of graves.

Time frame
Long term

Opportunity
- Leverage proactive, collaborative and transparent stakeholder engagements.

4 Water security

Risk description
Failure to obtain and sustain the level of water security needed to support our operations as South Africa is in a water-stressed region, coupled with public-sector challenges and growth in water demand from communities. Water quality and pollution of resources is viewed as an additional risk area.

Impact: operational disruption.

Our response
- On-site water conservation, demand management and increased water reuse and recycling
- Assist municipalities, water boards and national government through relevant forums to achieve sustainability goals
- Adhering to internal water-management standards, plans and targets.

Strategy impact and link: Pursuing operational excellence and advancing safety and health

Risk owners: executive heads: processing and mining operations

Key stakeholders affected
Employees, communities, business partners

Potential impact on capitals
- Production
- Cost
- Financial
- Safety and health.

Time frame
Medium term

Opportunity
- Leverage proactive, collaborative and transparent stakeholder engagements.

MATERIAL RISKS AND OPPORTUNITIES CONTINUED

5 Employee safety

Risk description

Failure to deliver year-on-year improvement in safety performance. In the absence of embedded and monitored behavioural elements, improved safety performance might not be sustained.

Impact: employee morale, wellbeing and productivity, skills retention. Financial impact.

Our response

- Relentless focus on safety risk management at operational and executive level
- Implementing safety management system standards, fatal-risk standards and safety golden rules, supported by robust risk management and risk assurance processes
- Safety leadership practices and a culture conducive to innovation and improved safety performance. Enhance people development, using KPI-based reward and recognition to drive behaviours
- Move up hierarchy of controls through innovation and engineering capability
- Roll-out of contractor performance management standard.

Strategy impact and link: Advancing safety and health

Risk owners: executive heads: processing and mining operations

Key stakeholders affected

Employees, business partners

Potential impact on capitals

- Safety and health
- Production
- Financial.

Time frame

Long term

Opportunity

- Leverage safety management in achieving operational excellence.

6 Transportation

Risk description

Collision or impact involving single or multiple vehicles (heavy and/or light vehicles) resulting in serious injuries or fatalities on company premises. Transporting employees to work (off-mine) using company buses would pose the same level of risk.

Impact: potential safety and operational-related impact on-site; key focus on existing local, provincial and national road infrastructure off-site.

Our response

- Compliance to underground and surface internal technical standards, guidelines and procedures
- Controlling traffic management plans
- Roll out of advanced driver assistance systems and collision avoidance system programmes
- Ongoing repairs on internal roadways
- Developing prioritised portfolio of work in collaboration with road agencies (national, regional and local) and other mining houses in setting up partnerships to improve road safety and reduce severe off-mine road maintenance and upgrade backlogs.

Strategy impact and link: Advancing safety and health

Risk owners: executive heads: processing and mining operations

Key stakeholders affected

Employees, business partners, communities, government (national and provincial road agencies)

Potential impact on capitals

- Safety and health
- Production
- Financial.

Time frame

Long term

Opportunity

- N/a.

MATERIAL RISKS AND OPPORTUNITIES CONTINUED

7

Socio-economic political instability/unrest

Risk description

South Africa faces significant unemployment (particularly among the youth), compounded by current global geopolitical factors, low regional economic growth and supply-chain bottlenecks.

Impact: widespread potential social unrest and disruptions in areas close to our operations.

Our response

- Joint campaigns and initiatives between our protection services, social performance teams and operational site management in conducting threat and vulnerability analyses
- Targeted internal strategies, mechanisms and plans dealing with community engagement and participation, grievances, sustainable livelihood, supplier development and ring-fencing procurement opportunities for local businesses.

Strategy impact and link: Pursuing operational excellence and advancing safety and health

Risk owners: executive head: corporate affairs and sustainability

Key stakeholders affected

Investors and shareholders, employees, communities, business partners, government and regulators, customers

Potential impact on capitals

- Safety and health
- Socio-political
- Production
- Cost
- Financial.

Recent cases of civil unrest confirm that significant security incidents can flare up with little warning to present enforcement challenges in safeguarding operations and ensuring business continuity.

Time frame

Long term

Opportunity

- N/a.

8

Information and cybersecurity

Risk description

Vulnerabilities and triggers that may impact our business include cyberattacks, failing hardware, failing network infrastructure, failed disaster recovery and sabotage to our network or hardware. The complexity of individuals working on their own computers, especially remotely, raises additional challenges.

Impact: business and operational continuity.

Our response

- Strengthen IT security
- Security campaigns and user-awareness training sessions
- Extending technical controls and existing capabilities to include monitoring high-risk assets and advanced network-monitoring technologies
- Implementing augmented detection and responding capabilities
- Disaster recovery and business continuity plans, including cybersecurity.

Strategy impact and link: Pursuing operational excellence

Risk owners: executive head: processing and chief financial officer

Key stakeholders affected

Employees, business partners, customers, government and regulators

Potential impact on capitals

- Production
- Cost
- Financial.

With increased cyber vulnerability noted locally and globally, improved physical controls and employee awareness have reduced the number of incidents and likelihood of successful attacks.

Time frame

Long term

Opportunity

- Leverage AI, technological advancements and automation.

MATERIAL RISKS AND OPPORTUNITIES CONTINUED

9

Failure to deliver full potential of operating assets

Risk description

Failure to deliver the full potential of operating assets by missing productivity targets, increasing cost pressures from rising inflation, capital pressure from non-value-based projects and ground conditions at certain parts of the business.

Impact: delayed modernisation opportunities, including the rollout of digital and automation technologies.

Our response

- Continuous focus on reducing operating costs
- Implementation of cost-out programme, aimed at establishing cost bases and capital optimisation, progressing well
- Focusing on effectiveness of operating model rollout in delivering required outcomes
- Digitisation and asset reliability optimisation of real-time equipment
- Capital allocation framework established for 10-year window. Capital planning and management to enhance capital efficiency
- Debottlenecking on-mine and at processing sites.

Strategy impact and link: Pursuing operational excellence and investing in our portfolio

Risk owners: executive heads for mining operations and processing operations

Key stakeholders affected

Investors and shareholders, employees, business partners, communities, government and regulators

Potential impact on capitals

- Production
- Cost
- Financial.

Streamlined corporate cost base, with cost-saving targets for 2025 exceeded, enhancing competitiveness.

Time frame

Long term

Opportunity

- Financial stability and capital discipline, underpinned by safe operations.

10

Disruption of logistical chains and critical services

Risk description

Disruption of our supply chain could materially impact our ability to deliver on our commitments and meet the expectations of our stakeholders.

Failure to manage major events (eg geopolitical tensions), pandemics or natural catastrophes that could disrupt global supply-chain networks.

Impact: significant business and operational disruption events or other long-term damage that could affect access to critical logistics supply chains as well as critical goods and services, impacting the company's stability.

Our response

- Supplier and inventory management programme, including strategic vendor agreements, commercial and category management teams, critical stock management, strategic supplier diversification and dual sourcing
- Digital supply-chain visibility and predictive analytics
- Local content and critical stock buffering.

Strategy impact and link: Pursuing operational excellence

Risk owners: chief financial officer

Key stakeholders affected

Employees, business partners, customers, investors and shareholders

Potential impact on capitals

- Production
- Cost
- Financial.

Time frame

Medium term

Opportunity

- Extend business continuity management to supply chains to reduce risk.