



# Rambler Metals and Mining Plc

## Corporate Governance Statement

### June 3, 2021



Registered Number: 05101822 (England and Wales)



## **Corporate Governance**

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The Board of Directors (the “Board”) of the Company is committed to the principles of good corporate governance and recognises the importance of improving the opportunity and potential for the success of the Company and increasing shareholder value over the medium to long-term.

We believe strongly in the value and importance of robust corporate governance and in our accountability to all the Company’s stakeholders, including shareholders, employees, customers, contractors, suppliers, government, administrative authorities and the communities in which the Company operates.

Rambler adopts the principles of the Quoted Companies Alliance Corporate Governance Code (the “QCA Code”) to the extent that the Directors consider it appropriate, having regard to the Company’s size, board structure, nature of operations and available resources.

The QCA Code identifies ten principles to be followed for companies to deliver growth in long term shareholder value, encompassing an efficient, effective, and dynamic management framework accompanied by good communication to promote confidence and trust. The sections below set out the ways in which the Company applies the ten principles of the QCA Code in support of the Company’s medium to long-term success, together with any areas of non-compliance.

### **Establish a Strategy and Business Model Which Promote Long-term Value for Shareholders**

The strategy and business operations of the Company are set out in the Strategic Report of the Company’s Annual Report.

The Company’s strategy and business model and amendments thereto, are developed by the Chief Executive Officer and the senior management team and approved by the Board. The senior management team, led by the Chief Executive Officer, is responsible for implementing the strategy and managing the business at an operational level.

More specifically, and in order to deliver the optimal medium- and long-term value for its shareholders, the Board has adopted a strategy of risk management, appropriate allocation of financial and human resources, proper planning and performance management, resulting in an optimal and financially viable company.

The Board recognises that through execution of this strategy together with on-going exploration, there will be opportunities to convert resources into reserves and thereby extend the mine life beyond the current life-of-mine plan.

The Company’s ability to execute its strategy is highly dependent on the skills and abilities of its people. We undertake ongoing initiatives to foster effective and good staff engagement and ensure that remuneration packages are competitive in the market in which the Company operates.

The Board manages the risks to the business model via the Safety and Health Committee and the Technical Committee and is implementing a Risk Register to progressively demonstrate the understanding of the risks and methods of risk mitigation.

### **Seek to Understand and Meet Shareholder Needs and Expectations**

The Board is committed to maintaining a regular dialogue with both existing and potential new shareholders in order to communicate the Company’s strategy and progress and to understand the needs and expectations of shareholders.

The Chief Executive Officer and Chief Financial Officer are principally responsible for shareholder liaison and have regular dialogue with institutional investors in order to develop an understanding of their views.



The Company's investor relations activities encompass dialogue with both institutional and private investors. This could include meetings with analysts, investors and institutional shareholders of the Company. The Company also endeavours to maintain a dialogue and keep shareholders informed through its public announcements and its corporate website, [www.ramblermines.com](http://www.ramblermines.com), where the Annual Report as well as investor presentations and interim accounts are available. The Annual General Meeting of the Company, attended by a quorum of Directors, also gives the Directors the opportunity to report to shareholders on current and proposed operations which are in the public domain in an open forum (when possible) and enables them to express their views of the Company's business activities. The Board attaches importance to maintaining good relationships with all its shareholders and ensures that all price sensitive information is released to all at the same time in accordance with the AIM Rules and the Market Abuse Regulations. As part of the regulatory process, results of General and Annual General Meetings are subsequently published via RNS and made available on the Company's website.

The Company also maintains dialogue with interested equity research analysts and whilst the Company has not historically hosted dedicated analyst meetings in respect of its annual and interim financial results, the Chief Executive Officer and Chief Financial Officer may consider doing so in future.

### **Take Into Account Wider Stakeholder and Social Responsibilities and Their Implications for Long-term Success**

The Board recognises that the success of the Company is reliant on the stakeholders of the business and, to this effect, the Company engages with these stakeholder groups on a regular basis. The Board recognises its responsibility under UK and Canadian corporate law to promote the success of the Company for the benefit of its members. The Board also understands that it has a responsibility towards employees, partners, suppliers, contractors, government, administrative authorities and the local communities in which it operates and has in place a range of processes and systems to ensure that there is close oversight and contact with its key resources and relationships.

The Company has close ongoing relationships with a broad range of its stakeholders and provides them with the opportunity to raise issues and provide feedback to the Company. This feedback can be provided either during formal sessions or using the 'contact us' page of our website ([www.ramblermines.com/contact.php](http://www.ramblermines.com/contact.php)).

Stakeholder	Reason for Engagement	How we engage
Shareholders	Shareholders are the owners of the Company and the board's primary mission is to increase shareholder value	As described in section "Seek to understand and meet shareholder needs and expectations".
Customers	Our customers are essential for generation of revenues	Senior executives maintain regular dialogue with the Company that buys the Company's concentrates to ensure a good relationship that encourages proactive issue resolution.
Suppliers and partners	The Company engages with external suppliers	We work to ensure that relevant members of staff engage in a respectful and professional manner with suppliers. We operate systems to ensure that supplier invoices are processed and paid within agreed timeframes based on the Company's cash position.



Stakeholder	Reason for Engagement	How we engage
Staff and Employees	Recruiting and retaining highly skilled and motivated professions is one of the key drivers of our success	In addition to regular communication between Directors and employees, site management conducts regular staff meetings to promote effective two-way communication with agreement on goals, targets and aspirations of the employees and the Company.

### **Embed Effective Risk Management, Considering Both Opportunities and Threats**

The health and safety of the employees is the Board’s highest priority, and the Board is committed to their protection as a cornerstone to ensuring the long-term viability of the Company.

The world has been and continues to take unprecedented measures to slow the spread of the COVID-19 virus and Rambler has adapted to this reality. As conditions change Rambler has and will continue to deploy as many precautions as possible to minimise the potential impact/risk to employees and the sites.

Rambler has been successful at all sites over the last 12 months and have implemented several measures, in line with health authority guidelines and requirements. As the national and provincial vaccination protocols roll out, Rambler will update measures in response, always in line with guidance of the local Health Authorities.

Rambler will remain vigilant and continue to take as many precautions as necessary to eliminate potential exposure and will continue to keep employees safe. Details of protocols and actions taken by Rambler in this regard can be found on the website at [www.ramblermines.com](http://www.ramblermines.com).

The Board has overall responsibility for ensuring risk is appropriately managed across the business. The Board sets clear strategic objectives for the business. The risks to the achievement of those objectives are identified by corporate and divisional management and a few examples are shown below. The audit committee provides further independent review and robust challenge.

The Board has been working on improving the effectiveness of the system of internal controls but, by their very nature, these procedures can provide reasonable, not absolute, assurance against material misstatement or loss. Identified risks are evaluated, both before and after controls and mitigating actions have been applied, as to their likelihood of occurring and potential financial and reputational impact. Risks are treated in accordance with risk appetite, which has been defined by the Board across a range of risk categories. The key financial risks faced by the Company are detailed on page 21 to 22.

The Company has an established internal controls framework to address these risks, the effectiveness of which is regularly reviewed by management, the Audit Committee and the Board. The Board is responsible for reviewing and approving overall Company strategy and annual budget. Monthly results and variances from budget and forecast are reported to the Board.

The Audit Committee assists the Board in discharging its duties regarding the financial statements, accounting policies and the maintenance of proper internal controls. There are comprehensive procedures for budgeting and planning, for monitoring and reporting to the Board business performance against those budgets and plans, and for forecasting expected performance over the remainder of the financial period. The Board has ultimate responsibility for the Company’s system of internal control and for reviewing its effectiveness. This applies to mitigating both financial and non-financial risks faced by the Company. However, any such system of internal control can provide only reasonable, but not absolute, assurance against material misstatement or loss. The Board considers that the internal controls in place are appropriate for the size, complexity and risk profile of the Company. The principal elements of the Company’s internal control system include:

- Close management of the day-to-day activities of the Company by the Executive Directors;



- Control over key areas such as capital expenditure authorisation and banking facilities;
- A comprehensive budgeting process is completed once a year and is reviewed and approved by the Board; and
- The Company's actual performance, compared to the budget, are reported to the Board on a monthly basis.

The Company maintains appropriate insurance cover in respect of actions taken against the Directors because of their roles, as well as against material loss or claims against the Company. The insured values and type of cover are comprehensively reviewed on a periodic basis.

The CEO and CFO conduct meetings with their team at least once a week to discuss their business area and to consider new risks and opportunities presented to the Company, making recommendations to the Board and/or Audit Committee as appropriate.

A summary of the principal risks and uncertainties facing the Company, as well as mitigating actions, are available in the Company's Annual Reports which are available on the Company website at: <http://www.ramblermines.com/financial-statements.php>.

### **Maintain the Board As A Well-Functioning, Balanced Team Led By the Chair**

Rambler's Board currently consists of two executive directors and six non-executive directors (including a non-executive chairman) at the date of this Annual Report. It is the Board's policy to have at least half of the Board comprising non-executive directors who are free from any business or other relationship with the Company. Whilst this is not currently the case with only two independent directors, the Company will keep this under review as the Company grows. The structure of the Board as it currently stands does however ensure that no one individual or group dominates the decision-making process and is in line with QCA guidance which recommends at least two independent non-executive directors on the Board.

All the directors are subject to election by shareholders at the first Annual General Meeting after their appointment to the Board and then subject to re-election at annual intervals.

The Board is responsible to the Company's shareholders for the proper management of the Company and formally meets at least on a quarterly basis and aims to periodically receive updates from management.

A summary of the board meetings held during the year and attendance records of each Director are available in the Company's Annual Report.

The time commitment formally required by the Company is an overriding principal that each Director will devote as much time as is required to carry out the roles and responsibilities that the Director has agreed to take on.

The Board considers that it collectively has an appropriate balance of technical skills and knowledge, as well as an appropriate balance of listed company experience, personal qualities and capabilities. Further, the Board is supported by a strong management team consisting of Peter Mercer (Vice President and General Manager), Tim Sanford (Vice President and Corporate Secretary) and Raphael Mwangobola (Project Director) to ensure the day-to-day business of the Company runs smoothly.

Director independence should be assessed from two perspectives- independence from the major shareholder and its concert parties being CE Mining II and III funds and Aether (currently owning combined 34% in the Company), and independence from the Company as a whole. Given that Belinda Labatte, Mark Sander, Brad Mills and Terrell Ackerman are all appointed as investor directors or "shareholder associates" to the Rambler board on behalf of the CE Funds, Richard Round and Priya Patil are independent directors.

Board members are all expected to fully engage in board meetings and activities they have committed to. All board members are part of, and actively participate in at least one board sub-committee. Board members are also expected to review monthly and quarterly financial and operational reports, as well as half yearly and annual reports.



## **Ensure That Between Them the Directors Have the Necessary Up-To-Date Skills**

The Board considers that all the directors are of sufficient competence and calibre to add strength and objectivity to its activities and bring considerable experience in the financial and operational development of the Company.

Details of the directors including brief biographies are set out at <http://www.ramblermines.com/directors-and-officers.php>.

The Board also has the relevant professional and technical skills to ensure they can fulfil their duties. The Board believes that the current skills of the directors reflect a broad range of both commercial and professional skills across the relevant industries and territories in which the Company operates, plus the Board has sufficient experience of operating in public markets.

The Board shall review annually the appropriateness and opportunity for continuing professional development whether formal or informal.

## **Evaluate Board Performance Based on Clear and Relevant Objectives, Seeking Continuous Improvement**

The members of the Board are evaluated each year by way of peer appraisal. The appraisal seeks to determine the effectiveness and performance of each member with regards to their specific roles as well as their role as a Board member in general.

The appraisal system seeks to identify areas of concern and make recommendations for any training or development to enable the Board member to meet their objectives which will be set for the following year. The appraisal process will also review the progress made against prior year targets to ensure any identified skill gaps are addressed. Details of the reviews, the findings and agreed actions may be made available in future Annual Reports, at the discretion of the Board.

Whilst the Board considers this evaluation process is currently best carried out internally, the Board will keep this under review and may consider independent external evaluation reviews in due course as the Company grows. As well as the appraisal process, the Board monitors the non-executive directors' status as independent to ensure a suitable balance of independent non-executive and executive directors remains in place.

The Board may utilise the results of the evaluation process when considering the adequacy of the composition of the Board and for succession planning. Succession planning is formally considered by the Board on an annual basis, in conjunction with the appraisal process. Due to the importance of succession planning, the Board will also consider this on an ad hoc basis as required.

## **Promote a Corporate Culture that is Based on Ethical Values and Behaviours**

The Board believes that the promotion of a corporate culture based on sound ethical values and behaviours is essential to maximise shareholder value. Our core values serve as a common language that allows all members of staff to work together as an effective team and it is these values and our shared long-term business mission, vision, and strategy that we believe will drive growth in shareholder value over the long term.

The Board seeks to maintain the highest standards of integrity and probity in the conduct of the Company's operations because the Board recognises that the culture of any business is set by the actions and conduct of its Board of Directors. These values are enshrined in the written policies and working practices adopted by all employees in the Company. The Board takes the time to consider the wider ramifications to its stakeholders when making strategic and corporate decisions, whilst at the same time delivering the long-term objectives of stakeholders.

Having open communications with stakeholders allows them to give constructive feedback to the Board and enables the Board to monitor the reactions of those stakeholders to decisions made.



The Company operates in international markets and is mindful that respect of individual cultures is critical to corporate success. Accordingly, the Board endeavours to promote sound ethical values and behaviours and treats its customers, suppliers and business partners with such respect at all times.

The Board has implemented a code for Directors' and employees' dealings in securities which it considers to be appropriate for a company whose securities are traded on AIM and is in accordance with the requirements of the Market Abuse Regulation.

The Company is committed to providing a safe environment for its staff and all other parties for which the Company has a legal and moral responsibility. The Company operates a Health and Safety Committee which meets regularly to monitor, review and make decisions concerning health and safety matters. The Company's health and safety policies and procedures are enshrined in the Company's documented quality systems, which encompass all aspects of the Company's day-to-day operations and include:

- Actively protect the environment in its areas of operation by preventing pollution, making efficient use of energy and natural resources, reducing emissions and avoiding waste;
- Comply with all applicable laws, rules and regulations;
- Ensure that all contractors and employees understand their health, safety and environmental responsibilities, are trained, and have the appropriate resources to meet them;
- Identify, assess and effectively manage risks and re-evaluate those risks following significant changes to operations, facilities or personnel;
- Ensure appropriate preparation and handling of emergencies;
- Ensure that responsibility for health, safety and environmental matters is a condition of employment for all of the Company's personnel, contractors and consultants.

The Company is an equal opportunity employer and seeks to hire, promote and retain highly skilled people based on merit, competence, performance, and business needs. The Board considers itself to be diverse in terms of its range of gender, culture, nationality and international experience.

## **Maintain Governance Structures and Processes That Are Fit for Purpose and Support**

The Board recognises that the responsibility for ensuring the Company operates in the correct manner is ultimately theirs and as such the Board has implemented various sub-committees which helps implement the strategy of the Board. The executive directors have day-to-day responsibility for the operational management of the Company's activities. The non-executive directors are responsible for bringing independent and objective judgement to Board decisions.

There is a clear separation of the roles of the Chief Executive Officer and the non-executive Chairman. The Chairman is responsible for overseeing the effectiveness of the Board, ensuring that no individual or group dominates the Board's decision-making and ensuring the non-executive directors are properly briefed on matters. The Chairman has overall responsibility for corporate governance matters in the Company. The Chief Executive Officer is responsible for implementing the strategy of the Board and managing the day-to-day business activities of the Company.

The Board has established audit, compensation, safety and technical committees with formally delegated duties and responsibilities, as set out below.

## **Audit Committee**

The Audit Committee has responsibility for ensuring that the financial performance of the Company is properly reported on and reviewed, and its role includes monitoring the integrity of the financial statements of the Company (including annual and interim accounts and results announcements), reviewing internal control and risk management systems and ensuring that an effective system of internal controls is maintained, reviewing any changes to accounting policies, reviewing and monitoring the extent of the non-audit services undertaken by external auditors and advising on the appointment of external auditors. The Audit Committee have unrestricted access to the Company's external auditors.



The Audit Committee meets at least twice per annum.

As at the date of this Annual Report, the Audit Committee comprises three non-executive directors, who are Richard Round, audit committee chairman, Brad Mills and Priya Patil.

### **Compensation, Corporate Governance and Nominating Committee**

The Compensation Committee, which meets as required but at least twice per year, has the following responsibilities with respect to compensation matters:

- recruitment, development and retention of senior management;
- appointment, performance evaluation and compensation of senior management;
- succession planning systems and processes relating to senior management;
- compensation structure for the Board of Directors and senior management including salaries, annual and long-term incentive plans and plans involving share options, share issuances and share unit awards;
- pension and benefit plans; and
- share ownership guidelines.

The Compensation Committee has the following responsibilities with respect to corporate governance and nominating matters:

- develop and recommend to the Board of Directors criteria for selecting new directors;
- assist the Board of Directors by identifying individuals qualified to become members of the Board of Directors (consistent with criteria approved by the Board of Directors);
- recommend to the Board of Directors the director nominees for the next annual meeting of shareholders and for each committee of the Board of Directors and the chair of each committee;
- develop and recommend to the Board of Directors appropriate corporate governance principles for the Company;
- recommend to the Board of Directors procedures for the conduct of Board meetings, and the proper discharge of the Board of Directors' mandate;
- oversee the annual review of the Board of Directors', its committees' and individual directors' performance and the assessment of the Board of Directors' and committee charters; and
- undertake such other initiatives that may be necessary or desirable to enable the Board of Directors to provide effective corporate governance.

As of May 20, 2021, the Compensation Committee comprises of three non-executive directors, with Priya Patil being the elected Chairperson of the Compensation Committee. The other members of the Compensation Committee are Belinda Labatte and Richard Round.

### **Safety, Health and Environment Committee**

The Safety, Health and Environment Committee, which meets as required but at least three times per year, is appointed by the Board of Directors to discharge the Board of Directors' responsibilities relating to compliance and review of applicable environmental, community, health and safety legislation, rules and regulations in the jurisdictions in which the Company operates. The purpose of the Safety, Health and Environmental Committee is to assist the Board of Directors in management of the Company's policies, programmes and systems relating to environmental, community and health and safety issues. They will work with management in reviewing safety, health and environmental performance and metrics and where necessary provide insight into the development of appropriate safety, health and environmental performance and metrics. The Committee will further monitor current and future regulatory issues that pertain to the operations of the Company.

The Safety, Health and Environment Committee (SHEC) comprises of two Non-Executive Board members and one Executive, with Belinda Labatte being the elected Chairman of the Safety, Health and Environment Committee. The other members of the SHEC are Terrell Ackerman and Toby Bradbury.



## **Technical Committee**

The Technical Committee, which meets as required but at least three times per year, is appointed by the Board of Directors as a standing committee to assist the Board of Directors in its oversight of technical and operational matters.

The Technical Committee comprises two Non-Executive Board members and one Executive member, with Terrell Ackerman being the elected Chairman of the Technical Committee. The other members of the Technical Committee are Mark Sander and Toby Bradbury.

## **Non-Executive Directors**

The Board adheres to guidelines relating to the appointment of non-executive directors, to ensure good corporate governance.

The Chairman and non-executive directors are appointed for a year at a time and are re-elected annually at the Company's Annual General Meeting.

In accordance with the Companies Act 2006, the Board complies with: a duty to act within their powers; a duty to promote the success of the Company; a duty to exercise independent judgement; a duty to exercise reasonable care, skill and diligence; a duty to avoid conflicts of interest; a duty not to accept benefits from third parties and a duty to declare any interest in a proposed transaction or arrangement.

## **Communicate How the Company is Governed and is Performing by Maintaining a Dialogue With Shareholders and Other Relevant Stakeholders**

The Board is committed to maintaining good and regular communication with its shareholders and other stakeholders and aims to ensure that all communications concerning the Company's activities are clear, fair, and accurate. The Board welcomes an open dialogue with shareholders. The Investor Relations section of the Company's website also provides all required regulatory information as well as other helpful information for shareholders and other relevant stakeholders, including podcasts and presentations.

Results of shareholder meetings and details of votes cast will be publicly announced through the regulatory system and displayed on the Company's website <http://www.ramblermines.com> with suitable explanations of any actions undertaken as a result of any significant votes against resolutions.