EXCELLENCE IN PGMs

2022 Annual Integrated Report
For the year ended 30 June 2022

Creating a better future

ESG report

- Detail on material economic, social and environmental performance and governance
- GRI G4 core compliance
- Internal reporting guidelines in line with the UN Global Compacts
- Independent assurance report.

Audited annual financial statements

- Financial statement assurance, including the audit and risk committee report and directors' report
- Consolidated financial statements
- Company financial statements.

Mineral Resource and Mineral Reserve Statement

- Provides updated estimates and reconciliation of Mineral Resources and Mineral Reserves
- Conforms to the South African Code for Reporting of Exploration Results, Mineral Resources and Mineral Reserves (SAMREC) (2016)
- Conforms to Section 12.13 of the JSE Listings Requirements
- Competent Persons sign-off
- Third-party assurance.

Climate change report

- Climate change risks and adaptations, decarbonisation plans, adoption of renewable energy
- Prepared in accordance with the recommendations of the TCFD

Remuneration report 2022

- Basis of preparation
- Background statement
- Remuneration philosophy and policy
- Implementation report.

Notice to shareholders

- Notice and proxy.

How to navigate this report

For easy navigation and cross-referencing, we have included the following icons within this report:

Information available on our website **www.implats.co.za**

Information available elsewhere in this report

Follow us online at www.implats.co.za

- Direct access to all our reports available on release
- Our website has detailed investor, sustainability and business information.

https://twitter.com/Implats

https://www.linkedin.com/company/impala-platinum/

https://www.youtube.com/channel/UCgshehA_JCYUeox7ICZw6bw/featured

https://www.facebook.com/implats/

Contents

Welcome to our 2022 annual integrated report

At Implats, our purpose is to create a better future. We aspire to deliver value through excellence and execution, and through our commitment to responsible stewardship and long-term value creation.

The purpose of the annual integrated report (IR) is to explain to the providers of financial capital how we create, preserve or erode value over time. We focus on readers with an interest in enterprise value and we have considered new developments in sustainability reporting.

Strategic objectives

Our strategic objectives are defined as the deliberate goals established to achieve our purpose and vision, underpinned by our values, while our strategies define how the Group will achieve these strategic objectives.

- Sustainable development
- Optimal capital structure
- Operational excellence
- Competitive asset portfolio
- Organisational effectiveness
- Future focus

These icons refer to our six capitals

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

These icons indicate the elements of our materiality determination on page 4

- BM Business model
- STR Strategy, trade-offs and resource allocation
- EE External environment
- O Outcomes
- SI Stakeholder interests

We welcome your feedback to make sure we cover the aspects important to you

Go to **www.implats.co.za** or email **investor@implats.co.za** to provide us with your feedback.

Forward-looking statements

In this report, certain disclosure, other than statements of historical fact, contains forward-looking statements regarding Implats' operations, economic performance or financial condition, including, without limitation, those concerning the economic outlook for the platinum industry, expectations regarding metal prices, demand and availability of commodities, reserves and production forecasts, productive life-span of operations and projects, climate scenarios, cash costs and other operating results, growth prospects and the outlook of Implats' operations, including the approval, commencement or completion of commercial projects, its liquidity and capital resources and expenditure, the finalisation of transactions, closure or divestment of assets, operations or facilities, management objectives and strategies, contingent liabilities, tax and the outcome and consequences of any pending litigation, regulatory approvals and/or legislative frameworks currently in the process of amendment, or any enforcement proceedings.

Although Implats believes the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to be valid. Forward-looking statements are based on management's current expectations and reflect judgements, assumptions, estimates and other information available as at the date of this report and/or the date of Implats' business planning processes. Accordingly, results may differ materially from those set out in the forward-looking statements due to, among other factors, changes in economic and market conditions, success of business and operating initiatives, changes in the regulatory environment and other government actions, fluctuations in metal prices, global demand, exchange rates and business and operational risk management. The forward-looking statements herein involve known and unknown risks, uncertainties and other factors, many of which are beyond our control, and Implats cautions against reliance on any forward-looking statements or guidance, particularly in light of the current economic climate and the significant volatility, uncertainty and disruption in the global marketplace. For a discussion on such factors, refer to the risk management section of the Group's annual integrated report. Implats does not undertake to publicly update or release any revisions to these forward-looking statements to reflect events or circumstances after the dates of the annual integrated report or to reflect the occurrence of unanticipated events. Past performance of Implats cannot be relied on as a guide to future performance.

Disclaimer: This entire disclosure and all subsequent written or oral forward-looking statements attributable to Implats, or any person acting on its behalf, are qualified by caution.

Readers hereof are advised that this disclosure is prepared for general information purposes and is not intended to constitute a recommendation to buy or offer to sell shares or securities in Implats or any other entity. Sections of this disclosure are not defined and assured under IFRS, but are included to assist in demonstrating Implats' underlying financial performance. Implats recommends you discuss any investment decisions with an authorised independent financial adviser, stockbroker, tax adviser, accountant or suitably qualified professional.

Materiality and reporting boundary

About our report

The aim of this report is to communicate to the providers of financial capital how Implats creates, preserves or erodes value over the short, medium and long term. It focuses on users with an interest in enterprise value, taking cognisance of new developments in sustainability reporting. Value creation for stakeholders is founded in our purpose, vision and values, which inform the content of our integrated report. Items materially affecting the Group's strategy, business model, capitals, governance, performance, prospects and stakeholders are included in this report for the period covering 1 July 2021 to 30 June 2022.

Detailed supplementary information available in the rest of our reporting suite, including the annual financial statements, ESG report and the Mineral Resource and Mineral Reserve Statement and Group website at www.implats.co.za.

Basis of preparation and presentation

The Implats annual integrated report is produced in compliance with JSE Listings Requirements and the recommendations of the King IV Report on Corporate Governance (King IV™). Additionally, the report was compiled using the principles and content elements contained in the International Integrated Reporting Council's International <IR> Framework and guidance on materiality in the preparation of integrated reports.

Our stakeholders' needs vary per operational site and are internally managed and evaluated on an individual basis. Stakeholder material matters, risks and value creation are discussed at an operational level from page 102 of this report.

IFRS equity-accounting requirements were applied to report the financial performance of associates and joint ventures. However, these non-managed operations are reported at 100% in the operational performance chapter. Production is reported in terms of the 6E platinum group metals (PGMs); platinum, palladium, rhodium, ruthenium, iridium and gold.

Royal Bafokeng Platinum (RBPlat)

On 29 November 2021, following Implats' acquisition of approximately 24.52% of the total issued ordinary shares in RBPlat, excluding treasury shares (RBPlat shares), the Group announced a general offer to acquire all of the remaining RBPlat shares it did not already hold. Subsequently, a mandatory offer was made in terms of Section 123 of the Companies Act, 71 of 2008 with the same consideration as offered previously.

The 37.83% aggregate shareholding acquired in RBPlat by the end of the period provided Implats with significant influence over RBPlat and therefore, the investment was equity accounted in the Group financial statements from 1 December 2021 and disclosures required by IFRS are provided based on publicly available information.

While the offer remains open, Implats has restricted access to the financial and operational information of RBPlat, which is publicly available at **https://www.bafokengplatinum.co.za/index.php**. Consequently, apart from the Group consolidated annual financial statements, we have not provided detailed disclosure on RBPlat in our annual reporting.

Developments in sustainability reporting

Implats is committed to providing relevant and useful information to the users of our annual integrated report. In response to the developments in sustainability and climate-related financial reporting, we have provided additional disclosure on our progress and how we are preparing for the adoption of the IFRS International Sustainability Standards Board exposure drafts and future standards.

Double materiality

The Group's operations impact the environment and society (inside-out). In turn, the environment and society affect the Group and its performance (outside-in). These impacts may be positive or negative and will vary in time. Implats' approach to 'double materiality' is to report the material environmental and societal impacts on the Group's ability to create value in this report, while the material impacts of our operations on the environment and society are disclosed in the ESG report.

Reporting boundary

This report focuses on providing information we consider relevant to current and prospective providers of capital. Our materiality is underpinned by the financial reporting boundary since it is the financial reporting entity in which providers of financial capital invest in which they are interested.

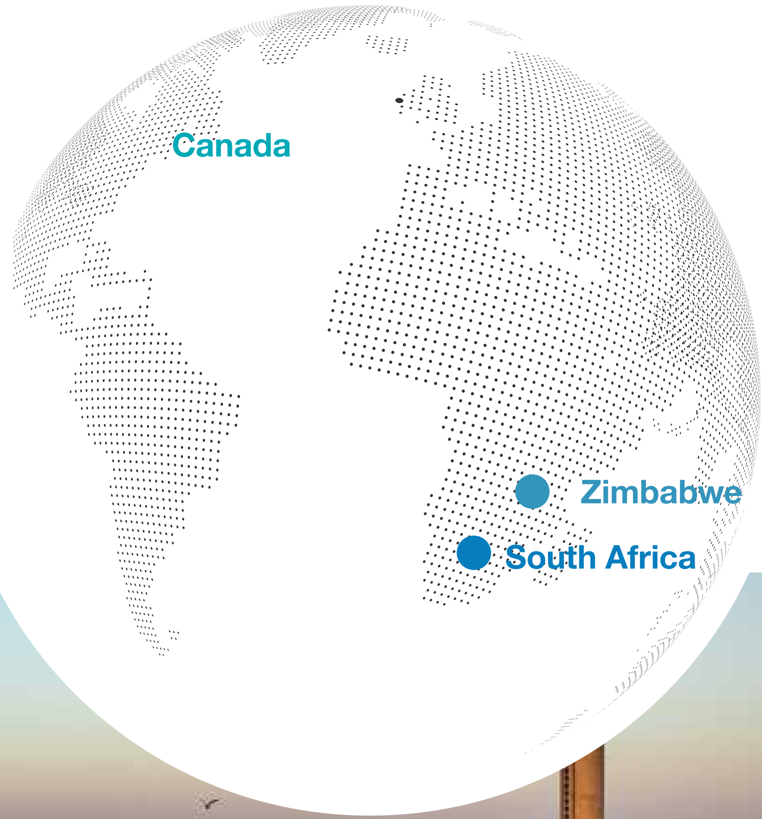
Financial reporting boundary – Group structure

Impala Platinum Holdings Limited – material operations

Implats holding	Country	Operation	Other holding	Other shareholders
96%	South Africa	Impala Rustenburg	4%	Employee Share Ownership Trust
73.3%	South Africa	Marula	26.7%	Tubatse Platinum (Pty) Ltd, Mmakau Mining (Pty) Ltd, Marula Community Trust, Marula ESOT Company (Pty) Ltd
37.8%	South Africa	Royal Bafokeng Platinum	62.2%	Northam Platinum Ltd, Public Investment Corporation SOC Ltd, other minorities
46%	South Africa	Two Rivers	54%	African Rainbow Minerals Ltd
87%	Zimbabwe	Zimplats	13%	Minorities
50%	Zimbabwe	Mimosa	50%	Sibanye Stillwater
100%	Canada	Impala Canada		

In line with our purpose to create a better future, we recognise that value has two interrelated aspects – firstly, the value created, preserved or eroded by the Group, which affects financial returns to the providers of financial capital, and secondly, value for our stakeholders and society at large.

Accordingly, we have further considered the risks, opportunities and outcomes attributable to, or associated with, entities beyond the financial reporting boundary that have a significant effect on our ability to create, sustain and limit the erosion of value.



Tailings storage facility at Impala Rustenburg

Materiality determination

Material themes and issues included in each of the five elements below identified by management were approved by exco and the ARC for use in the IR. Material themes and specific issues pertaining to each one of these elements have been separately discussed in chapter two of the IR, which follows the same order as depicted below to explain how the business model and outcomes are impacted by our external environment and our stakeholders to culminate in strategy, trade-offs and resource allocation.

How we create value

What impacts on value

BM Business model

Page 20

How we create value

EE External environment

Page 26

Our operating context, and the risks and opportunities that have a material impact on value

Purpose, vision and values – page 8

O Outcomes

Page 25

The significant impacts on our capitals and the dependencies between them

SI Stakeholder interests

Page 36

The material interests of our key stakeholders

Governance and remuneration practices – chapter 3

STR Strategy, resource allocation and trade-offs

Page 46

The implications of (and for) our strategy

Performance – chapters 4 and 5

Outlook – chapters 4 and 5

We have therefore sought to ensure that all the information in this report is relevant and balances disclosure with the need to reduce complexity and ensure conciseness.

How we determine materiality

Our robust materiality determination process is depicted in the diagram below:

Materiality determination process

Customer Surveys
Strategies
Policies/ codes/ values
Risk management process

1. Consideration of the following:

- Purpose, vision and values and strategic objectives (page 8)
- Our business model, value drivers and outcomes (pages 20 to 25)
- External environment
- Significant risks and opportunities (page 30)
- Stakeholder interests (page 36)
- Current performance (chapters four and five).

Audit report
Regulatory/ Legal
Media interaction
Meeting minutes/ agendas

2. Assess effect on value creation:

- Nature and magnitude of the effect
  - financial
  - operational
  - strategic
  - regulatory
- Likelihood of occurrence.

Stakeholder engagement

3. Prioritise material matters:

- ranking by senior management and those charged with governance.

4. Integrated report disclosure:

- Apply judgement and disclose
  - the matter
  - effects on strategy, business model or capitals
  - inter-relatedness and dependencies
  - Implats' view on potential outcomes or effects
  - current and future response to mitigating actions in response to Implats' risks
  - current and comparative response effectiveness measurement data
  - explanation or indication of the extent of the organisation's control over the matter
  - targets and KPIs
  - qualitative disclosures including outlook.

Approval process for identifying material matters and themes

Approved material matters for purposes of the annual integrated report are the matters focused on the providers of capital pertaining to how value is created, maintained or eroded. Management provides an assessment of material matters for each one of the five elements in the infographic on page 4. The materiality assessments are reviewed by the Implats executive committee, and subsequently evaluated by the audit and risk committee before they are recommended to the board for ultimate approval. Material matters approved for each one of the elements are discussed in chapter two of this report.

Board responsibility statement and approval and assurance

The board acknowledges its responsibility for the integrity of this report. The directors confirm they have collectively assessed the content in accordance with the approval process depicted here and believe it addresses the material matters that substantively affect Implats' ability to create, preserve, and in some instances, erode value over the short, medium, and long term and that it is a fair representation of the integrated performance of the Group.

The audit and risk committee, which has oversight responsibility for the annual integrated report, has applied its mind to the preparation and presentation of the report and has concluded that the report has been presented in accordance with the International <IR> Framework and recommended the report for approval by the board of directors. The assurance process over our annual reports is disclosed on pages 6 and 7.

Implats board

Thandi Orleyn – Chairperson
Peter Davey
Dawn Earp
Ralph Havenstein
Alastair Macfarlane
Billy Mawasha
Mametja Moshe
Sydney Mufamadi
Mpho Nkeli
Preston Speckmann
Bernard Swanepoel
Boitumelo Koshane
Nico Muller
Meroonisha Kerber
Lee-Ann Samuel

Ethics and assurance

Implats believes assurance is an integral component of good governance. However, this must be supported by an ethics-based culture where those charged with governance and management lead by example and promote ethical behaviour.

Guided by principle 2 of the King IV Report on Corporate Governance, the board gives effect to the code by governing the ethics of the organisation in a way that supports the establishment of an ethical culture by:
- Setting ethical direction
- Approving codes of conduct and ethics policies
- Ensuring stakeholders are familiar with the Group's codes of conduct and ethics policies
- Delegating the implementation of the codes of conduct and overseeing ethics management
- Deliberating the management of ethics and associated focus areas, monitoring measures and ethical outcomes.

Principles

Ethics

Approvals and declarations

Board recommended practices

Principles
- Fairness and integrity in all business dealings, including the ethical management of actual or apparent conflicts of interest between personal and professional relationships:
- Respect for the human rights and the dignity of all people
- Care for the health and safety of all stakeholders, including the socio-economic wellbeing of our host communities, the preservation of natural resources and the environment within which we operate
- Acceptance of diverse cultures, religions, race, gender, sexual orientation and people with disabilities
- Honesty, transparency, accountability
- Adherence to sound standards of corporate governance and all applicable laws.

Board recommended practices
- Set ethical direction for the organisation
- Approve codes of conduct, ethics policies and ensure the inclusion of all stakeholders and key ethical risks
- Delegate the implementation of the code of ethics and oversee its management
- Discuss the management of ethics and associated focus areas, monitoring measures and ethical outcomes.

Approvals and declarations to be made
- Any member of the board must report to the chairperson of NGE or chairperson of the board
- The chairperson of the NGE committee reports to chairperson of the ARC
- Any member of the exco must report to the CEO or chairperson of the NGE
- All Implats employees must report to their senior managers, who report their Exco member or the CEO.

Assurance of our integrated report

The board takes overall responsibility for the integrity of the integrated report and ensures its compliance with the International Integrated Reporting Framework by reviewing the final report and approving the material matters and themes to be included in the report when reporting on the various content elements. A combined assurance model is in place and functioned throughout the year under review (refer to the Implats overall assurance model on the next page). The King IV Report on Corporate Governance (King IV) has been applied and internal compliance therewith is verified as part of the internal audit assurance cycle for the Company. The Global Reporting Initiative (GRI) Standards, the JSE Listings Requirements and the South African Companies Act, 71 of 2008, are adhered to and compliance is also monitored and reported in a systematic and structured manner to the audit and risk committee throughout the year by the Group's risk and compliance department.

The Group's external auditor, Deloitte, provided assurance on the annual financial statements (AFS) for the year ended 30 June 2022 (refer page 10 of the AFS). Reasonable and limited assurance was provided by Nexia SAB&T on selected non-financial sustainability information and key performance indicators (page 128 of the ESG report).

Implats is committed to independent third-party reviews providing assurance for the Mineral Resource and Mineral Reserve estimates which assist with the principle of continuous improvement on the internal processes. The 2022 external audit was undertaken at both managed and non-managed operations, either based on an anticipated change to the Mineral Reserves after the approval of new capital projects, or for consideration of the Group's intent to support and expand local economic development in our various operating jurisdictions. Individual audit certificates of each of the respective audit companies are included on pages 101 to 104 of the 2022 Mineral Resource and Mineral Reserve Statement.

Implats overall assurance model

The Implats combined assurance model (CAM), is designed to optimise the assurance provided over the Group's top 10 risks (page 26), risk management and internal financial controls.

The audit and risk committee monitors and reviews the Group's risk profile and the efficacy of management activities, and monitors adherence to board-approved risk appetite and tolerance. Other board committees perform additional risk oversight through rigorous analysis of management's assertions for their assigned Group risks as disclosed in the corporate governance section and appendix A.

In addition, the CAM is used to evaluate and assure various aspects of the business' operations, including elements of external reporting. Implats Group Internal Audit (IGIA) provides a further line of assurance and co-ordinate the CAM, whose outcomes are reported to the board and the respective committees according to their assigned areas of responsibility. The audit and risk committee provides assurance annually to the board on the effectiveness of risk management and internal controls. In addition, the supplementary reports to our annual integrated report are subjected to varying degrees of external assurance.

Governance

The board is responsible for overseeing the Group's risk management and internal control systems, which management is responsible for implementing. The board committees consist a majority of independent non-executive directors, supporting a strong risk governance framework.

Organisational risks are included in the CAM, which incorporates the top strategic risks and internal financial controls

Organisational monitoring
- Control self-assessments (CSAs)
- Implementation of standards at operational level
- Internal checks and balances, compliance monitoring.

Management review
- Performance and management framework
- Implementation of controls at management level
- Review by Group legal and compliance functions

Implats' overall assurance model

Independent assurance
- Financial audits
- Risk-based audit and compliance reviews
- Other external audits and reviews.

Board oversight
- Board committee reviews
- Internal audits and forensic investigations (including IT and compliance general audits)
- Review of controls at strategic level.

Improve controls and processes I Optimise management function

Embed and enable risk management functions and communicate risk coverage I Leading practice and risk agenda components

Risk governance

Implats board
Guides and oversees the management of Group risks.

Implats board committees
Oversee assigned risks by aligning board skills and strategic issues and risks. Challenge management assumptions and approve risk appetite and tolerances. Communication link between board and management.

Implats executive committee
Implements the Group's strategy and identifies associated Group risks. Regularly reviews risk ranking and completeness. Assigned as risk owners.

Impala Rustenburg, Impala Refineries, Zimplats, Marula and Impala Canada operational and functional executives
Execute business plans aligned with Group strategy. Owners of risks associated with execution.

Purpose, vision and values

Our purpose

Creating a better future

Through the materials we produce

Committed to supplying metals needed to develop, sustain and improve our world

- Jewellery
- Saving lives
- Autocatalysts
- Clean energy
- Environmental helpers

PGMs, including platinum, palladium, rhodium, ruthenium and iridium, are unique raw materials in catalyst technology and manufacturing

For more information on PGMs refer below.

Through the way we do business

Bringing long-term growth and opportunity for all stakeholders

- Developing and caring for host communities through the commodity cycle
- Providing meaningful employment
- Caring for and supporting our environment
- Creating value for stakeholders

For further information see potential for differentiation and value-focused strategy on page 18.

Through superior performance

Sustaining industry-leading operational, business and financial performance through the commodity cycle

- Securing business growth and a sustainable enterprise
- Delivering steady supply of superior quality products
- Generating meaningful taxation and social investment
- Yielding compelling investment returns

For further information see Group performance and operational performance in chapters four and five of this report.

Supporting United Nations Sustainable Development Goals (SDGs)

In delivering on our purpose to create a better future, our ESG framework and long-term aspirational goals will guide our increasing contribution to the attainment of UN SDGs, supported by our core activities and collaborative efforts to build thriving communities. This work builds on our longstanding commitment to the UN Global Compact and its 10 principles.

Our ESG framework

Environment

- Climate change
- Energy
- Water
- Air quality
- Waste management
- Biodiversity
- Rehabilitation and closure

Refer to stakeholder interests on page 36.

E — Reduce our environmental footprint

Social

- Health and safety
- Stakeholder engagement
- Customer custodianship
- Employees
- Mine-host communities

Refer to stakeholder interests on page 36.

S
- Zero harm
- Meaningful stakeholder engagements
- Engaged employees
- Sustain livelihoods through and beyond mining

Governance

- Corporate governance
- Codes of conduct
- Materiality
- Supply chain management
- Risk and crisis management
- Human rights (due diligence)
- Compliance
- Reporting and voluntary disclosures

Refer to our corporate governance chapter on page 56.

G — Responsible business practices within an entrenched governance framework

Embed sustainability into the way we do business through:

- Integrated thinking
- Circular economy
- Policies
- Standards
- Innovation and technology

Informed and linked to Sustainable Development Goals

(Refer to our value distribution and stakeholder outcomes on pages 38 to 44)

Implats has identified SDGs it considered to have the most impact. While the environmental goals have been identified and integrated into our operational strategies, the Group is in the process of embedding specific longer-term goals into its social performance strategy (page 42 of the ESG report).

The enabling operational strategies are disclosed in our strategy and resource allocation section on page 48, while the Group's contributions to the goals are disclosed in our stakeholder outcomes.

Business overview, operating environment and strategy

Transport of ore by rail at Impala Rustenburg

During the third year of Covid-19, the pandemic-battered global economy showed an initially strong recovery, with many parts of the world moving past the acute phase of crisis. However, the economic damage triggered by Russia's invasion of neighbouring Ukraine will cause a significant slowdown in global growth in 2022 and beyond, through its spillover effects on trade, commodity markets and financial channels.

Creating a better future through **securing business growth and a sustainable enterprise**

Implats has repeatedly proved its resilience and strategic agility in the face of external shocks.

Thandi Orleyn
Chairperson

The armed conflict, heightened geopolitical tensions, social unrest and extreme weather events sparked by climate change have compounded the economic strains caused by the pandemic, resulting in soaring inflation and a growing cost-of-living crisis. Food and fuel prices have risen rapidly, profoundly impacting vulnerable populations, particularly in low-income countries. Food insecurity in many countries already facing extreme drought has risen sharply due to the disruption in supply chains. Central banks face a complicated balancing act between containing inflation and sustaining growth, and interest rates are rising.

The July 2022 update to the International Monetary Fund's (IMF's) World Economic Outlook projected lower baseline global economic growth of 3.2% in 2022 with much higher global inflation — 6.6% in advanced economies and 9.5% in emerging market and developing economies. In 2023, the outlook grows gloomier, with tighter monetary policy resulting in global growth of just 2.9%.

Labour market prospects for low-skilled workers and the youth remain discouraging, a situation demonstrated by the pressure and risk Implats is under in the face of rising stakeholder expectations and, in South Africa, community contestation for jobs and procurement opportunities. Meanwhile, South African power utility, Eskom, continues to experience extreme capacity constraints resulting in economically and reputationally damaging power supply interruptions.

All three major PGM markets — platinum, palladium and rhodium — recorded fundamental surpluses in 2021. Accelerated destocking of producer inventories and the shortfall in auto demand due to the worsening semiconductor chip shortage, also contributed to extreme price volatility in 2021. PGM pricing improved in early 2022 as auto production supply chain constraints eased, supporting increased physical demand and the perceived threat to continuity of Russian supply from the war in Ukraine. The near-term demand outlook for PGMs has been clouded by macro-economic uncertainty. Despite this, absolute pricing remains robust and the underlying demand and supply dynamics for the Group's major products continue to lend support to confidence in the strategic rationale of accelerated investment to secure the long-term sustainability and competitiveness of Implats' asset suite.

Developing into the future

Amid this challenging and often variable operating context, Implats delivered a creditable performance for FY2022. The Group generated meaningful free cash flow and strong headline earnings, despite an overall decline in production and sales

Slowing **global growth** – down to **3.2%** this year and **2.9%** in 2023

- Rising global inflation
- Elevated geopolitical risk
- Constrained supply chain

Planned five-year, **R50 billion capital investment** programme

- Life-of-mine extensions
- Brownfields expansions
- Expansion of processing capacity

Embedding **sustainability** into the way we do business

- **R816 million** invested in social projects benefiting more than **100 000 people**
- Initiated **two renewable** energy projects across the Group
- **Carbon neutral** by no later than **2050**

volumes. The Implats balance sheet remains strong and flexible, facilitating the pursuit of value-accretive acquisitive growth, accelerated organic growth projects, sustained commitments to its stakeholders and the provision of attractive shareholder returns.

This performance reflects the enormous effort made and success achieved in cementing Implats' status as a leading, integrated and responsible PGM producer. The progress made reflects the Group's clear strategic journey, which prioritises sustainable development, operational excellence, organisational effectiveness, an optimal capital structure, a competitive asset portfolio and a future focus. Together, these strategic objectives seek to ensure Implats creates and shares value beyond mining and for generations to come.

In the year under review, the Group announced its planned five-year, R50 billion capital investment programme, focused on both its mining and processing assets, across stay-in-business operations and targeting new growth projects. As southern Africa is the world's largest source of primary PGM supply, this investment in increased beneficiation capacity and extended life-of mine development at several Group operations, will position the southern African region more competitively as a sustainable and reliable global mine-to-market PGM producer.

In addition, Implats launched its proposed acquisition of Royal Bafokeng Platinum (RBPlat), whose operations lie adjacent to the Group's Impala Rustenburg mining and processing complex. This exciting transaction promises meaningful life-of-mine extensions at both Impala Rustenburg and RBPlat, and will deliver tangible socio-economic benefits for the region, its communities and South Africa.

Productive engagements took place with key stakeholders during the period, underscoring Implats' commitment to sustainable shared value creation and socio-economic development, within a sound environmental, social and governance (ESG) framework.

A notable mention must be given to the historic five-year wage agreement, signed at the end of FY2022, between the Impala Rustenburg and Marula operations and the Association of Mineworkers and Construction Union. The agreement secures five years of stability and continuity at these operations, and the collaborative process through which the agreement was reached is a credit to the Group's engagement processes and the maturity of its relationships with organised labour bodies. The agreement provides a long period of certainty to these employees, as well as their dependants and the communities in which they reside.

Sustainable development

Achieving operational excellence demands progress on the journey to ensuring zero harm. FY2022 saw a regression in important measures of Implats' safety performance, with seven lives lost during the year. This regression is a cause of deep regret and serious concern to the board and management, made more acute as the incidents followed a period of record safety achievements. Efforts to strengthen operational safety risk-management and supervisory vigilance were redoubled to eliminate fatalities and injuries, resulting in an excellent and fatal-free safety performance in the final quarter.

Just prior to the regrettable safety regression, Implats was recognised in two categories at the South African MineSafe 2021 Tripartite Conference. The Group was awarded Best Safety Performance in the PGM sector for the period following several record Group safety achievements. It also received the Industry-leading Covid-19 Response by a Large Company award, in recognition of its extensive employee and community vaccination programme. Implats' forward-thinking approach to Covid-19 prevention and treatment ensured the sustained control of infection and mortality rates at all operations. By mid-FY2022, more than 90% of the Group's entire 56 000+ workforce was fully vaccinated, on a voluntary basis. Positive progress was also made in addressing other employee health and wellness issues, including HIV, tuberculosis, noise-induced hearing loss and mental wellbeing.

Sustainable community development continues to be prioritised. We invite you to read our accompanying 2022 ESG report, where the Group's community development initiatives are more fully explored on pages 74 to 91. In addition to intensive stakeholder engagement, sustainable development requires a focus on our precious natural resources, and it is gratifying that during the period, Implats introduced a Group-wide environmental strategy, four new environmental policies, and published its first supplementary report on climate-related risks and adaptations in line with the Task Force on Climate-related Financial Disclosures (TCFD). You can read more about our environmental performance from page 92 of our ESG report.

We aim to go beyond compliance in our stewardship of natural resources and are honoured to be recognised for our ESG management. We retained, and in some cases improved, several important external rankings by leading global and regional agencies during FY2022. Implats' MSCI ESG rating was upgraded to 'A' from 'BBB', reflecting improved emissions and water performances, and strong governance structures. The Group was also proud to be one of only four JSE-listed metals and mining companies to be included in the S&P Global Sustainability Yearbook 2022 — and to be the only company awarded the Metals and Mining Industry Mover award.

For the third consecutive year, Implats achieved an 'A' rating by the Carbon Disclosure Project (CDP) for management of water security risk, a 'B' rating for climate change action and disclosures, and was included in the Bloomberg 2022 Gender-Equality Index. The Group also remains a constituent of the FTSE4Good Index Series and the FTSE/JSE Responsible Investment Top 30 Index. All operations, bar Impala Canada, are ISO 14001:2015 certified, with three out of the five operations also ISO 45001:2018 certified. Impala Refineries holds the London Palladium and Platinum Markets Responsible Sourcing Standard certificate.

Responsive governance

Responsible business is a key priority and Implats is committed to demonstrating the highest standard of corporate governance and compliance with the principles of the King IV Code of Corporate Governance for South Africa. This includes effective, responsive and evolving stakeholder relations, the strategy for which considers King IV and the AA1000 Assurance Standard principles of materiality, completeness and responsiveness.

In South Africa, stakeholder engagement through already established formal community engagement structures continued at Impala Rustenburg and Marula, while in Zimbabwe, Zimplats continued to play an important role in and enjoys cordial relations with its communities. Impala Canada saw a pleasing increase in cooperation and agreements with its host indigenous communities. More detail on the Group's engagements can be found on pages 74 to 91 of the ESG report.

The Group complies with the requirements of South Africa's Mineral and Petroleum Resources Development Act (MPRDA) and is committed to meeting the expectations set out in the Broad-Based Black Economic Empowerment (B-BBEE) Charter for the South African Mining and Minerals Industry and the Mining Charter. In Zimbabwe, Zimplats monitors policy developments, engages closely with government directly and through industry bodies, and plays a leading role in promoting industrial linkages. Impala Canada remains an active member of the Ontario Mining Association to build consensus with government on industry matters.

Outlook and appreciation

The economic scarring from Covid-19 is likely to be more pronounced in emerging markets and developing economies than in advanced economies and the downside risks to the global economic outlook dominate. Inflation is expected to stay elevated for some time due to commodity price pressures resulting from the war in Ukraine and compounded by lingering supply-chain challenges, which in turn, also increases the possibility of heightened social tensions.

The Group remains committed to open and constructive engagements with our stakeholders to advance mutually beneficial relationships in South Africa, Zimbabwe and Canada.

The immediate focus is bedding down operational resilience and flexibility, delivering planned volume growth to mitigate inflationary pressures, advancing the Group's suite of growth projects, continuing to protect the safety, health and wellness of employees, and making meaningful contributions to Implats' host communities and countries.

During the year, the Implats board of directors bade farewell to Babalwa Ngonyama as lead independent non-executive director following her planned retirement. I extend my sincere appreciation for her outstanding 11 years of board service to the Company. Post the end of the period, the board welcomed the appointments of Mametja Moshe and Billy Mawasha as independent non-executive directors — we look forward to their contributions.

The Group was also pleased to receive approval for a secondary listing on A2X Markets, providing investors with a competitively priced alternative trading platform and supporting the development and growth of a healthy capital market in South Africa. Implats retains its primary listing on the Johannesburg Stock Exchange and its level 1 American Depositary Receipt programme in the US.

Implats' stated purpose is to create a better future — through the future-focused and clean metals it produces, through the way it conducts business and shares value, and through an excellent performance across all sectors of the business.

Over the past few years Implats has repeatedly proved its resilience and strategic agility in the face of external shocks. These qualities, together with a strong balance sheet, a robust pipeline of growth and development projects, and a strong and capable management bench, place the Group on a firm footing. I look forward to another stimulating year.

In conclusion, I thank my fellow board members, Implats' management team and all employees for your ongoing contributions to a long-term and sustainable future.

Thandi Orleyn
Chairperson

Organisational overview

Who we are and where we operate

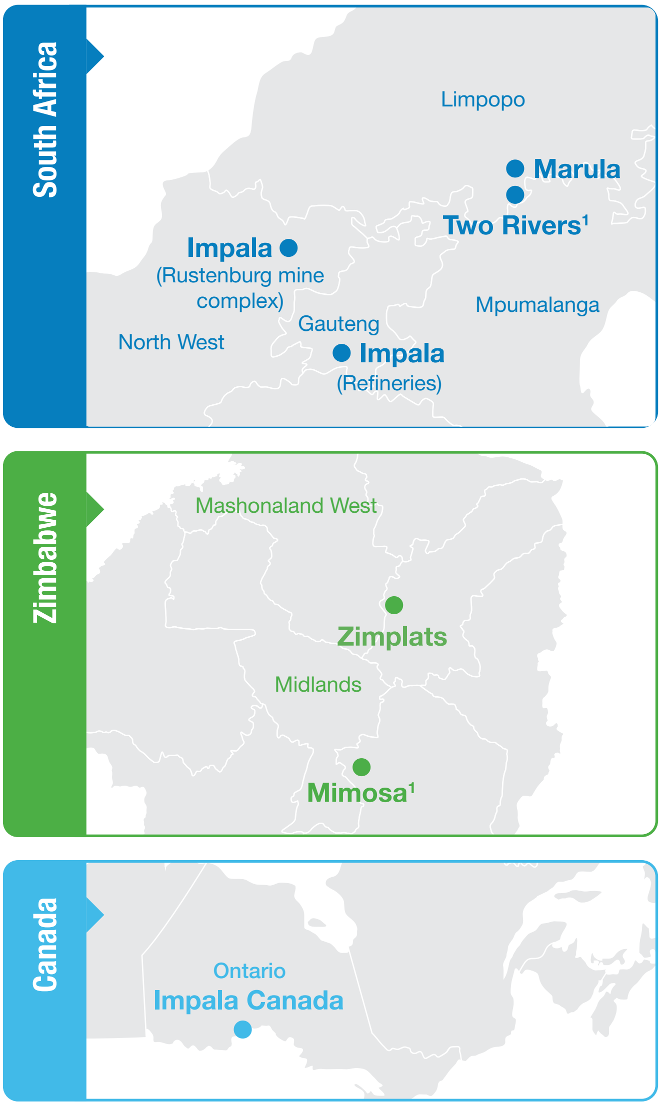
Implats is a leading, fully integrated platinum group metals (PGMs) producer. The Group is structured around six mining operations and Impala Refining Services (IRS), a refining business. Our operations are located on the Bushveld Complex in South Africa, the Great Dyke in Zimbabwe – the two most significant PGM-bearing ore bodies in the world – and the Canadian Shield.

Operational details are contained in chapter five of this report.

Implats contributes approximately 20% to annual global primary PGM production and employs 57 997 people across our operations. We market and sell our products in South Africa, Japan, China, the US and Europe.

The structure of our operating framework allows for each operation to establish and maintain close relationships with their stakeholders, while operating within a Group-wide approach to managing the economic, social and environmental aspects of sustainability.

As at 30 June 2022, our major shareholders were the Public Investment Corporation (PIC) (15.95%), BlackRock Inc (6.24%) and FMR LLC (5.13%) with the balance of the shares held by various public and non-public shareholders (refer to page 15 of the Group annual financial statements).



[1] *Non-controlled operations*

Six operations

Operations

Detail about each operation's strategic focus, outlook, value drivers, risks, value-added statement and key stakeholder interests, strategic performance areas, business plan targets achieved, and five-year trend graphs is available in the operational performance chapter.

Operational key statistics

Production, labour, total cost and stock-adjusted unit cost, capital spent and sales volumes including prices achieved, income statement, gross margin, EBITDA and free cash flow are available in the operational key statistics tables on our website.

Uses of our PGMs

The diverse uses of our PGMs play a role in creating a healthier, cleaner world and contribute to several social and environmental SDGs.

Unique properties

PGMs are the six-member family of elements which include platinum, palladium, rhodium, ruthenium, iridium and osmium. PGMs are an excellent raw material, catalyst and manufacturing ingredient due to their unique chemical and physical properties.

Environmental helpers

Platinum gauzes are used in nitrous oxide (N_2O) abatement programmes – annual N_2O emissions account for a large portion of all greenhouse gasses. Innovative secondary catalysts, using small amounts of PGMs, reduce N_2O emissions during fertiliser production by up to 90%.

Widespread application

PGMs form the often-invisible heart of many everyday items in modern society. They are used in the manufacture of hard disks, mobile phones and aircraft turbines, in anti-cancer drugs and dental implants, in industrial catalysts and ceramic glazes, and in many more products.

Autocatalysts

By far the largest use of PGMs today is in automobile catalytic converters (autocatalysts), which are pollution-control devices fitted to cars, trucks, motorcycles, and other mobile machinery. Catalytic converters reduce outdoor air pollution in cities and rural areas.

Saving lives

PGMs are the active ingredient in many pharmaceuticals and a vital element in modern surgical technologies and medical componentry. Platinum has become the favoured metal in many medical applications because it is biocompatible and durable, with excellent electrical conductivity and radiopacity.

Powering the future

A major focus for current PGM innovation and development stems from the global imperative to decarbonise, reduce emissions and create a 'hydrogen revolution'. It is now estimated that green hydrogen could supply up to 25% of the world's energy needs and become a US$10-trillion market by 2050.

The Group participates in AP Ventures, a private equity vehicle supporting Implats' market development activities into key evolving end-uses for PGMs, including hydrogen, fuel cell mobility and energy storage.

Implats is proud to be at the forefront of technology developments related to the hydrogen economy via our research and development of fuel cells. Fuel cells are gaining attention for a range of potential applications, from combined heat and power, to distributed power generation, to transport and portable power for mobile appliances.

Pre-eminent jewellery

Platinum is rare and pure, with a natural white colour. The modern history of platinum only begins in the 18th century, but archaeologists have found objects dating from as far back as 1200 BC, decorated with gold-platinum hieroglyphics. Today, platinum is the pre-eminent metal for bridal jewellery in many countries and promotional campaigns are focused on developing the market for self-purchase and fashion jewellery in Asia in particular.

Our value proposition

Implats seeks to deliver sustained value to its stakeholders. This is achieved by leveraging, strengthening and growing the Group's competitive mineral portfolio and collection of processing assets, and through its commitment to sustainable development, operational excellence and an optimal capital allocation framework.

Sustainable development

- Implats aspires to become an industry leader in sustainable development and ESG performance, producing metals that sustain livelihoods beyond mining to create a better future
- Our commitment to superior sustainable development and ESG practices is recognised in several rankings by leading global and regional agencies
- Our low-carbon transition strategy guides our decarbonisation efforts, strengthens energy security and positions the Group in the new energy value chain
- Constructive and beneficial relationships with mine-host communities and sustainable socio-economic development remain priorities for the Group and its leadership.

Processing capacity

- Ability to process and market the Group's expanding production base remains a core competitive advantage, to be leveraged for additional future benefit
- The changing ore mix of our growing production profile, and the aspiration to improve the energy efficiency and environmental impact of the Group's value chain, resulted in the initiation of a series of projects aimed at expanding our smelting and refining assets and advancing our decarbonisation ambitions
- Protect our assets from electricity shortages through greener solutions
- The Group is well positioned to extract mine-to-market margins while creating flexibility to influence future supply through increasing third-party processing capacity.

Management actions

- The Group's strategic repositioning over the past several years has enabled it to leverage the windfall on PGM pricing to strengthen the business, care for employees, reward investors and secure future growth and sustainability
- Refer to the CEO and CFO reviews for the operational focus in the near term.

Market

- Widespread use of our products, their recyclability and our commitment to ensure we produce them in a safe, socially and environmentally sensitive and responsible manner, underpins their appeal as the world increases its focus on the environment
- Emergence of the hydrogen economy will result in structural demand growth for platinum, iridium and ruthenium over the next decade, offsetting the impact of rising electrification of the light-duty vehicle fleet
- Primary supply is highly concentrated with limited expectations for medium-term expansion due to significant barriers to entry
- We sustained value growth by supporting present and future demand drivers, with strong customer relationships and production aligned to evolving demand
- Implats is a leading role player in industry bodies and collaborates with industry partners and peers to leverage relationships to enhance future value creation.

External environment page 26.

Market analysis in appendix C.

Primary and secondary supply

Operational headwinds prevalent across sector

Limited changes in primary supply outlook

Secondary supply remains challenged by capacity constraints and weak auto demand

Uncertain macro outlook

Zero-Covid policy in China continues to present short-term risks to the pattern of demand

Supply chains remain constrained and geo-political tensions threaten Russian supply and European demand

Platinum pricing

Near-term platinum pricing dictated by **investor sentiment** and **macro-economic news** flow

Return of inflation and tapering of monetary policy

Demand benefiting from HDD, switching and strong industrial offtake

Palladium and rhodium demand

Robust medium-term demand

Recovery in auto demand, dominance of gasoline ICE in the medium-term, results in tight physical markets

Global market trends

Continually assess impact of global trends on **PGM market outlook** and target our market development activities

Hydrogen continues to gain traction and demand projections are de-risked and improving

Asset portfolio

- The Group's geographically diverse mineral resource portfolio is dominated by low-cost, mechanised ore bodies
- Ore bodies are well understood and defined and life-of-mine extensions have been delivered through expanded reserve positions across the portfolio
- Expansion projects at Zimplats and joint venture operation, Two Rivers, are progressing well. These capital-efficient and quick-to-market brownfields expansions at the Group's lowest-cost operations will deliver 6E ounces mine-to-market production growth.

See our COO review on page 104.

Capital allocation framework and priorities

- Our capital allocation framework aims to deliver, sustain and grow meaningful value for all stakeholders and provide attractive returns to shareholders, while retaining financial flexibility for the Group
- The Group's balance sheet is strong, with substantial cash reserves and funding flexibility
- Implats is well positioned to enhance shareholder returns, deleverage the balance sheet and fund the sustainable and efficient growth of its asset base.

BM

Business model (profit formula)

Our business model and the way we do business informs our stakeholder outcomes (page 36). Our purpose and strategy guide the Group's future resource allocation and trade-off decisions regarding our capitals through our business plans (page 52).

Potential for revenue differentiation

- ✔ Access to better quality ore bodies in certain mines
- ✔ Ability to leverage off IRS

Our revenues

- Sales volume of each PGM
- Each PGM price (function of global supply and demand)
- Exchange rate (+/-)
- Production efficiencies and recoveries

Our value chain activities

- People
- Exploration
- Mining
- Concentrating, smelting and refining
- Market development and sales
- Rehabilitation

Outlook

- PGM pricing remains supportive
- Forecast tight Pd and Rh markets, and Pt surplus in CY2022
- Restore operational momentum at Impala Rustenburg and Impala Canada
- Pursue conclusion of RBPlat transaction
- Ramp-up installed milling capacity at Zimplats and Two Rivers
- Progress delivery across the project suite currently underway
- Advance projects approaching board approval
- Maintain and enhance relentless focus on stakeholder engagement
- Refer to chairperson and CEO outlooks on pages 12 and 82.

External environment (page 26)	Risks (page 30) Appendix A and B	Corporate governance (page 56)	Strategy (page 64)	Stakeholder interests – needs attainment and outcomes (page 36)	Value proposition (page 18) Value enhancers (page 23) Potential for differentiation (page 46)	Performance/ Competitive portfolio (page 19)/ Outlook CEO review (page 82) and CFO review (page 88)

Refer to our key statistics in the Group's FY2022 results booklet at www.implats.co.za.

CREATING A
BETTER FUTURE

… through the metals we produce

… through the way we do business

… through our superior performance

Our profit formula

Cost-Volume-Profit

Responsible and reliable supplier of high-quality PGM products, with deep market insights and value-enhancing customer relations

Our costs

Production costs
- Labour
- Consumables
- Power and utilities
- Social Investment (SLP) and safety, health and environment

Other costs
- Metal purchases
- Tax/royalties/levies
- Corporate costs

Expanding value
- Capital expenditure
  - Stay-in-business (maintain)
  - Investment (replacement and expansion)
- Market investment
- Lobbying
- R&D on PGM uses

Resources and relationships

- Quality and flexibility/availability of reserve body
- Prospecting and mining rights – **government**
- Social licence to operate – **communities/ NGOs/ government**
- Financial capital – **investors/financial institutions**
- Skills, productivity – **employees and unions**
- Leadership/good governance – **executive management and the board**
- Viable market – **customers and competitors**
- Infrastructure and support services – **R&D institutions**
- Processing/refining techniques – **internal and external suppliers**
- Key service providers – **suppliers/utilities**
- Reputation – **media/business and financial analysts/opinion formers**
- Business peers – **industry forums**

Outputs

Products
- 6E refined 3.09Moz
- Platinum 1.43Moz
- Palladium 1.07Moz
- Rhodium 0.18Moz
- Nickel 16.5kt

Waste products[1]
- Mineral waste – accumulated tailings: 24 656kt
- Non-mineral hazardous waste disposals: 19 459t

[1] *Refer to page 147 of the ESG report.*

Potential for cost differentiation

✔ Efficiency ✔ Asset optimisation ✔ Mechanisation

Value chain

Value chain	Activities
People	• Implats is committed to delivering value to all our stakeholders • Internally, human capital considers employees' competencies, capabilities, experience and their level of motivation and capacity to innovate • Implats' people are key to the Group achieving its purpose and vision.
Exploration	• Focus on brownfields exploration to optimise current orebodies and secure LoM I sustainability, while maintaining a watching brief on PGM exploration worldwide.
Mining	• The Group prioritises zero harm in all our business activities • Mining activities range from deep-level, conventional mining at Impala Rustenburg to shallow, mechanisable operations at Marula, Zimplats, Impala Canada, Mimosa and Two Rivers.
Concentrating, smelting and refining	• Implats concentrates and smelts ex-mine material and third-party concentrates • All matte is refined at our refineries in South Africa • Our processing technologies enable waste reduction, efficient water use and, through increased beneficiation, support economic growth in our operational jurisdictions.
Market development and sales	• The Group offers stable supply to our customers by understanding the demand fundamentals of our various metals and their uses and responding to client-specific requirements • Implats' markets are in South Africa, Japan, China, the US and Europe.
Rehabilitation	• We ensure full or beyond compliance with regulatory requirements and minimise water use and pollution • We respond to climate change risks and opportunities by promoting responsible energy use and managing waste and emission streams • We apply responsible land management and biodiversity practices.

Differentiators and value enhancers	Risks	Operational strategies to manage value chain (refer to KPIs on page 52)
• Sustaining livelihoods and creating a better future • Preventing harm and ensuring safety • Delivering on SLP and other community projects • Training and development of strong management structures • Embedding diversity and a focus on respect and care.	1 2 3 5 6 7 8 9	01 Sustainable development 03 Organisational development
• Global footprint across diverse geographies • The diversity of our portfolio de-risks our asset base and supports mine planning and optimal mine layout • Positive outlook to grow Mineral Reserves at Zimplats, Mimosa and Two Rivers.	4 5 9	02 Operational excellence 05 Business development
• Strong safety processes and a positive workforce culture • Diverse global exposure to favourable ore types and mining methods • Shallow, mechanisable orebodies with a favourable metal mix increases the competitiveness of the Group's portfolio • Good stakeholder engagement.	1 2 3 5 6 7 8 9	01 Sustainable development 02 Operational excellence 03 Organisational development 04 Capital management
• The Group's ability to process and market its expanding production base remains a core competitive advantage and it is well-positioned to extract mine-to-market margins, while creating flexibility to influence future supply through granting processing capacity • A series of renewable energy projects have been initiated to meet decarbonisation targets and strengthen energy security • Sound water management is critical in water-scarce southern Africa and water abatement and reticulation projects are underway.	2 6 10	01 Sustainable development 02 Operational excellence 03 Organisational development 04 Capital management
• PGMs are used to make many essential industrial, medical and electronic items – and contribute to a cleaner, greener world (refer to the uses of our PGMs on page 17) • The Group benefits from a series of long-term customer relationships and our diverse customer base • Implats supports present and future PGM demand, aligning production to evolving demand.	• PGM demand • Price risk	01 Sustainable development 05 Business development
• Implats embeds leading practice sustainability into our mining programme and ringfences investments to provide for future rehabilitation expenditure over the life-of-mine and post-closure liabilities.	7 10	04 Capital management

Our capitals

Capitals	Dependencies	
Human capital	• An effective workforce requires capacity, skills development and retention, a good management structure and a continued focus on ethics and diversity.	Inter dependencies
Intellectual capital	• The development of intellectual property requires ongoing investment in people, and research and development, as the Group competes for scarce skills.	Inter dependencies
Social and relationship capital	• The quality of relationships with stakeholders is determined by a range of external factors from socio-economic conditions and the regulatory environment to the aspirations and expectations of a particular stakeholder • Managing and developing good relationships is dependent on the availability of financial and human capital.	Inter dependencies
Financial capital	• The availability of capitals, including financial capital in the form of operating cash flow, working capital management and the capital structure and allocation, enables the Group to generate profits, cash and other financial capital.	Inter dependencies
Manufactured capital	• Specialised skills are required to grow and maintain manufactured capital • Optimising manufactured capital depends on effective operations and efficient mining production.	Inter dependencies
Natural capital	• The Group generates financial capital and enhances other capitals through the effective application of its value chain, starting with the extraction of quality ore from its mineral reserves • Access to mineral resources relies on the Group's regulatory right to mine • The value derived from the resource is dependent on the external environment, including PGM supply and demand, and risks associated with the entire value chain • Water and energy are scarce resources, which the Group manages through optimising use and the implementation of various renewable sourcing projects (COO review page 104).	Inter dependencies

See risk rating and description on page 32.

Resource allocation and capital trade-offs (page 52).

Availability, affordability and quality of capitals	Risks	Operational strategies reliant on capitals (page 52)	0 Outcomes
• Implats has a workforce of 57 997 employees (including contractors) • Employee relations are good as relationships with organised labour mature and engagement processes improve • The availability, affordability and quality of human capital is discussed in the stakeholder engagement section and Group risks.	1 3 6 9	02 Operational excellence 03 Organisational development	Stakeholder interests page 36.
• Implats employees ensure best-in-class mining and production processes, mineral resource and reserve modelling and reporting, financial, human resources sustainability and other human capital competencies • The quality and affordability of intellectual capital are linked to that of human capital and are supported by our human resource department, which identifies, develops and sources the talent and skills required to meet future needs. The board further creates an enabling environment through its support of innovation as shown on page 76.	2 3 7 8 9 10	01 Sustainable development 02 Operational excellence 05 Business development	Industry leader in operational safety Refer to the following: • Stakeholder interests (page 36) • Business model (page 20) • Our value proposition (page 18).
• The Group prioritises and strives to develop constructive and beneficial relationships with its various stakeholders through a robust stakeholder engagement programme • Mine-host communities, who are hugely impacted by deteriorating socio-economic conditions, present additional challenges • Sustainable socio-economic development is prioritised to mitigate these impacts.	2 3 5 7 10	01 Sustainable development 03 Organisational development 05 Business development	The outcomes of specific interventions can be found on pages 39 to 42. Further information is available in the social chapter of the Group's ESG report.
• A strong balance sheet with sufficient inflows of financial capital to fund the Group's business model and an optimal capital structure and capital allocation framework • Zimplats has mechanisms in place to mitigate currency risks • ESG and sustainability performance are increasingly important to the providers of financial capital.	1 2 3 4 5 6 7 8 10	01 Sustainable development 02 Operational excellence 04 Capital management 05 Business development	CFO review page 88. Sustainability and enterprise value page 78.
• World class mining, concentrating, smelting and refining assets are maintained and further developed by stay-in-business and expansion capital in terms of the Group's capital allocation framework (CFO review page 88) • Future investments will be determined by global PGM supply and demand, processing requirements as determined by ore mixes across the asset portfolio, and balance sheet strength.	2 6 8 10	02 Operational excellence 05 Business development	See information on the Group's new capital projects in the CFO and COO reviews on pages 88 and 104.
• The Group seeks to leverage, strengthen and grow our diverse asset base though operational exposure to shallow, mechanisable, orebodies to increase the competitiveness of the asset portfolio • Implats has access to sufficient water at the quality and quantity needed to support production • Projects to reduce our water footprint and improve reticulation and water quality are progressing well (refer to the Group targets and KPIs on page 52, stakeholder interests on page 40) • All our subsidiaries are investigating renewable energy projects.	7 10	01 Sustainable development	Mineral Resources and Mineral Reserves at a glance page 8. The environment chapter of our ESG report.

External environment and Group risks

EE

External environment

Human capital

Intellectual capital

Social and relationship capital

Financial capital

Manufactured capital

Natural capital

10 Shaft at Impala Rustenburg

Strategic objectives

MACRO-ECONOMIC FACTORS AND PGM MARKETS

Slowing global growth with economic recovery likely to be derailed by inflation, tepid growth and constrained supply chains. The near-term outlook for PGMs has been clouded by the prevailing macro uncertainty. Pricing, however, remains robust, supported by underlying demand and supply dynamics

ACCESS TO ESSENTIAL SERVICES

Security of electricity and water supply remain key risks for southern African operations

STAKEHOLDER EXPECTATIONS

PGM miners face challenging stakeholder expectations from host communities, governments, organised labour and investors

TECHNOLOGY DEVELOPMENT

Advancing digitisation creates new opportunities for improving efficiencies, internal processes and organisational structures. Security risks are a concern

See risk rating and description on page 32.

Resource allocation and capital trade offs (page 52).

Risks and capitals	Implications for value	Mitigation
• PGM demand • Price risk	• Impact on demand for natural resources • Market fundamentals have a direct impact on pricing and revenue generation • The PGM outlook requires prudent long-term planning and positioning of Implats' portfolio.	• Anticipate and respond to evolving stakeholder needs • Tailor market development activities to support demand drivers • Support key institutional partners, including IPA, PGI and WPIC • Focus on optimal capital allocation.
2 5 10	• Power interruptions present safety and business continuity risks • Rising tariffs and the pursuit of green energy alternatives have a financial impact • Competing demands for scarce water resources affect our social licence to operate.	• Group decarbonisation strategy targets carbon neutrality by 2050 • All southern African operations are assessing renewable energy projects • Developing a strategy to secure brown water sources and reduce freshwater intake.
1 5	• Stakeholder expectations and Implats' response to them have a significant impact on our legal and social licence to operate, the ability to operate assets at optimal capacity, the generation of sustainable value and the delivery of meaningful returns.	• Implementation of rigorous and effective stakeholder engagement strategies • Deepening our understanding of variable stakeholder expectations • Maintaining an optimal capital allocation framework to provide sustainable and attractive value for stakeholders.
7	• Technology improves efficiencies and enhances business effectiveness and, as a key support function, is foundational to ensuring the business delivers on strategy • Adaptation in human capital and skills may be required • Risk of cyberattacks, which could interrupt business activities and/or result in the disclosure of confidential information and intellectual property.	• Agile technology development improves responsiveness to changing needs across the business • Advancing opportunities to further enhance business efficiencies • Effective cyber-risk management and cyber-defence mechanisms in place • Enhanced focus on risks related to data privacy.

EE

External environment (continued)

Human capital

Intellectual capital

Social and relationship capital

Financial capital

Manufactured capital

Natural capital

Strategic objectives

ASSET PORTFOLIO

Supply and demand trend impacts on Implats' mineral resource portfolio is geographically diverse and dominated by low-cost, mechanised ore bodies

SUSTAINABILITY CONSIDERATIONS

Implats' activities must be conducted in an environmentally responsible way and within a strong governance framework, while ensuring and improving the wellbeing of affected stakeholders

REGULATORY ENVIRONMENT

Delivering superior value to all stakeholders is premised on ensuring full or beyond compliance with the legislative and policy environments in which we operate

CURRENCY AND COMMODITY FACTORS

- Commodity pricing is vulnerable to changing market dynamics and investor sentiment. The South African rand is the dominant PGM producer currency. As monetary policy tightens in response to rising inflation, the rand is likely to be supported by relatively attractive interest rate differentials
- Currency or exchange rate risk due to the continued devaluation of the Zimbabwean dollar remains a concern.

See risk rating and description on page 32.
Resource allocation and capital trade offs (page 52).

Risks and capitals	Implications for value	Mitigation
1 2 3 5 6 8 9 10	• Value creation is influenced by our ability to safely extract, process and refine metals efficiently and effectively at the lowest cost • A competitive asset portfolio – shallow, mechanisable, with a favourable ore mix – enables the Group to produce higher-quality volumes at a lower relative cost • The diversity of our portfolio de-risks our asset base • Implats' processing assets are a key competitive differentiator.	• Leveraging, strengthening and growing a diverse asset base, with operational exposure to shallow, mechanisable ore bodies to boost our competitive portfolio • Ongoing development of processing facilities • Focus on cost containment, achieving economies of scale and realising production efficiencies.
1 2 3 5 7 9 10	• Successfully executed ESG represents a significant opportunity for long-term value creation, building trust, sustainable growth and securing our social licence to operate.	• Continuous improvement in our strategic approach to ESG, in line with global best practice • A comprehensive ESG framework guides the development and integration of sustainability principles into functional strategies.
5 7	• The cost associated with compliance, and penalties and operational disruption for non-compliance • Policy uncertainty impacts on investment appetite.	• Beyond-compliance with all relevant legislation in all its operating countries • Anticipate change and emerging challenges to enable risk mitigation and appropriate reaction and consultation • Ongoing proactive and constructive stakeholder engagement.
4	• Implats' revenue is highly dependent on realised dollar pricing for its products and the performance of various exchange rates, which also influence the cost of production across its operations • Revenue cyclicality and volatility over time have meaningful implications for profitability. • Exchange rate exposure could translate into high inflation and possible cost escalation.	• Currency and commodity price forecasts consider market fundamentals and global risk factors to manage future risks associated with financial capital more effectively • Interventions are implemented to counteract inherent cost inflation • Banking facilities are denominated in both rand and dollars, allowing improved borrowing costs • The impact, mitigation and long-term strategy related to the devaluation of the Zimbabwean dollar are heavily reliant on proactive engagement with authorities, which is discussed in more detail in our risks and opportunities section on page 140 and appendix A.

Implats' risk management process sets out to achieve an appropriate balance between minimising the risks associated with any business activity and maximising the potential reward.

Risk governance

Risk governance is achieved by the board committees responsible for oversight and management structures, rules, conventions, processes and mechanisms by which decisions about risks are taken and implemented. It can be both normative and positive, because it analyses and formulates risk mitigation strategies to avoid and/or reduce the human and economic costs caused by disasters and to ensure strategic and operational objectives are achieved within the framework of Implats' stated purpose, vision and values.

As indicated in the diagram to the right, the risk domains follow the management structure of each operation. High-level operational risks, risk mitigation and the impact on value for lower-level risks outside the top 10 Group risks are indicated in chapter five.

Enterprise risk management institutionalises ongoing and rigorous risk identification in all aspects of the business, encourages open and honest dialogue about these risks and ensures the necessary controls and risk treatment initiatives are implemented, escalated and reported internally.

Risk management process elements

Operating context and external environment

- About our business (page 16)

Internal environment

- Business model (page 20)
- Value chain (page 22)

Our top 10 risks

- Risk tolerance and appetite
- Risk mitigation
- Residual risk – short, medium and long-term outlook

Refer to appendix A.

Strategic objectives

- Operational strategies
- Functional strategies
- Key performance indicators

The strategies impacted by the most material risks are indicated in appendix A and the COO review. Refer to our business model on page 20 for opportunities to differentiate and reduce operational risks.

Refer to our strategy, resource allocation and trade-offs section on page 46.

Sustainable development | Operational excellence | Organisational effectiveness | Optimal capital structure | Competitive asset portfolio | Future focus

Risk management

- Board reviews strategy and impacts of related risks. Refer to the board committee deliberations in our corporate governance chapter.
- All Group risks including subsidiaries and joint ventures are reported to and reviewed by the audit and risk committee to ensure effective oversight.
- Each risk is allocated to the relevant board committee.
- Board committees set risk appetite and tolerance levels for each operation. Refer to the risk allocation by committee in appendix A.

- Quarterly updates of long-term risks are tabled at the strategy and investment committee.
- All board committees are responsible for emerging risks within their mandate.
- The Implats board considers long-term and forward-looking risk ratings during the business planning cycle and strategy sessions.

Operational risks/departmental structures/KPIs

- Enterprise risk management is informed by the combined assurance model (page 7).
- Management KPIs are set (refer to the short and longer-term targets and KPIs on page 52).
- Departmental risks are the responsibility of line management and all risks are reported to the relevant exco member.
- Additional risks, excluding those in the top 10, that impact individual components of the business model 'profit formula' (page 20) are allocated to the audit and risk committee.
- The impact of risks on the availability, quality and affordability of capitals are indicated in the business model on pages 20 to 25.

Risk management process elements

Implats identifies its strategic business objectives and material sustainability focus areas through a structured internal risk management process, which considers the views and interests of its stakeholders. The Implats risk management process is based on the principles of the international risk management standard, ISO 31000 (2018)/ ISO Guide 73:2002, which defines risk as "the effect of uncertainty on objectives".

Risk appetite and tolerance

Risk appetite and risk tolerance levels integrate risk management with business planning and operational management. Risk appetite and tolerance limits determine the risk thresholds Implats is willing to accept in the pursuit of its objectives and targets.

Risk appetite

The aggregate level of risk Implats is willing to assume in pursuit of its business objectives.

Risk tolerance

The maximum allowable variation in achieving specific performance measures as linked to business plan objectives.

Risk metrics

Implats uses key performance indicators to monitor movements in the potential impact and likelihood of risk, and ensures that any material changes to risk profiles are evaluated in the context of risk appetite and risk tolerance limits, and that necessary actions are taken timeously.

These movements can be caused either by changes in the inherent nature of the risk or by changes in the performance of risk controls.

Group risks

Group risks are those risks that would threaten Implats' business model, future performance and solvency or liquidity. We continue to be exposed to other risks related to currency, inflation, community relations, environment, litigation and regulatory proceedings, changing societal expectations, infrastructure and human resources. Our catastrophic risks are the highest priority risks, given the potential consequences.

Our risk profile evolved in the current period. The global economy partly recovered from the negative impacts of the Covid-19 pandemic, which helped ease macro-economic risks. Conversely, we consider geopolitical risks to have increased as a result of Russia's invasion of the Ukraine (see our one-year forward-looking risk profile on page 34).

An outcome of our periodic reviews of risks impacting the Group was that the risk rating for the risk *Impact of the Covid-19 pandemic on Implats operations* (ranked fourth in FY2021) was dropped outside of the top 10, which resulted in all subsequent risks with a lower ranking moving up during 2022. This, however, is not necessarily an indication that the inherent risk associated with these risks has increased.

Risk movement	Ranking	Implats Group risks description[1]	Risk controllability	Timeframe for likelihood of occurrence[2]
Flat	1	Maintaining optimal and harmonious labour relations	PC	Short term
Flat	2	Rising cost and unreliable supply of electricity resulting in business interruption	PC	Short term
Flat	3	Deterioration in safety performance	C	–
Elevated	4	Currency or exchange rate risk due to continued devaluation of the Zimbabwean dollar	U	Medium term
Elevated	5	Maintaining our social licence to operate and good stakeholder relations	PC	Short term
Elevated	6	Challenges with mill grade quality due to poor underground delivery at Impala Canada	C	Short term
Elevated	7	Failure to comply with legal and regulatory requirements through the value chain	C	–
Elevated	8	Ramp-up of 16 Shaft and 20 Shaft to steady-state production in accordance with the business plan	C	Short term
Elevated	9	Challenged capacity and efficiencies of management layers at South African operations	C	Short term
Elevated	10	Failure to establish water security, avoid contamination and manage water costs	PC	Short/medium term

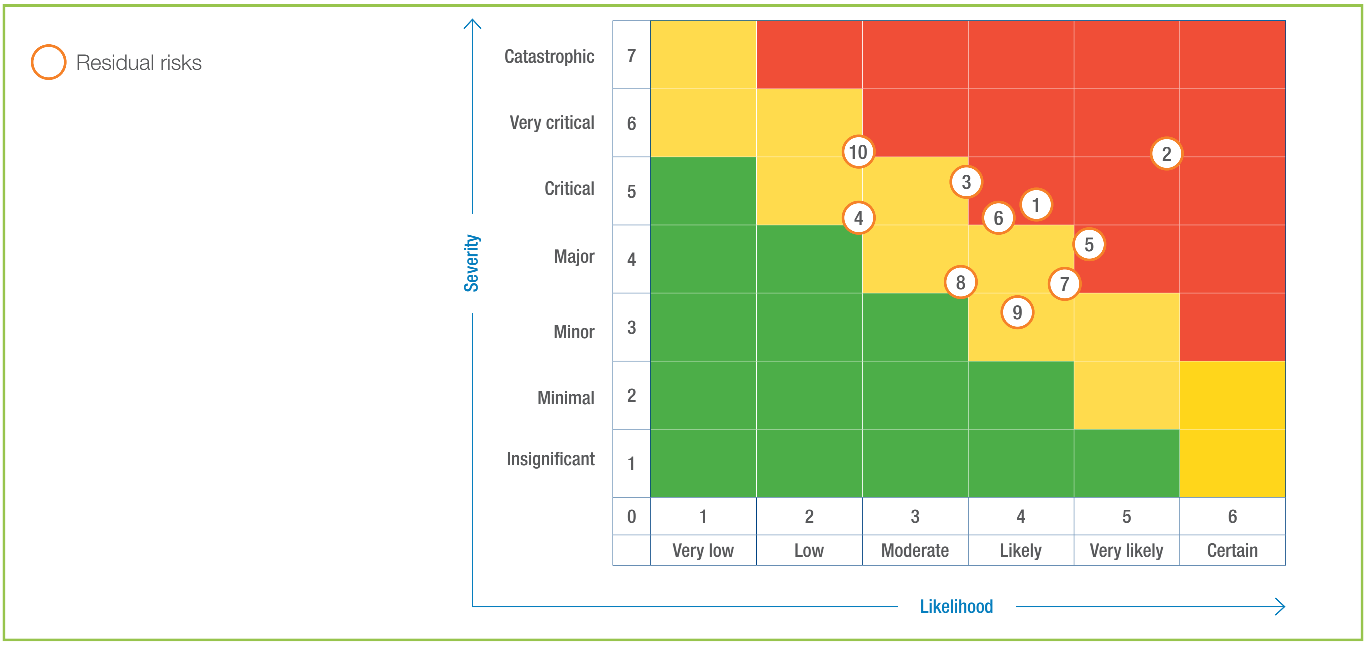
[1] *Refer to appendix A for the detailed analysis of each risk.*
[2] *Refer to the short and medium-term risk outlook on pages 34 to 35.*

C – controllable
PC – partially controllable
U – uncontrollable

Residual risk heat map

Group risks are managed by considering future expectations and associated factors that contribute to the risk eventuating. The risk owners provide the residual risk ratings based on their estimation of the adequacy and effectiveness of existing controls and short-term mitigation plans, as well as the extent to which the risk is controllable. They are also responsible for plotting the risk on the Group risk residual heat map.

The Group executive committee subsequently deliberate and ultimately rank the Group risks based on their outlook of each risk (provided in appendix A) and review the heat map for completeness. The ranking determined by the committee and the residual risk determined by management forms the basis of the heat map below.



Longer-term outlook and emerging risks

Emerging risks are new or future risks whose potential impact is not yet reliably known and whose implications are difficult to assess. Long-term risks are existing risks associated with current trends which are anticipated to increase, or risks currently not material which could develop into major areas of concern for the Group or for society.

Generally, long-term risks are managed by our scenario analysis and climate risk strategy, as they include long-term government policy, technology trends and consumer preferences that affect supply and demand. The strategy and investment committee (SIC) reviews management-identified emerging and long-term risks each quarter. All board committees are responsible for emerging risks in line with their focus areas on an ongoing basis. Prior to business plan approval by the Implats board, these risks and the associated mitigation measures are reported to the board to ensure business plans contemplate the capitals required for mitigation of risks expected to eventuate as outlined in the short and medium-term risk outlook below, prior to final approval of the plan.

Climate change and energy management

While Implats is not currently exposed to significant physical risk related to climate change, transition risks are closely monitored (refer to the five-year forward-looking risk profile below). The impact of electrification on the automotive industry and commodity prices is included in Implats' price assumptions for accounting valuations and impairment testing.

Carbon tax is expected to impact Implats, however, the total cost is not projected to exceed R200 million in the next five years.

Short and medium-term risk outlook

One-year forward-looking risk profile

On a quarterly basis, the board committees review management's assessment of the occurrence of certain risks in the future. Below are the risks that the committees consider likely to eventuate, their predicted trend in the next 12 months as well as the circumstances propelling these risks:

Short-term risks and circumstances causing the risk to eventuate	Predicted FY2022/23 trend	Mitigation steps	Impact on the availability and affordability of capitals
Labour relations in South Africa Continued intra/inter-union rivalry possibly resulting in uneconomical wage demands and operational disruptions	↑	• Extensive engagement with union leadership structures and preventative measures to limit operational disruptions.	Possible disruption to production at operations due to labour strikes or unaffordable labour resources
Socio-economic environment in South Africa Deteriorating social and economic conditions resulting in unrealistic community demands for business and work opportunities, and associated social unrest	↑	• Rigorous ongoing formal engagement with community leadership, while availing viable employment/job creation and procurement opportunities • Executing beyond-compliance SLP initiatives and safeguarding Group assets where required.	Operational disruptions due to social unrest and strained relations with host communities
Utilities Unstable supply and increasing cost of electricity and water and their responsible use	↑	• Execute Group energy security and decarbonisation strategy • Implement Group water strategy, securing water sources and reducing fresh water intake.	Cost impact of funding water reticulation and the decarbonisation strategy
Covid-19 Continued impact of future pandemic waves on Implats operations	→	• Application of Covid-19 protocols including vaccination programmes.	The impact of supply chain disruptions on PGM demand and constrained availability of labour affecting project execution and production
Geopolitical Russia and Ukraine conflict: Impact of increasing inflation on input prices and potential for supply chain disruptions	→	• Strategic/critical inventory management • Sourcing and engaging alternative suppliers.	Higher procurement expenses impact operating margins and cash flows
Regulatory environment in Zimbabwe Tax regime changes, access to foreign currency and associated currency devaluation	→	• Proactive engagement with the Zimbabwean government to maintain a consistent policy formulation environment that allows for long-term investment planning.	Availability of US dollars and consequent foreign exchange risk as a result of local currency depreciation and volatility
Capital execution Delays in completing approved projects in execution phase (stay-in-business, replacement and expansion)	→	• Enhanced project management capacity to execute and oversee processes.	Talent pipeline and skills

Legend

↑ Increasing trend

→ Unchanged

Financial capital

Human capital

Intellectual capital

Social and relationship capital

Manufactured capital

Natural capital

Five-year forward-looking risk profile

The board annually assesses the likelihood of the occurrence of certain risks within the business plan period. Below are the risks that the board sees as likely to eventuate during the following five-year planning cycle to FY2027. To the extent that mitigation steps require the use of capitals, these have been provided for in the business plan.

Medium-term risks and circumstances causing the risk to eventuate	Mitigation steps	Impact on the availability and affordability of capitals
Market intelligence Global macro uncertainty and changing technology may result in no clear decision on future commodity investments.	• Appointment of a commodities executive to assess future global trends on decarbonisation and electrification • Obtaining reputable expert analysis to establish a robust strategy to identify future business and commodity opportunities.	Talent pipeline, skills required and third-party consulting cost
Investments and acquisitions Ability to secure assets for good value amid a higher price environment and intense competition for future commodity businesses.	• Agree an appropriate investment framework, including a clear commodity focus for new growth areas taking into consideration our capital allocation framework, investment criteria and the required cash flow contribution to the Group • Identify acquisition and growth opportunities across the globe.	Balance sheet strength and liquidity
Skills requirements Availability of appropriate skills and organisational structure to realise Implats' strategic development and growth ambitions	• Align and equip the Group's organisational structure to increase knowledge and skills in new targeted growth areas.	Talent pipeline, skills required and third-party consulting costs
Long-term policy uncertainty • South Africa: ownership and broader regulatory requirements • Zimbabwe: government policy, tax regime and access to foreign currency	• Engagement and consultation with key government structures on policy impacts on the organisation.	Cost of accessing and retaining mining and social licence to operate
Climate change and sustainability requirements Failure to mitigate climate-related risks and inability to meet customer and financier sustainability expectations	• Complete climate change impact analysis and address associated risks • Establish understanding of customer and market disclosure requirements.	Cost of being socially responsible and adhering to climate control regulations
Beneficiation Address the deficit of smelting and refining capacity to facilitate processing redundancy and growth ambitions in Implats' PGM business	• Implement Implats' beneficiation strategy, which focusses on capacity growth with proven technology and new innovation.	Financing the beneficiation strategy. Applying new technology improvements enhances our ability to deliver quality products to customers

SI

Stakeholder interests

Needs attainment and quality of relationships

Inclusive stakeholder engagement underpins our approach to respecting and responding to legitimate stakeholder aspirations and concerns. This is essential to creating sustainable value.

Approach to stakeholder engagement

The Implats purpose is to create a better future by, among others, bringing long-term growth and opportunity for all stakeholders. We do this through sustaining industry leading business and financial performance through the commodity cycle.

We recognise the impact that our stakeholders have on our ability to create, retain and, to the least extent possible, deplete value. We therefore invest in developing and maintaining constructive relationships with the stakeholders and communities around our operations.

The Group-wide, eight-stage stakeholder engagement model was launched last year to ensure a more proactive and integrated approach to value delivery, in line with our vision (refer to page 34 of our ESG report).

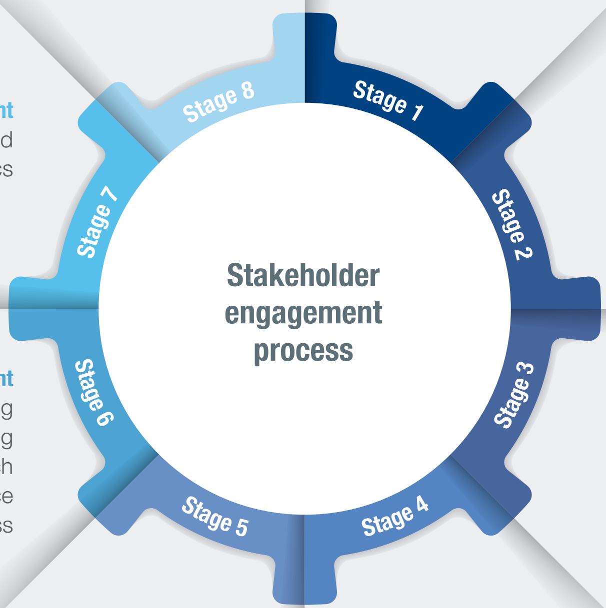
The eight-stage stakeholder engagement process

Monitor, evaluate and document
Monitor, evaluate, document and report in line with set objectives and risk management plans

Identify and classify stakeholders
Identify, segment and prioritise stakeholders into engagement categories

Respond and implement
Implement the agreed plan and managing associated dynamics

Plan
Identify objectives and issues to be addressed and the manner in which it will be done



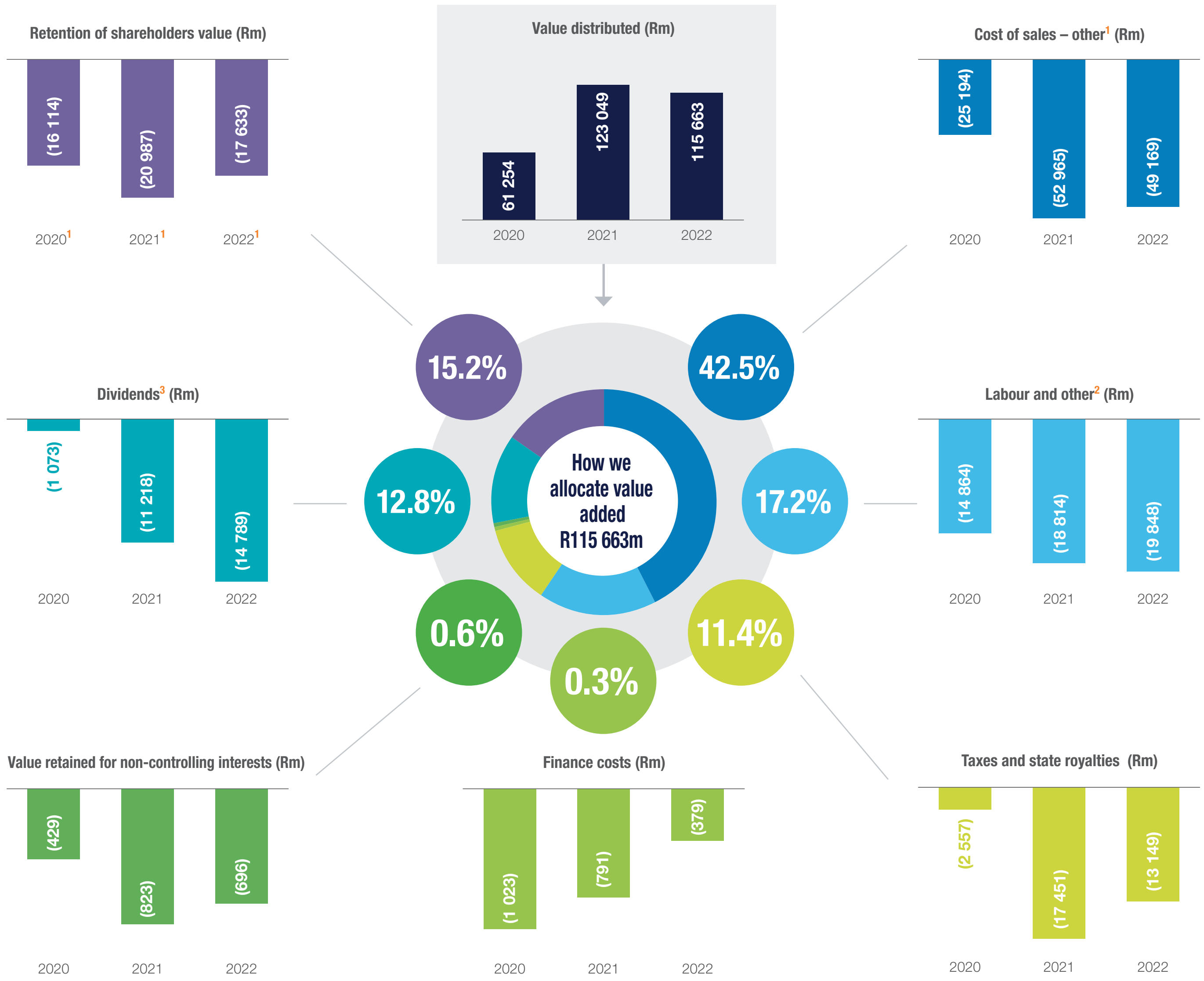
Stakeholder engagement
Engage with each stakeholder according to the business objective, taking cognisance of the unique attributes such as culture, literacy levels, influence and impact on our business

Understand
Understand stakeholder wants and needs and how this correlates with our business' wants and needs

Build trust
Identify current and desired trust levels, then build the relationship in a structured manner

Internal preparation and alignment
Design the interaction and engagement plan, obtain internal alignment and the mandate

Strong stakeholder relations advances goal 17 of the United Nation's Global Sustainability, Partnerships for the Goals, which emphasises collaboration and is a critical catalyst for achieving the other SDGs.



[1] *Includes R1 244 million (FY2021: R1 621 million, FY2020: R513 million) non-state royalties.*
[2] *Including labour cost capitalised.*
[3] *Inclusive of dividends paid to non-controlling interests. A final dividend of 1 050 cents per share or R8 889 million was declared after period end.*

In this section, we articulate our stakeholders' needs, concerns and legitimate interests, as identified through our various engagement channels, as well as the matters we deem to have a material impact on them as a result of our operations.

At an operational level, stakeholder engagement has a direct reporting line to the chief executives. A module on stakeholder engagement is included in our leadership development programmes to enhance management capability.

Quality of stakeholder relationships

The respective relationship managers provided a measure of the quality of Implats' relationship with its key stakeholders, on the basis of their interactions with stakeholders during the period.

Positive Stable Challenging

Outcomes

Outcomes reflect our operations' overall impact on the capitals. These impacts are indicated as positive or negative (irrespective of intervening performance) with the following icons:

Positive outcome Negative outcome

Positive outcome Negative outcome

Shareholders and investor community

Relationship manager

- CEO (assisted by corporate relations and the CFO)
- Chairperson of the board

Quality of relationships

Quality and availability of capitals affected (page 24)

Risks impacting quality of relationship with stakeholder

1 2 3 4 5 6 7 8 9 10

Engagement channels

- Shareholder interactions and analyst calls
- Interim and year-end presentations and roadshows
- Mainstream financial reporting
- Participation in various investor conferences
- Proactively and directly engage investors
- Sens announcements

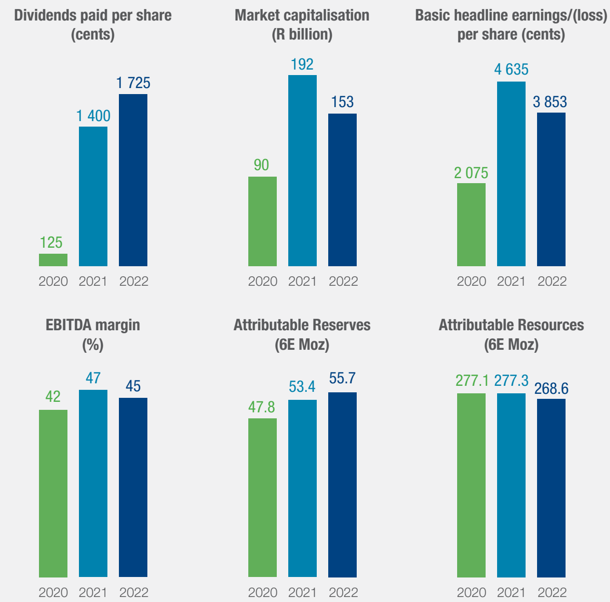
Needs and interests

- Life-of-mine
- Operational resilience
- Macro factors
- Financial performance
- Dividends and capital allocation
- Board effectiveness
- Corporate activity
- Sustainability and ESG performance and reporting

Our outcomes

Outcomes and performance affecting relationship quality and value created for providers of financial.

Shareholder returns



Key issues during the year

Financial performance and shareholder returns

Response

- Implats' capital allocation framework aims to deliver, sustain and grow meaningful value for all stakeholders and provide attractive returns to shareholders, while retaining financial flexibility for the Group
- Board diversity ensuring balance of skills and experience

Outcomes

- Strong balance sheet supports RBPlat offer and five-year capex profile
- Business model "profit formula": revenue, cost, capital, cash flow and capital allocation in the CFO's review
- Board effectiveness ensures competitive asset portfolio and future focus

Operational resilience

Response

- Targeted action to restore operating momentum at Impala Rustenburg and Impala Canada
- Record performance at Marula
- Sustained operational delivery at Zimplats (refer to the CEO and COO reviews for the Group and operational performance)

Outcomes

- RBPlat offer to strengthen Impala Rustenburg operations, extend life-of-mine profile and secure South African supply
- Low-cost, quick-to-market growth projects at Two Rivers and Zimplats
- Life-of-mine extensions approved at Marula, Mimosa and Impala Rustenburg
- Investment into improved and expanded smelting and refining capacity

Sustainability performance and reporting, particularly regarding ESG issues

Response

- Internal policies and standards established to address key stakeholder requirements
- Policies in place for environment, water, tailings management, mine closure, rehabilitation and biodiversity, among others

Outcomes

- Group commitment to achieving carbon neutrality by 2050 and implementation of Group energy and decarbonisation policy
- Environmental strategy formulated
- Maiden climate risk report published in accordance with TCFD recommendations
- Refer to the ESG outcomes under communities below

Outlook

Refer to the Chairperson and CEO outlooks on page 12 and 82 respectively.

Strategic objectives

Positive outcome | Negative outcome

Employees and unions

Relationship manager

- HR executive and operations executives

Quality of relationships

Quality and availability of capitals affected (page 24)

Risks impacting quality of relationship with stakeholder

1 5

Engagement channels

- Operational leadership
- Managers and teams
- Forums
- Health and safety committees
- Company media/platforms
- Care and Growth programmes

Needs and interests[2]

- Conditions of employment
- Salaries and wages
- Housing
- Health and safety
- Skills development
- Inclusion and diversity

[1] *No new cases of noise-induced hearing loss (NIHL) in terms of the criteria for South African Industry Noise Milestones of 2024.*

[2] *Refer to the social chapter of our ESG report for detail on the Group's approach and responses to our employees and union needs and interests.*

[3] *Refer to the context of our performance and how we manage performance through remuneration on page 70.*

* *At South African operations.*

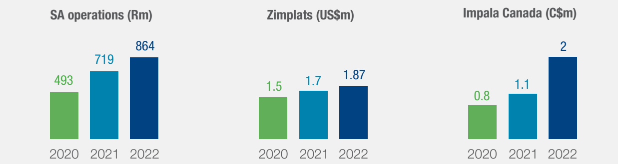
Our outcomes

Outcomes and performance affecting relationship quality and value created for providers of financial.

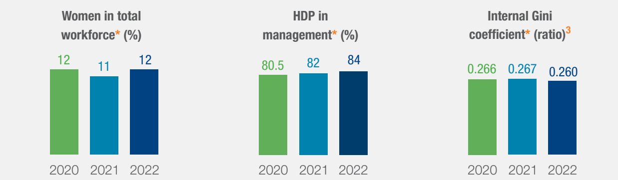
Health and safety

Work-related fatalities (own employees and contractors) (number)	FIFR (Pmmhw)	NIHL cases (+10% shift) (number)	HIV-positive employees known to be receiving Group-administered ARV treatment* (number)
7	**0.056**	**0**[1]	**6 109**
2021: 3	2021: 0.026	2021: 0[1]	2021: 6 246
2020: 5	2020: 0.05	2020: 62	2020: 6 036

Skills development spend



Fairness and inclusivity



Key issues during the year	Response	Outcomes
Wage negotiations and contractor strike	Refer to our responses to Group risks 1 and 5 in appendix A, as well as the social chapter of our ESG report	• Wage agreement reached at South African operations supports continuity (page 72) • Dividends paid by Impala and Marula ESOTs
Employee health and deterioration in safety performance	• Implats safety strategy aims to foster a safe operational culture and achieve our vision of zero harm. Refer to the responses to Group risk 3 in appendix A to address the retracement in the Group's safety performance in the current year • We work to ensure effective control of occupational health risks and to promote employee well-being and optimal levels of health	• Received the best large company award for our response to managing Covid-19 from the South Africa Institute of Mining and Metallurgy • 12 sites out of 17 achieved millionaire and multimillionaire status in terms of fatality free shifts • In November 2021, the Impala Rustenburg operation received the "best safety performance in the PGM sector award" at the South African MineSafe 2021 Tripartite Conference.
Living conditions	• Execution of housing development programme	• R228 million spent on housing for our employees and delivered 218 houses in South Africa. At Zimplats, the construction of 1 052 employee housing units in Ngezi continued in the current period, with R349 million spent to date (2022: R324 million and 2021: R25 million). 456 houses have been built to date
Diversity, equity and inclusion	• We strive to foster a culture of delivery, accountability, teamwork, development and care through our human resource strategy, which guides our progress in creating our desired organisational culture	• Implats included in the Bloomberg Gender-Equality Index for the third consecutive year • Women representation in the workforce still a challenge at 12% across the Group

Outlook

- Implats remains committed to our zero harm journey and our strategy, which to date has delivered promising results
- The Group's 2024 industry health milestones include targets for HIV/Aids, tuberculosis, silicosis and NIHL (refer page 54 of the ESG report). All our operations, including Zimplats and Impala Canada, are required to achieve these milestones as part of the overall Implats health strategy
- The Group is on track to meet the milestones set by the Mine Health and Safety Council for 2024 and continues to cooperate with the industry, through the Minerals Council South Africa, in developing programmes and initiatives to reach these milestones

Strategic objectives

Positive outcome Negative outcome

Communities

Relationship manager

- Stakeholder engagement executive and operations executives

Quality of relationships

Quality and availability of capitals affected (page 24)

Risks impacting quality of relationship with stakeholder

5 7

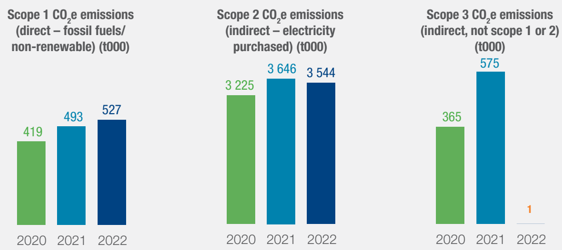
Engagement channels

- Formal engagements with all recognised mine community business forums
- Notice board communication and Company communication processes and vigorous stakeholder engagement
- Ongoing engagement with community leaders and structures, including regular trustees meetings both online and physically
- Regular two-way communication channels with all indigenous partners

Needs and interests

- Environmental and climate change impacts on host communities
- Social and labour plans
- Local enterprise development/ procurement opportunities
- Education and employment opportunities

Climate change contributors



1 In progress, to be reported as part of Implats 2023 Carbon Disclosure Project submission. Our CDP reports are available at https://www.implats.co.za/ esg-reporting.php.

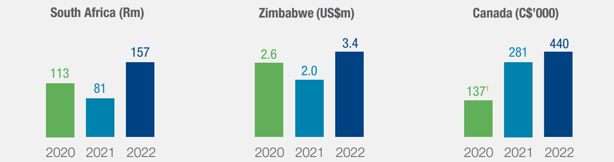
Scope 1 emissions are direct emissions from owned or controlled sources as a result of the use of fossil fuels. Scope 2 emissions are indirect emissions from the generation of purchased energy.

Scope 3 emissions are indirect emissions that occur upstream and downstream as a result of Implats-related activities but at sources owned or controlled by other entities, including our non-managed operations, Mimosa and Two Rivers, which we began incorporating in FY2021.

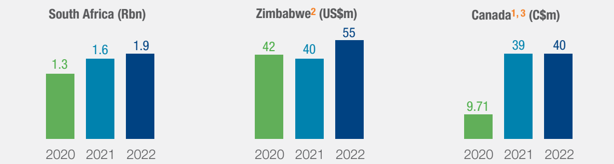
Our outcomes

Outcomes and performance affecting relationship quality and value created for providers of financial.

Socio-economic development spend (including donations)

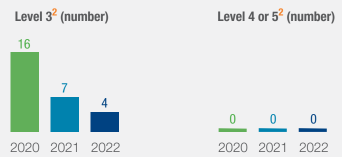


Total local procurement

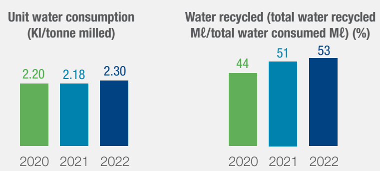


1 Impala Canada was acquired and consolidated in December 2019
2 Local spend with community enterprise development suppliers
3 Procurement with local indigenous businesses

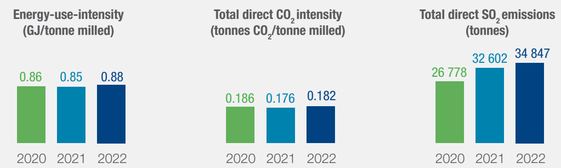
Environmental impacts[1]



Water[1]



Air quality and climate change[1]



1 For details on measurement, refer to page 4 of the ESG report.
2 Levels 3, 4 and 5 represent limited, significant and major impact environmental non-compliances respectively.

Positive outcome   Negative outcome

Communities continued

Key issues during the year	Response	Outcomes
Maintaining social licence to operate by providing socio-economic support and opportunities to host communities	• Implats invests in the well-being and prosperity of our mine communities to ensure the sustainability of our mining activities • The Group invests in socio-economic development initiatives, drives its policy and legislative compliance requirements, and proactively engages with host communities, social partners and government representatives Refer to Group risk 5 on page 141 and the social and environmental chapters of our ESG report	**Communities** • R779 million spent on sustainable development in mine communities • Schools development projects executed through partnership between the local community trusts and Marula Mine, through dividend proceeds from Makgomo Chrome (page 80 of ESG report) • 24 key infrastructure projects completed, benefiting more than 60 000 community members • 450 SMMEs trained and supported • R10m donated to Gift of the Givers following KZN flood disaster **Procurement** • Refer to graphs on page 40 **Environment** • R5 million spent on community water projects at Marula • Zimplats SO_2 abatement project will improve air quality • Businesses supported by our recycling efforts • Refer to graphs on page 40 and the social and environment chapters of the ESG report.

Outlook

Implats is committed to creating a better future by developing economically self-sustaining and resilient mine communities. Our focus areas include:

- Progressing local procurement and supplier development programmes to help community suppliers access opportunities
- Supporting projects that address poverty alleviation and income generation
- Ensure our communities continue to have access to enough water, not only to survive, but to thrive. The Group is committed to reducing freshwater withdrawal and improving recycling and reuse.

Strategic objectives

Zimplats local economic development community

Positive outcome   Negative outcome

Governments

Relationship manager

- **National government:** CEO (assisted by Exco)
- **Provincial government:** Stakeholder engagement executive and operations executives
- **Local government:** Operations executives

Quality of relationships

Quality and availability of capitals affected (page 24)

Risks impacting quality of relationship with stakeholder

5 7

Engagement channels

- Normal interactions with governments and regulators in the course of business, including the ministries governing mining, labour and tax
- The President of Zimbabwe
- Ministry of Mines and Mining Development (Zimbabwe)
- Limpopo Department of Economic Development, Environment & Tourism (LEDET)
- Minerals Council SA
- National and provincial departments of health in SA and Zimbabwe
- The offices of the ministers of justice and natural resources
- Departments of:
  - Education (DoE)
  - Health (DoH)
  - Mineral Resources and Energy (DMRE)

Needs and interests

- Regulatory compliance
- Licensing authorisations
- RBPlat takeover bid
- Economic contribution through royalties and taxes borne and collected
- Environmental rehabilitation
- Local procurement
- Safety
- SLP compliance and socio-economic contribution

[1] *Property taxes comprises South Africa R30m and Zimbabwe R25m.*
[2] *Securities transfer tax.*

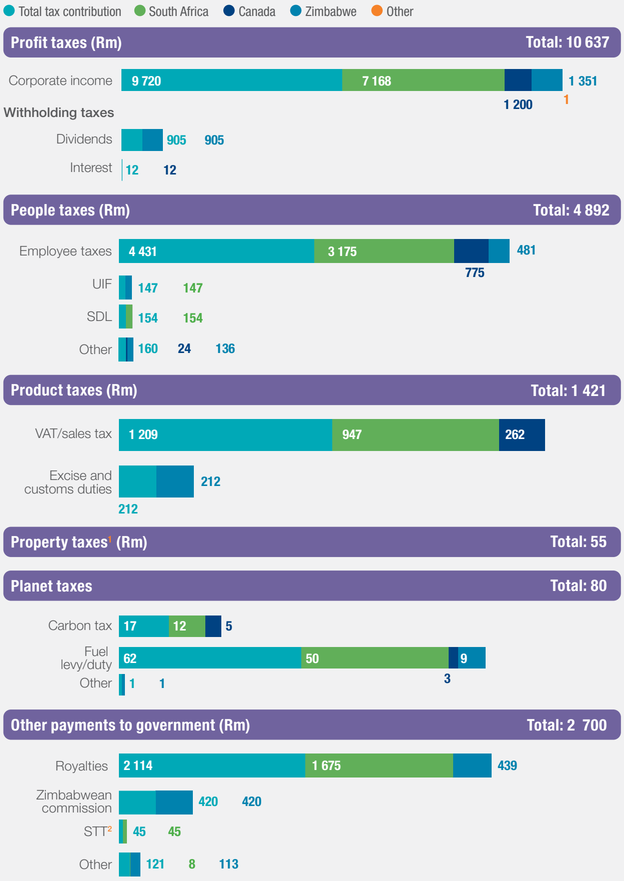
Our outcomes

Total tax contribution

Our approach to tax is to adhere to these values, remain a responsible citizen, pay our taxes fairly, comply timely with the law, and ensure that tax planning is based on commercial business activity, which is aligned with our shareholders' interest, whilst being open and transparent in our dealings with the authorities through regular dialogue and proper disclosure.

Our total tax contribution of R19 785 million paid was prepared using Total Tax Contribution Framework and comprises both taxes borne by the Group and those collected by the Group on behalf of government.

Withholding taxes on dividends declared in South Africa to individual beneficiaries have been excluded from the total tax contribution figure below.



Key issues during the year	Response	Outcomes
Compliance with regulatory requirements	• Interaction with the TRP and Competition Commission over proposed takeover offer of RBPlat • Refer to the responses to Group risk 7 on page 142	• Recommendation by Competition Commission to Competition Tribunal to approve the RBPlat transaction • Legal compliance management functions strengthened • Ongoing engagement with the DMRE to address issues and ensure compliance
Covid-19 response	• Continued support of government efforts to fight Covid-19 in our countries of operation • Active vaccine rollout assistance to communities • Public awareness campaigns through various mediums of communication	• Implats medical staff in South Africa vaccinated more than 26 000 vulnerable and high-risk community members, including medical staff working for non-government organisations and the DoH

Outlook

- Maintain strong and collaborative relationships with the governments of the jurisdictions in which the Group operates.

Strategic objectives

Positive outcome   Negative outcome

Customers

Relationship manager
- Group executive: refining and marketing

Quality of relationships

Quality and availability of capitals affected (page 24)

Risks impacting quality of relationship with stakeholder
1 2 3 5 6 7 8

Engagement channels
- Direct and industry forum engagement
- Customer surveys
- LPPM responsible platinum and palladium accreditation

Needs and interests
- Product and service quality
- Security of supply
- Responsible sourcing

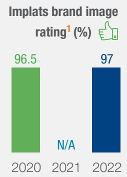
Our outcomes

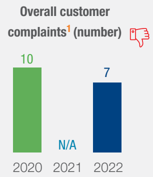
Outcomes and performance affecting relationship quality and value created.

Key performance indicators

Retained
ISO9001 certification

2021: retained
2020: retained





Product quality and responsible sourcing

- The Group finalised its responsible sourcing policy
- Obtained LPPM responsible platinum and palladium certificates.

[1] *Based on biennial customer satisfaction survey that was last performed in August 2021 and was completed by 36 out of a total of 42 active customers.*

Key issues during the year	Response	Outcomes
Security of supply	• Industry production and the external environment are continually monitored to identify supply constraints. • Production processes are monitored and managed to ensure continuous production of high-quality outputs	• Refer to the new major projects to increase capacity at the refineries, expand production, and develop and replace mine production (COO review page 104) • We sustain and grow value by supporting present and future demand drivers, creating strong customer relationships and aligning our production to evolving demand
Governance, ethics and responsible sourcing	• Our approach focuses on ensuring responsible production, meeting regulatory obligations and responding to the growing demand from our customers for assurance that the minerals and metals they buy are produced ethically and responsibly	• Implats continues to meet the requirements of the London Platinum and Palladium Market's (LPPM) Responsible Platinum and Palladium Guidance and has been certified accordingly • The Group's responsible sourcing policy and latest LPPM responsible platinum and palladium certificate are available at www.implats.co.za

Outlook
- Production is expected to be positively impacted by capital projects undertaken by the Group
- The London Metals Exchange (LME) will soon be introducing responsible sourcing certification requirements for a range of metals, in addition to the LPPM certification. In the coming year, Implats will work towards obtaining LME responsible sourcing certification for the nickel we mine and process, and evaluate the future certification of copper and cobalt.

Strategic objectives

Positive outcome Negative outcome

Suppliers and business partners

Relationship manager
- Group and operations CFOs

Quality of relationships

Quality and availability of capitals affected (page 24)

Risks impacting quality of relationship with stakeholder

1 2 5

Nature of engagement
- New supplier induction is conducted and contractors are aligned with the Group's values, principles, code of ethics and applicable policies
- Annual due diligence audits

Needs and interests
- Local preferential procurement

Key issues during the year	Response	Outcomes
Alignment with the Implats code of ethics and supplier code of conduct	Supplier code of conduct introduced to provide a framework to all new and existing suppliers/contractors, stipulating the requirements and standards for engaging in business and transacting with Implats.	Approval of inclusive procurement policy at Impala Rustenburg Refer to the communities outcomes for local procurement information.
Potential disruption to the supply chain, and procurement inflation risks in Zimbabwe	Refer to the controls and responses to Group risks 2 and 4 in appendix A.	

Outlook
- Maintain strong and collaborative relationships with our suppliers and business partners.

Strategic objectives


Marula

STR Strategy, resource allocation and trade-offs

Implats' strategy is centred on six focus areas where targeted actions and aspirations serve to achieve our purpose and vision. We prioritise value over volume in a zero-harm environment to deliver sustainable outcomes.

The strategy is influenced by the external macro-environment in which we operate, the markets for our primary products and the strategies of our key competitors.

Who we are and where we elect to play

Our vision

To be the most valued and responsible metals producer, creating a better future for our stakeholders

Our purpose

To create a better future

Our values

We respect, care and deliver

20 Shaft at Impala Rustenburg

How we plan to create change

The Group's value-focused strategy aims to increase our exposure to low-cost, shallow, mechanisable production over time, repositioning the business as a high-value, sustainable, profitable and competitive producer.

Longer term, the strategy aims to evolve with the world in which we operate, incubating new high-value business opportunities and increasing exposure to additional future-facing, high-value commodities.

Our potential for differentiation

People

Sustaining livelihoods and creating a better future

We are committed to sharing value through rewarding our employees and investing in our communities.

Exploring

Global footprint across diverse geographies

The diversity of our portfolio derisks our asset base.

Mining

Diverse exposure to favourable ore types and mining methods

Our global asset base provides operational exposure to shallow, mechanisable orebodies with a favourable metal mix and increases the competitiveness of our portfolio.

Concentrating, smelting, refining

Market leading and efficient beneficiation capabilities, allowing us to capture the full value chain

This remains a core competitive advantage, which will be leveraged for future benefit.

Marketing

Diverse customer base and leadership position in market development

We sustain and grow value by supporting present and future demand drivers, creating strong customer relationships and aligning production to evolving demand.

Rehabilitation

Leading practice sustainability in mining programme

We are committed to superior ESG practices, anchored by sound environmental performance.

Our value-focused strategy

The achievement of Implats' strategic objectives is supported by operational and functional strategies, and long-term planning. Progress on strategic objectives is monitored through specific key performance areas for each operational strategy below. The competitive asset portfolio and future focus strategic objectives are measured within the KPIs of the business development organisational strategy below. The outcomes of this strategy on our capitals and stakeholders is discussed in chapter two of this report.

Strategic objectives

Sustainable development

We aspire to deliver an industry-leading sustainability performance, producing metals that sustain livelihoods through and beyond mining, creating a cleaner and better future for all.

Operational excellence

We generate superior value for all stakeholders through modern, safe, responsible, competitive and consistent operational delivery.

Organisational effectiveness

We place people at the centre of our organisation, and engender a shared culture founded on our values to respect, care and deliver.

Optimal capital structure

We pursue value creation by sustaining and leveraging a strong and flexible balance sheet within a prudent capital allocation framework.

Competitive asset portfolio

We seek to leverage, strengthen and grow our diverse asset base through operational exposure to shallow, mechanisable orebodies.

Future focus

We sustain and grow value by supporting present and future demand drivers, creating strong customer relationships and aligning our production to evolving demand.

Operational strategies

Impala | Marula | Two Rivers | Zimplats | Mimosa | Impala Canada | Processing and refining

Functional strategies

Health and safety | People | Community | Stakeholder relations

Environment | Governance | Technology and innovation | Risk

Long-term planning

- Life-of-mine investment and divestment
- Business development, diversification and M&A
- Market development and support
- Capital structure and allocation

Operational strategies focus on delivery

Key performance indicators for FY2023 operational strategies

(refer to the Group outlook for KPIs/targets on page 52)

Operational strategies applied to achieve our strategic objectives above are embedded throughout the operations. As explained in the managing performance through remuneration section, targets are approved in the business plan and set in the form of KPIs, to support each of the five operational strategies below.

01 Sustainable development

- Zero fatalities
- Improve LTIFR <4.55 pmmhw
- Maintain ISO 14001:2015 certification
- No level 4 or 5 environmental incidents
- Total water recycled >54%
- Compliance with statutory requirements.

02 Operational excellence

- 6E Production – 3.10Moz – 3.30Moz in concentrate and 3.00Moz – 3.15Moz refined
- Cost per 6E ounce R18 200/oz – R19 200/oz.

03 Organisational development

- Manage labour availability to support full operational capacity
- Strengthen management succession and build leadership capacity
- Improve representation of women in management positions at South African operations.

04 Capital management

- Effective capital structure with appropriate liquidity to fund Group strategy
- Effective capital allocation strategy
  – dividends at 30% of free cash flow with potential to increase based on available cash reserves and free cash flow generation
  – Fund forecast capital expenditure of R11.5bn to R12.5bn.

05 Business development

- Ongoing optimisation of portfolio
- Maximise market development and industry participation to increase demand.

Group performance against KPIs/targets

The Group and individual operations' performance against the KPIs set to achieve the operational strategies as set out in the Implats strategic framework on page 47 and approved in the business plans, is contained below and in the operational performance chapter on pages 48 to 54. The outcomes and performance trends relating to material KPIs are discussed in our stakeholder outcomes, demonstrating the Group's impact on value for the providers of capital (refer chief financial officer's review on page 88) and other stakeholders. In addition, these trends illustrate the extent to which Implats has created, sustained or eroded value over time for all stakeholders (refer page 36) in the pursuit of achieving our purpose to create a better future and supporting the SDGs.

Target met/improved performance
Target not met Target exceeded

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

01 Sustainable development

We aspire to deliver an industry-leading sustainability performance, producing metals that sustain livelihoods through and beyond mining, creating a cleaner and better future for all.

Why it is important for value creation
Supports our purpose to create a better future for our stakeholders and enhances our social licence to operate.

Capitals employed

Performance table

FY2022 KPI target	How we performed during the year	
• Zero fatalities	• Seven fatalities	Target not met
• LTIFR <5.0 pmmhw	• LTIFR 4.21 pmmhw • Improvements in independent ESG performance ratings	Target met
• Maintain ISO 14001:2015 certification	• Maintained ISO 14001:2015 certification	Target met
• No Level 4 or 5 environmental incidents	• No Level 4 or 5 environmental incidents	Target met
• Publish climate change report aligned to TCFD recommendations	• First supplementary report on climate-related risks and opportunities in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) to be published early in FY2023 • Group-wide environmental strategy developed and four new environmental policies introduced	Target met
• Total water recycled >48%	• Total water recycled – 53%	Target met
• Year-on-year improvement in local-to-site procurement	• Spend with local-to-site (tier 1) suppliers in South Africa increased by 13% year-on-year from R1 743 million to R1 977 million	Target met
• Compliance with statutory requirements	• Complied with statutory requirements	Target met

Operational strategies – outcomes

- Strong focus maintained on safety performance
- 15% improvement in LTIFR
- South African MineSafe 2021 Tripartite Conference Award for Best Safety Performance in the PGM Sector
- South African MineSafe 2021 Tripartite Conference Award for Industry-leading Covid-19 Response by a Large Company
- Included in the S&P Global Sustainability Yearbook 2022 and awarded the Metals and Mining Industry Mover Award
- Included in the FTSE4Good and the FTSE/JSE Responsible Investment Top 30 indexes
- Certified by the London Platinum and Palladium Market for responsible platinum and palladium sourcing
- ISO 14001:2015 certified across all operational sites, except Impala Canada
- A 43% reduction in Level 3 incidents
- Achieved an A- (water) and a B-rating (climate) from the CDP
- Implementing a low carbon transition strategy with R4.3 billion allocated over next five years to energy security and decarbonisation.

02 Operational excellence

We generate superior value for all stakeholders through modern, safe, responsible, competitive and consistent operational delivery.

Capitals employed

Why it is important for value creation

Safe and efficient operations provide a competitive advantage, support talent attraction and retention, generate financial capital and protect our social licence to operate.

Performance table

FY2022 KPI target	How we performed during the year
• 6E in concentrate production 3.24Moz – 3.51Moz	• 6E in concentrate production 3.17Moz
• 6E refined production 3.30Moz – 3.56Moz	• 6E refined production 3.09Moz
• Cost per 6E ounce – R15 600/oz to R16 300/oz (including R1.1 billion once-off employee discretionary award (+R450/oz))	• Cost per 6E ounce (stock-adjusted) R17 364/oz

Operational strategies – outcomes

- A challenging year constrained by safety stoppages, intermittent industrial action and power supply interruptions in South Africa, and shortage of critical skills in Canada
  - 6E in concentrate production volumes decreased 4% year-on-year
  - A 4% decline from managed operations
  - A 2% decrease at joint venture operations
  - 2% lower third-party receipts
  - 6E refined production declined 7% mainly due to the furnace rebuild at Impala Rustenburg
- Unit costs increased 17% on a stock-adjusted basis.

03 Organisational development

We place people at the centre of our organisation, and engender a shared culture founded on our values to respect, care and deliver.

Capitals employed

Why it is important for value creation

A fit-for-purpose organisational structure enables the effective employment and transformation of our capitals to create value.

Performance table

FY2022 KPI target	How we performed during the year
• Manage labour availability to support full operational capacity	• Ensure that all critical roles are occupied • Improved timeframe for filling vacancies
• Strengthen management succession and build leadership capacity	• Alignment of organisational structures with Group strategy
• Improve representation of women in management positions at South African operations: target of 25% women in management by 2023	• Group target of 25% women in management by 2023 has been achieved (refer to page 68 of the ESG report)

Operational strategies – outcomes

- Maintained stable and constructive labour relations and partnerships with unions, signing a five-year wage agreement at Impala Rustenburg and Marula
- Improved stakeholder engagement and strengthened technical capacity
- Prioritise sustainable socio-economic development to mitigate challenging conditions in mine host communities
- Included in the Bloomberg Gender-Equality Index 2022 for the third consecutive year.

04 Capital management

We pursue value creation by sustaining and leveraging a strong and flexible balance sheet within a prudent capital allocation framework.

Capitals employed

Why it is important for value creation

An optimal capital structure appropriately directs the balance sheet to secure enhanced flexibility and asset integrity, while rewarding the providers of financial capital.

Performance table

FY2022 KPI target	How we performed during the year	
• Effective capital structure • Appropriate liquidity to fund Group strategy	• Net cash of R26.5 billion • Adequate cash and guarantees in place to fund RBPlat mandatory offer	(Refer CFO review)
Effective capital allocation strategy • Maintain minimum guided dividends at 30% of free cash flow (pre-growth capital) as defined with potential to increase based on available cash reserves and free cash flow generation • Fund forecast capital expenditure of R8.0 billion to R9.0 billion	• 48% of free cash flow allocated to shareholder returns through cash dividends of R13.9 billion • Capital expenditure of R9.1 billion	

Operational strategies – outcomes

- Net cash from operating activities of R34.9 billion, yielding R29.9 billion in adjusted free cash flow after stay-in-business and replacement capital expenditure
- Used improved profitability and strong free cash flow generation toward:
  - Acquiring a 37.83% stake in RBPlat for R9.9 billion
  - Allocated R218 million for the acquisition of interest in other associates
  - Allocated R306 million to fund environmental obligations
  - Allocated R1.4 billion on growth capital projects
  - Returned R13.9 billion to shareholders
- Maintained minimum liquidity for the covenant relating to R16.8 billion in guarantees provided to the TRP in respect of the RBPlat mandatory offer.

05 Business development

We seek to leverage, strengthen and grow our diverse asset base through operational exposure to shallow, mechanisable orebodies. We sustain and grow value by supporting present and future demand drivers, creating strong customer relationships and aligning our production to evolving demand.

Why it is important for value creation

Implats continues to enhance its competitive asset portfolio through increased operational exposure to shallow, mechanisable orebodies and further development of its integrated processing facilities.

Capitals employed

Performance table

FY2022 KPI target	How we performed during the year	
• Ongoing optimisation of portfolio	• Committed to a five-year, R50 billion capital investment programme to extend life-of-mine development, increase beneficiation capacity, strengthen energy security and ensure the Group meets its decarbonisation targets • Launched the acquisition of RBPlat, a transaction with the potential to sustain long-term production at Impala Rustenburg and continued socio-economic benefits for the Rustenburg region.	(Refer COO review)
• Maximise market development and industry participation to increase demand		

Operational strategies – outcomes

- R4.3 billion allocated over five years to ensure each operation has access to renewable and secure energy sources
  - Zimplats obtained a 185MW power generation licence, with a first phase 35MW solar project in progress
  - Studies are underway at Marula (33MW), Impala Rustenburg (290MW) and Impala Refineries (15MW)
- At Zimplats
  - A 600koz 6E expansion of smelter capacity at Zimplats and the installation of SO_2 abatement was approved
  - The upgrading of Bimha and development of Mupani progressed well
  - The construction of the third concentrator plant is on schedule for commissioning in FY2023
  - Studies are underway to refurbish and commission the base metals refinery
- At Impala Refineries, R3.9 billion over five-years has been allocated to improving the South African refining facilities
- The R5.1 billion Marula Phase II project was approved to replace life-of-mine depletion and expand the concentrator plant to accommodate incremental production growth
- The R5.7 billion development of a Merensky mine and a new concentrator plant at Two Rivers was accelerated
- A feasibility study to extend Mimosa's life-of-mine through the development of North Hill was completed
- The mill decoupling project at Impala Canada was progressed and will be completed in FY2023
- Implats had acquired 37.83% of RBPlat by the end of FY2022.

Resource allocation and performance outlook

Short to medium-term Group targets and KPIs

The allocation of Group resources and the use of capitals is informed by Implats' approved business plans, which consider our business model and operating context – including risks, opportunities and stakeholder needs. The forward looking business plan below serves as the outlook of what the Group expects to achieve going forward.

A synopsis is provided below linking specific business plan/KPI targets to each of the Group's operational strategies to illustrate how they support strategy. Individual operations each have their own business plan as illustrated in chapter five.

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

01 Sustainable development

We aspire to deliver an industry-leading sustainability performance, producing metals that sustain livelihoods through and beyond mining, creating a cleaner and better future for all.

Trade offs

- There are no trade-offs associated with safety
- Socio-economic and environmental investments and Implats' ability to fulfil its social labour plan commitments is dependent on the availability of financial capital, which is influenced by market conditions, production efficiency and effective cost containment
- A significant investment in critical skills and key partnerships is required to advance our decarbonisation and broader sustainability and climate change strategies impacting future cash flow and capital allocation
- High expectations from mine-host communities and labour unions lead to acrimonious competition for procurement opportunities from local business groupings
- In Canada, an ongoing critical skills shortage continues to challenge management
- Implats aims to maintain constructive and beneficial relationships with its mine-host communities and prioritises sustainable socio-economic development to mitigate, where it can, challenging conditions.

Capitals employed

Performance outlook – KPI targets

Short term (FY2023)	Medium term (FY2027)
• Zero fatalities • Improve LTIFR <4.55 pmmhw • Maintain ISO 14001:2015 certification • No Level 4 or 5 environmental incidents • Recycle/reuse >54% of total water consumed • Compliance with statutory requirements.	• Zero fatalities • Continuous LTIFR improvement on a three-year rolling average • Maintain ISO 14001:2015 certification • No Level 4 or 5 environmental incidents • Recycle/reuse >60% of total water consumed • Compliance with statutory requirements.

Key actions and dependencies

- Prevent injury and ensure a safe operational culture
- Implement occupational health and safety initiatives
- Manage environmental impacts
- Increase use of recycled water.
- Promote host community employment and procurement and strengthen stakeholder engagement
- Comply with statutory requirements, including Mining Charter and SLPs.

Short to medium-term Group targets and KPIs

02 Operational excellence

We generate superior value for all stakeholders through modern, safe, responsible, competitive and consistent operational delivery.

Trade offs

- Achieving cost efficiencies and meeting our target production volumes to support the business model profit formula may require the employment of additional labour and capital expenditure, which require financial capital.

Capitals employed

Performance outlook – KPI targets

Short term (FY2023)	Medium term (FY2027)
• Production 3.10Moz – 3.30Moz 6E in concentrate and 3.00Moz – 3.15Moz 6E refined • Cost per 6E ounce R18 200/oz – R19 200/oz.	• Maintain competitive and consistent operational delivery: – Impala remains focused on securing a lower-cost and sustainable operation – Zimplats to maintain production at plant capacity – Continued optimisation of LDI at Impala Canada to a more sustainable underground operation and addressing processing constraints – Advancing the Marula Phase II expansion project to increase life-of-mine by 17 years and provide 20% higher milling capacity – Progressing the Two Rivers Merensky project to expand production by 180 6E koz • Target below mining inflation increases.

Key actions and dependencies

- Invest in mineable face length and progress a suite of life-of-mine extensions at Impala to sustain production levels
- Operations to deliver the following 6E concentrate production volumes in FY2023:
  - Impala Rustenburg 1 175koz – 1 275koz
  - Zimplats 620koz – 650koz
  - Two Rivers 300koz – 320koz
  - Mimosa 240koz – 260koz
  - Marula 240koz – 260koz
  - Impala Canada 250koz – 280koz
  - IRS (third party) 270koz – 310koz.

03 Organisational development

We place people at the centre of our organisation, and engender a shared culture founded on our values to respect, care and deliver.

Trade offs

- Investing in employee development is time-consuming, but is more cost-effective than outsourcing or appointing contractors and it fosters a more motivated and loyal workforce.
- The wage agreement concluded at Marula and Impala Rustenburg assures employees of increases to all major components of remuneration over the next five years and secures a long period of stability as Implats progresses its growth projects.

Capitals employed

Performance outlook – KPI targets

Short term (FY2023)	Medium term (FY2027)
• Manage labour availability to support full operational capacity • Strengthen management succession and build leadership capacity • Improve representation of women in management positions – South African operations target: 25% women in management by 2023.	• Manage labour availability to support full operational capacity • Sustain leadership capacity and capability • 15% women in workforce by 2025 • Sustain desired culture.

Key actions and dependencies

• Implement culture transformation leadership programme • Embed high performance management system • Develop managerial and competency skills.	• Strengthen capacity and capability in key areas.

Short to medium-term Group targets and KPIs

04 Capital management

We pursue value creation by sustaining and leveraging a strong and flexible balance sheet within a prudent capital allocation framework.

Trade offs

- Implats' capital allocation framework aims to sustain and grow meaningful value for all stakeholders and provide attractive returns to shareholders, while retaining financial flexibility for the Group. These competing needs for a limited financial resource will naturally result in trade-offs.

Capitals employed

Performance outlook – KPI targets

Short term (FY2023)	Medium term (FY2027)
• Effective capital structure with appropriate liquidity to fund Group strategy • Effective capital allocation strategy – Minimum dividends at 30% of free cash flow (pre-growth capital) as defined with potential to increase based on available cash reserves and free cash flow generation – Fund forecast capital expenditure of R11.5 billion to R12.5 billion.	• Effective capital structure with appropriate liquidity to fund Group strategy • Effective capital allocation strategy – Dividends at 30% of free cash flow with potential to increase based on available cash reserves and free cash flow (pre-growth capital) generation – Fund forecast capital expenditure of R50 billion over five years – Fund additional growth/replacement capital expenditure for projects currently under study following approval by the board.

Key actions and dependencies

- Net cash of R26.5 billion
- R13.9 billion allocated to shareholder returns in FY2022, equating to 47% of free cash flow
- Focus on ESG projects while metal prices remain elevated.
- Progress capital projects underway
- Further progress feasibility studies on key growth/replacement projects and ensure appropriate funding.

05 Business development

We seek to leverage, strengthen and grow our diverse asset base through operational exposure to shallow, mechanisable orebodies. We sustain and grow value by supporting present and future demand drivers, creating strong customer relationships and aligning our production to evolving demand.

Trade offs

- Reduced shareholder returns in the near term as growth and optimisation strategies are funded.

Capitals employed

Performance outlook – KPI targets

Short term (FY2023)	Medium term (FY2027)
• Ongoing optimisation of portfolio • Maximise market development and industry participation to increase demand.	• Ongoing optimisation of portfolio • Maximise market development and industry participation to increase demand.

Key actions and dependencies

Ongoing optimisation of portfolio prioritising low cost, mechanised, cash-generative assets:

- Leverage enhanced mining flexibility at Impala Rustenburg
- Capitalise on inherent mining efficiencies across the portfolio.
- Optimise and enhance processing capacity
- Optimise Impala Canada operations
- Maximise market development and industry participation to increase demand.

14 Shaft Bank at Impala Rustenburg

Corporate governance

Underground mining employee at Impala Rustenburg

Chairperson's statement on corporate governance

Implats' purpose is to create a better future.

Thandi Orleyn
Chairperson

To achieve this, the Group must remain successful over time to create sustainable and meaningful value for all stakeholders. Good governance can only take place in a structured and accountable context. A good governance framework improves business performance, increases stability and productivity, reduces risk, unlocks opportunities for growth and fosters trust. Over the next few pages we describe our governance efforts and outline our progress in ensuring that roles and responsibilities are clearly defined and performance against expectation is reviewed.

Implats' sustainability framework adds impetus to the Group's values to respect, care and deliver. It aligns the interests of our stakeholders with the Group's ability to unlock the power of the metals it produces, the way it conducts business and its superior performance to improve quality of life beyond the mine gate and for generations to come.

The Implats governance framework is designed to meet the highest standards. This ensures that forums allow frank and rigorous debate, decisions are robust and aligned with Implats' strategy to create long-term and sustainable value for its diverse stakeholder base.

The Implats board is committed to providing effective and ethical leadership to the Group, maintaining the highest standards of good governance to promote quality decision-making and executing decisions within a disciplined framework of policies, procedures and authorities. The board is guided by the principles of the King IV Code on Corporate Governance (King IV), the Companies Act, 2008, the JSE Listings Requirements and all other applicable laws, standards and codes. The King IV compliance register is available at: **https://www.implats.co.za/esg-policies-andkey-documents.php**.

The Implats board exercises independent judgement on all issues reserved for review and approval and takes full responsibility for the management, direction and performance of the Group.

Thandi Orleyn
Chairperson

Two Rivers tailings storage facility

Committee structure

The board, assisted by its committees, steers, sets direction, approves policy and planning, and monitors ethics, regulatory compliance and remuneration strategies to align employees with the Group's purpose and strategic intent.

Independent non-executive directors: Thandi Orleyn, Peter Davey, Dawn Earp, Ralph Havenstein, Alastair Macfarlane[1], Billy Mawasha[2], Mametja Moshe[2], Sydney Mufamadi, Mpho Nkeli, Preston Speckmann, Bernard Swanepoel.

Non-executive director: Boitumelo Koshane.

Executive directors: Nico Muller, Meroonisha Kerber, Lee-Ann Samuel.

The board

The board sets the direction for the Group to realise its purpose, vision and values by providing strategic direction and holding management accountable for implementation.

Audit and risk committee

Ensures the integrity of financial reporting and audit processes, and the maintenance of sound risk management and internal control systems.

For more on this committee refer page 65

Membership

- Ms D Earp – chairperson
- Mr PW Davey
- Mr R Havenstein
- Mr PE Speckmann

Social, transformation and remuneration committee

Monitors Group activities to ensure Implats maintains its social licence to operate and oversees the Group employment and remuneration practices.

For more on this committee refer page 66

Membership

- Ms MEK Nkeli – chairperson
- Ms BT Koshane
- Adv. NDB Orleyn
- Mr AS Macfarlane
- Mr PE Speckmann

Health, safety and environment committee

Monitors the implementation of the Group's strategy on employee health and safety, and the protection of the environment.

For more on this committee refer page 67

Membership

- Mr AS Macfarlane – chairperson
- Mr R Havenstein
- Ms B Koshane
- Ms MEK Nkeli
- Mr NJ Muller
- Ms LN Samuel
- Mr ZB Swanepoel

Strategy and investment committee

Assists the board in discharging its responsibilities relating to the oversight of the Group's capital assets and financing strategy. The committee further assists the board with evaluating and approving the Group's business development objectives, including mergers and acquisitions.

For more on this committee refer page 68

Membership

- Mr ZB Swanepoel – chairperson
- Mr PW Davey
- Ms D Earp
- Ms M Kerber
- Mr NJ Muller

Nominations, governance and ethics committee

Shapes governance policies, plans for board and committee succession and drives board effectiveness through evaluations. In addition, it monitors the implementation of the Group's ethics management programme.

For more on this committee refer page 69

Membership

- Adv. NDB Orleyn – chairperson
- Mr PW Davey
- Dr FS Mufamadi
- Ms D Earp
- Ms MEK Nkeli

[1] Mr Alastair Macfarlane will be retiring at the upcoming annual general meeting on 12 October 2022.

[2] Ms Mametja Moshe and Mr Billy Mawasha were appointed to the board on 1 July 2022 and 1 September 2022 respectively. After period-end, the board appointed Ms Moshe as a member of the audit and risk committee and the strategy and investment committee. Mr Mawasha was appointed as a member of the health, safety and environment committee and the social, transformation and remuneration committee.

Board meetings and attendance

Frequency of meetings

The board met eight times during the period. Four of the meetings were regular scheduled board meetings and the other four meetings were used to deliberate strategic ventures and approve the Group business plans. The status of identified strategic issues is reported and monitored at the quarterly board meetings.

Meeting attendance

Directors	Board	Audit and risk committee	Social, transformation and remuneration committee	Nomination, governance and ethics committee	Strategy and investment committee	Health, safety and environment committee	Other
NDB Orleyn	8/8	–	4/4	4/4	–	–	–
PW Davey	8/8	4/4	–	4/4	7/7	–	3/3
D Earp	8/8	4/4	–	3/3[2]	7/7	–	3/3
R Havenstein	8/8	4/4	–	–	–	5/5	3/3
M Kerber	8/8	–	–	–	7/7	–	–
BT Koshane	6/8	–	4/4	–	–	5/5	–
AS Macfarlane	7/8	–	4/4	–	–	5/5	–
FS Mufamadi	6/8	–	–	4/4	–	–	–
NJ Muller	7/8	–	–	–	7/7	5/5	–
B Ngonyama[1]	2/2	–	1/1	1/1	1/1	–	–
MEK Nkeli	8/8	–	4/4	3/3[2]	–	5/5	–
LN Samuel	8/8	–	–	–	–	5/5	–
PE Speckmann	8/8	4/4	4/4	–	–	–	3/3
ZB Swanepoel	8/8	–	–	–	7/7	5/5	–

[1] *Ms Ngonyama retired in October 2021, subsequent to the previous year's annual general meeting.*
[2] *Ms Earp and Ms Nkeli were appointed to the nominations, governance and ethics committee in the current period.*

Group executive committee (exco)

Responsible for strategy execution, supporting the board and day-to-day management of the operations.

Nico Muller, Jon Andrews, Tim Hill, Meroonisha Kerber, Tebogo Llale, Alex Mhembere, Mark Munroe, Kirthanya Pillay, Gerhard Potgieter, Lee-Ann Samuel, Sifiso Sibiya, Johan Theron

Roles of the chairperson and CEO

The chairperson is responsible for the leadership of the board, which involves exercising sound judgement based on knowledge, skills and experience. The CEO, supported by the executive committee, is responsible for the day-to-day management of the Group and the development and implementation of the Group's strategy. The roles and duties of the independent non-executive chairperson and the CEO are separate and clearly defined. This division of responsibilities ensures a balance of authority and power, with no individual having unrestricted decision-making powers.

Role of the company secretary

The primary role of the company secretary is to ensure the board remains mindful of its duties and responsibilities and to assist the board to discharge such duties and responsibilities. In addition, the company secretary keeps the board informed of relevant changes in legislation and governance best practice. The company secretary is also secretary to the board committees. All directors have access to the services of the company secretary.

In compliance with the JSE Listings Requirements, the board hereby confirms the following:

- That the company secretary has the necessary experience, expertise and competence to carry out his duties
- That the company secretary has an arm's-length relationship with the board and was not a director of the Company or any of its subsidiaries.

Board expertise

The right balance of skills and experience enables the board to make a meaningful contribution to the business.

- Business development and strategic planning
- ESG matters including climate change and sustainability
- Financial and accounting acumen
- Transformation
- Talent management and development
- Mining and engineering
- Risk management
- Corporate finance
- Legal and regulatory compliance
- Domestic and foreign affairs
- Mergers and acquisitions

Non-executive directors

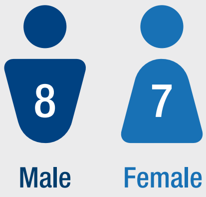
Tenure

More than nine years	
Four to nine years	
Less than four years	

Board diversity

Gender

The board aims to maintain a balance between male and female board members and to ensure that female representation is at least 40%.

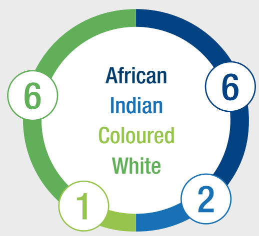


Independence

Executive	
Non-executive	
Independent non-executive	

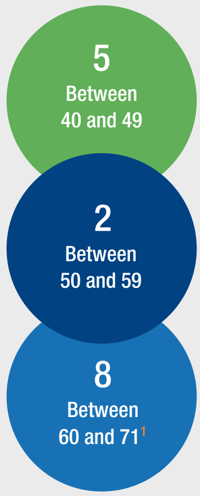
Race

The board promotes the appointment of directors from different races and cultures to ensure diverse representation of stakeholders. The board endeavours to maintain HDP representation above 50%.



Age

The board promotes an appropriate mix of younger and older directors to ensure young voices complement more experienced directors.



[1] *Mr Macfarlane (aged 71) is due to retire at the upcoming annual general meeting.*

Our leadership

The right balance of skills and experience enables the board to make a meaningful contribution to the business.

Independent non-executive directors

Thandi Orleyn 66
Chairperson

B Proc, B Juris, LLB, LLM

Thandi was appointed to the board in August 2020. She has held several senior level positions in the public sector including as the director of the CCMA and as an independent non-executive director of the South African Reserve Bank. Thandi serves as a director of Peotona (Pty) Ltd which is an investment holding company, and the Industrial Development Corporation of South Africa (SOC) Ltd. She is chairman of the board of bp Southern Africa and she previously served on the board of Reunert Holdings Ltd.

Peter Davey 69 (British)

BSc (Hons) Mining engineering, MBA

Peter was appointed to the board in July 2013. He was previously a resource analyst at various investment banks in the United Kingdom and he has extensive production experience in the South African gold and platinum mining industry.

Dawn Earp 60

BCom, BAcc, CA(SA)

Dawn was appointed to the board in August 2018. She has previously held positions as financial director at the Company, Rand Refineries Ltd and Aveng Moolmans (Pty) Ltd. She currently serves as a non-executive director of Truworths International Ltd, ArcelorMittal Ltd and Pan African Resources Plc.

Ralph Havenstein 66

MSc Chemical engineering, BCom

Ralph was appointed to the board in January 2021. He has built a solid reputation in various leadership positions across the mining industry. He has previously served as director of Anglo American Platinum Ltd, Simmer and Jack Ltd, Sasol Ltd and Northam Platinum Ltd. He currently serves as an independent non-executive director on the boards of Murray and Roberts Holdings Ltd and Omnia Holdings Ltd.

Sydney Mufamadi 63

MSc and PhD

Sydney was appointed to the board in March 2015. He is the chairman of the subsidiary Zimplats Holdings Ltd and a non-executive director of Transnet (SOC) Ltd and the Absa Bank subsidiary in Mozambique. He is also the director of the Centre of Public Policy and African Studies at the University of Johannesburg.

Mpho Nkeli 57

BSc (Environmental studies), MBA

Mpho was appointed to the board in April 2015. She is currently the executive chairman of Search Partners International and an independent non-executive director of Sasol Ltd. She has previously served as an executive director at Alexander Forbes Ltd and Vodacom SA (Pty) Ltd and a non-executive director of Life Healthcare Ltd and African Bank Ltd. She was also the chairperson of the Commission for Employment Equity.

Preston Speckmann 65

BCompt (Hons), CA(SA)

Preston was appointed to the board in August 2018. He has held managerial and executive positions at MMI Holdings, Old Mutual SA and Pepkor Group. He served as the group finance director of MMI Holdings for 16 years prior to his retirement. He is a former PwC audit partner. He currently serves as a non-executive director of Santam Ltd and various Sanlam Ltd and Santam Ltd subsidiary companies including MiWay, Centriq, Safrican and SIH Capital Holdings. He is the chairman of various audit and risk committees in the Sanlam Group.

Bernard Swanepoel 61

BSc (Mining engineering), BCom (Hons)

Bernard was appointed to the board in March 2015. He is currently a non-executive director of Omnia Holdings Ltd, Zimplats Holdings Ltd, Impala Canada Ltd and Aveng Ltd. He was previously CEO of Harmony Gold Ltd and a non-executive director of African Rainbow Minerals Ltd and Sanlam Ltd.

Alastair Macfarlane 71 (British)

MSc Mining engineering

Alastair was appointed to the board in December 2012. He has held various senior and executive positions in the mining industry. He has extensive consulting experience with local and international mining companies. Alastair is a visiting senior lecturer at the University of the Witwatersrand and also serves on the board of Sebilo Resources (Pty) Ltd.

Billy Mawasha 43

BSc (Electrical engineering)

Billy was appointed to the board in September 2022. He offers strong operational and technical leadership experience in the mining sector and was formerly head of operations and integration at Kumba Iron Ore Ltd and country head of Rio Tinto (South Africa) Ltd. He previously served as a non-executive director at Murray & Roberts and is currently a non-executive director at Metair Investments Ltd and Exxaro Resources Ltd, in addition to his role as CEO of Kolobe Nala Investments (Pty) Ltd.

Mametja Moshe 42

BCom (Accounting), BCom Hons (Management accounting), MBA, (CA)SA

Mametja brings extensive financial experience and expertise to the board having worked previously as an investment banker at Morgan Stanley and UBS AG, and as an auditor at KPMG. Her expertise spans audit, mergers and acquisitions, equity and debt, capital markets, as well as BEE transaction advisory in a number of industries including mining, telecommunication, financial services and manufacturing. She is the founder and CEO of Moshe Capital (Pty) Ltd, a South African advisory and investment firm.

Non-executive director

Boitumelo Koshane 43

BCom (Hons), CA(SA)

Boitumelo was appointed to the board in August 2019. Boitumelo serves on various boards linked to the Royal Bafokeng entities and was previously a non-executive director of Impala Platinum Ltd.

Executive directors

Nico Muller 55

BSc (Mining engineering)

Nico was appointed to the board in April 2017 as chief executive officer and executive director. He has had a long career in the mining industry that has exposed him to multiple commodities ranging from diamonds to gold and platinum. Nico serves as chairman of subsidiaries Impala Platinum Ltd and Impala Canada Ltd. He is also a non-executive director of Zimplats Holdings Ltd.

Meroonisha Kerber 49

BCom, HDipAcc, CA(SA)

Meroonisha was appointed to the board in August 2018 as chief financial officer and executive director. She previously spent 10 years at Deloitte after which she held various senior positions at Anglo American Platinum and AngloGold Ashanti. Meroonisha serves on the boards of Impala Platinum Ltd, Impala Canada Ltd and Zimplats Holdings Ltd.

Lee-Ann Samuel 44

BA (Psychology), Honours (Political science)

Lee-Ann was appointed to the board in November 2017. She has held senior human resources positions across financial services, mining and telecommunications. Lee-Ann serves on the boards of Impala Platinum Ltd and Impala Canada Ltd.

Corporate governance delivering value

According to King IV™, the board is tasked primarily with steering and setting the strategic direction of the group, approving policy and planning, oversight, monitoring and ensuring accountability.

Sustainable development through corporate governance

Governance is central to achieving Implats' aspiration to create a better future for all its stakeholders, to deliver value through excellence and execution and its commitment to responsible stewardship and long-term value creation.

The board, through its committees, gives effect to the Group's sustainability framework, which guides its approach to delivering on some critical global issues, as guided by the United Nations' Sustainable Development Goals, while being sensitive to the needs and imperatives in each host country.
The Group's framework focusses on reducing our environmental footprint, achieving our goal of zero harm, having meaningful stakeholder engagements and engaged employees, and sustaining livelihoods through and beyond mining.

Risk governance

While it is fully acknowledged that the board is responsible for risk management at Implats, aspects of risk management are prevalent throughout the organisation. Oversight of the risk management system and process is the responsibility of the audit and risk committee, while each committee takes responsibility for the risks relevant to it.

Lac des Iles Mine at Impala Canada

Board committees supporting strategy

Audit and risk committee (ARC)

The committee monitors financial reporting, internal control systems, risk management processes and the internal and external audit function.

Committee mandate[1]

Activities and deliberations of the committee

- The geopolitical, economic and market conditions and operational challenges impacted overall profitability. The committee closely monitored the regular updates of management action plans implemented to contain costs, spend allocated capital and improve operating performance
- Deliberated the returns to shareholders in the form of dividends within the prescripts of the capital allocation framework. The interim and final dividends were weighed against other capital allocation requirements
- The committee satisfied itself that the Company would remain solvent and liquid during and after any corporate activity it undertakes
- Appointed a service provider for the third-party assurance of selected non-financial indicators of the Implats Environmental, Social and Governance (ESG) Report 2022 and the services providers for assurance of the 2022 Mineral Resource and Mineral Reserve Statement
- Oversaw the transition between the now-retired chief audit executive (CAE) and newly appointed CAE during the current period
- Monitored the performance and effectiveness of the procurement function with particular focus on ensuring the adequacy and effectiveness of the processes, procedures and systems for enterprise and supplier development and that the Group adheres to the localisation requirements of the countries in which it operates
- Assessed the processes and procedures in place to mitigate cyber security threats and approved the IT strategy. The committee also discussed the close interface between IT and operating technology from a cyber security perspective
- Interrogated matters relating to legislative and regulatory risks across the Group and monitored the action plans in place to ensure compliance with the various regulatory environments in which the Group operates. The committee further noted compliance reports issued and the remedial actions put in place for any identified areas of non-compliance.

Assigned risks 4 7

Capitals enhanced

Strategic objectives

[1] *A comprehensive list of the committee's duties is available in the report of the audit and risk committee in the annual consolidated financial statements which are available at www.implats.co.za*

Outlook and future focus areas

Future focus areas of the committee include, but are not limited to:

- Continue to focus on and monitor the integration of IT and the operational technology environment and the associated impact on the cyber security risk
- Monitor and respond to developments in the sustainability and climate-related financial reporting landscape to ensure the Group has the appropriate resources and controls to meet stakeholder requirements.

Social, transformation and remuneration (STR) committee

The social, transformation and remuneration committee guides and supports the sustainability practices of the Group.

Committee mandate

Activities and deliberations of the committee

- Assessed management's strategy to strengthen stakeholder relations in the pursuit of harmonious coexistence with host communities
- Reviewed management's strategy to improve prospects for women in mining by removing certain physical and technical barriers identified within the conventional mining environment
- Assessed the findings of an independent race and gender pay analysis report thoroughly detailing Implats' pay practices and provided oversight to ensure remediation plans were undertaken where necessary. The process led to Implats adopting a fair pay policy to ensure fair pay practices are embedded within the entire Group
- Reviewed Implats' 2021 Dow Jones Sustainability Index (DJSI) assessment outcomes which indicated an upward trajectory for the Group. The committee challenged management to set higher targets, supported by plans to improve on current achievements
- Oversaw the implementation of Implats' operating model and organisational design model in support of approved Group strategy
- Approved the wage mandate of the 2022 South African operations, which resulted in the conclusion of an historic five-year wage agreement
- The remuneration oversight duties and outcomes of the committee are disclosed in the managing performance through remuneration section on page 70.
- Assessed Impala Canada's current skills shortage risks and management's mitigation plans. The approved plans have begun bearing fruit as the operation noted improvements in its ability to attract and retain skilled employees.

Assigned risks 1 5 7 9

Capitals enhanced

Strategic objectives

Outlook and future focus areas

- Monitor management activities to strengthen stakeholder relations and create sustainable and impactful value for the communities in which the Group operates
- Monitor and review the Group's strategic imperative as it relates to being a responsible corporate citizen, particularly with regard to protecting human rights, promoting equality and preventing unfair discrimination
- Progress succession planning for key roles in the organisation
- Ensure links between responsible reward and performance
- Monitor the development of measurable ESG performance targets and their implementation.

Health, safety and environment (HSE) committee

The committee monitors management's implementation of the HSE strategy to deliver safe production without causing harm to our employees, other stakeholders or the environment.

Committee mandate

Activities and deliberations of the committee

- Oversaw the development of the Group environmental strategy 2030, which focusses on key targets such as reducing Implats' carbon footprint and use of potable water, and reducing dump-site waste material through recycling initiatives
- Interrogated the major Group incidents that occurred during the year and assessed management's remediation plans. The committee spent time on the strategic responses to these incidents to ensure they do not recur at any of the Group's operations
- Reviewed management plans to mitigate the risk of unstable electricity supply at Group operations, with particular interest in the contributions of proposed solutions to Implats' decarbonisation aspirations
- Reviewed and approved management's Group sustainability framework, which forms the basis of the Group's ESG commitments (refer to the sustainability and enterprise value section on page 78)
- Extensively deliberated the Group tailings facility management and the independent audits undertaken on the facilities. The committee was satisfied the facilities were designed adequately and managed effectively to reduce the risk of dam wall failure.

Assigned risks 2 3 7 10

Capitals enhanced

Strategic objectives

Outlook and future focus areas

- Assess and support management in developing and improving efforts aimed at achieving and sustaining a zero harm culture
- Provide oversight and monitor management's response plans to key strategic focus areas such as climate change and sustainable energy generation related risks and opportunities
- Monitor progress on short- and medium-term ESG targets as the Group works towards pronounced long-term targets.

Strategy and investment committee (SIC)

The committee advises the board on the strategic and responsible allocation of limited resources to ensure the best return to stakeholders on invested capital.

Committee mandate

Activities and deliberations of the committee

- Provided oversight and assessed the Group's beneficiation strategy and implementation, which resulted in recommendations to the board for action in South Africa and Zimbabwe
- Assessed the proposal to acquire the entire issued capital of RBPlat in an effort to strengthen the Group's operations on the Western Limb. The committee recommended the transaction to the board, following its deliberations on the value-accretive nature of the transaction and after it was proven that the deal would meet the Group's investment policy requirements
- Reviewed the key risks associated with capital project implementation that could impact strategic and business plan objectives and oversaw management's mitigation plans
- Reviewed the Group capital allocation framework to ensure ESG-related projects are incorporated
- Assessed the Group's current human resource capacity to execute capital projects, considering the pipeline of approved projects. The committee regularly reviews the project pipeline to ensure sufficient work is done to secure the sustainability of the current production profile and that potential growth opportunities are considered.

Assigned risks 6 8

Capitals enhanced

Strategic objectives

Outlook and future focus areas

- Continue to provide oversight and support on Group strategy implementation and identify areas of risk and opportunity in leveraging growth, improvement and value creation
- Ensure management strengthens due diligence, compliance, performance measures and reporting arrangements in accordance with Group strategy and the capital allocation framework.

Nomination, governance and ethics (NGE) committee

The committee fulfils its mandate by strategically advising the board on matters related to corporate governance, board composition, leadership and performance.

Board appointment process

The board has established a formal process of appointing board directors, which is underpinned in the board nomination and appointment policy, available on our website at www.implats.co.za. The nomination, governance and ethics committee assists the board to develop the succession plan and to implement it through a rigorous appointment process. The board succession plan ensures the board appoints directors who have the requisite skills and experience, and that diversity, including race and gender, are prioritised.

Board evaluation process

The board committees undergoes effectiveness evaluations every two years on an alternating schedule.

During the current year, comprehensive and independent evaluations were conducted focusing on board dynamics, composition, structure and committee alignment with Group strategy. The outcomes of these evaluations will be disclosed in the 2023 integrated report. Areas identified for improvement during the year will be incorporated into relevant committee work plans and their implementation monitored by the nominations, governance and ethics committee.

Committee mandate

Activities and deliberations of the committee

- Board succession remained topical in committee deliberations since several long-serving board members would be retiring from the board in the coming years. It was considered important to nominate successors and, where possible, to have a period of overlap between incoming and outgoing directors. Appointments were made after giving due consideration to race, gender, experience and skills
- Assessed the bench strength of successors to executive committee members and the C-suite positions to ensure there is sufficient coverage in case of emergency and that the Company was able to develop successors internally
- Oversaw the rollout of revised training material on the code of ethics and the recently approved anti-bribery and anti-corruption policy, to strengthen the culture of ethics within the Group. The training material and methods were revised to establish a common understanding of the material across the Group.

Capitals enhanced

Strategic objectives

Board training and development

The company secretary offers new directors an induction programme tailored to their specific requirements. In the current year, director development was conducted through a combination of external programmes and events aimed at enhancing director effectiveness and competencies. In addition, internal deep-dive sessions at committee level were undertaken, where specific subject matters were discussed through a risk-based approach. Board members are able to request one-on-one engagements with executives for in-depth sessions to gain a better understanding of specific topics and areas of the business. At quarterly board meetings, directors are kept abreast of all applicable legislation and regulations, changes to rules, standards and codes, as well as relevant sector developments that could impact the Group and its operations.

Outlook and future focus areas

- Implement recommendations emanating from the board evaluation process
- Embed a culture of effective, transparent and ethical leadership
- Ensure the board and executive management have an adequate mix of skills, experience and attributes necessary to support the Group strategy and future endeavours.

Managing performance through remuneration

Background and context

Key highlights

- Historical wage agreements reached at our operations
- The Implats' Gini coefficient performance and Palma ratio continue to compare favourably with those of the market and the mining sector
- Dividends declared by Impala and Marula Employee Share Ownership Trusts
- Changes to remuneration policy to highlight safety and ESG

Governance

Remuneration management supports value creation in the short, medium and long term and has been designed to motivate and direct employees to achieve strategic and operational objectives that are met through KPIs as illustrated in the remuneration policy table. The Group's remuneration practices further play an important role in meeting the Group's resource allocation contained in the business plans by all levels of employees across the business (refer KPI achieved page 48). Medium-term KPIs are developed and linked to personal performance to ensure focus on longer term outlook and direction (refer page 52).

Through its oversight of the Group's remuneration policies and practices, the social, transformation and remuneration (STR) committee seeks to align Implats' short, medium and long term incentives (including salaries, bonus, benefits, STI, MTI and LTI) with the Group's strategy and operational objectives, and to reward the achievement of these objectives (refer to the income elements on page 73).

In addition to non-executive directors, the CEO, CFO and the group executive: people are permanent invitees to the STR committee meetings but do not participate in discussions relating to their own remuneration. External specialists are also often consulted on remuneration policy and governance matters and, where appropriate and required, may be invited to attend committee meetings.

Role of the STR committee

Remuneration practices should be fair, responsible and should ensure retention, motivation and long term sustainability and value creation for all stakeholders.

The STR committee has oversight over the Group's social and transformation policies and practices, and employee issues that include employee engagement, transformation, gender mainstreaming, diversity, management development and succession planning.

Activities of the STR committee

(full details are contained in the remuneration report)

Tasks of the committee during the current year, included:

- Reviewed, monitored and approved executive management remuneration
- Reviewed and benchmarked non-executive director remuneration
- Reviewed and approved group-wide remuneration policies
- Reviewed past performance
- Approved the future bonus parameters, corporate performance targets, approved the quarterly and annual bonus and PSP awards and set the performance targets for the CEO, which is supported by the rest of the Group KPIs.

While the above functions are focused specifically on Group-wide remuneration issues, the committee also plays a pivotal role in providing independent oversight of the Group's broader human resources strategy and practices, with particular focus on the social and transformational aspects of human resources.

The committee has made significant contributions to the talent management, executive succession planning, social performance, employee engagement and transformation gender mainstreaming, however, remuneration remains a key driver for employees and executive management as it rewards the attainment of the strategic objectives of the organisation. Appropriate governance is therefore required to ensure that remuneration outcomes are aligned with organisational and personal performance.

Social, transformation and remuneration (STR) committee

STR committee > **Group remuneration policies and practices** > **Align Implats' short, medium and long term incentives (including salaries, bonus, benefits, STI, MTI and LTI) with the Group's strategy and operational objectives and to reward the achievement of these objectives.**

In line with King IV recommendations, the June 2022 Implats remuneration report, which is available at www.implats.co.za, is presented in three parts:

Part one Background statement	Part two Remuneration policy	Part three Implementation report
The background statement on our approach to remuneration and governance, as well as the impact of Group performance on remuneration.	Our remuneration philosophy and policy especially as it relates to executive and non-executive remuneration.	Details how our remuneration policy has been applied in the past year, including disclosure of prescribed officer remuneration.

Parts two and three will be the subject of a non-binding advisory shareholder vote at our AGM on 12 October 2022. Despite improved acceptance of the remuneration policy and implementation reports for FY2018, FY2019 and FY2020, we failed to achieve the necessary level of approval for the FY2021 implementation report. The voting outcomes were as follows:

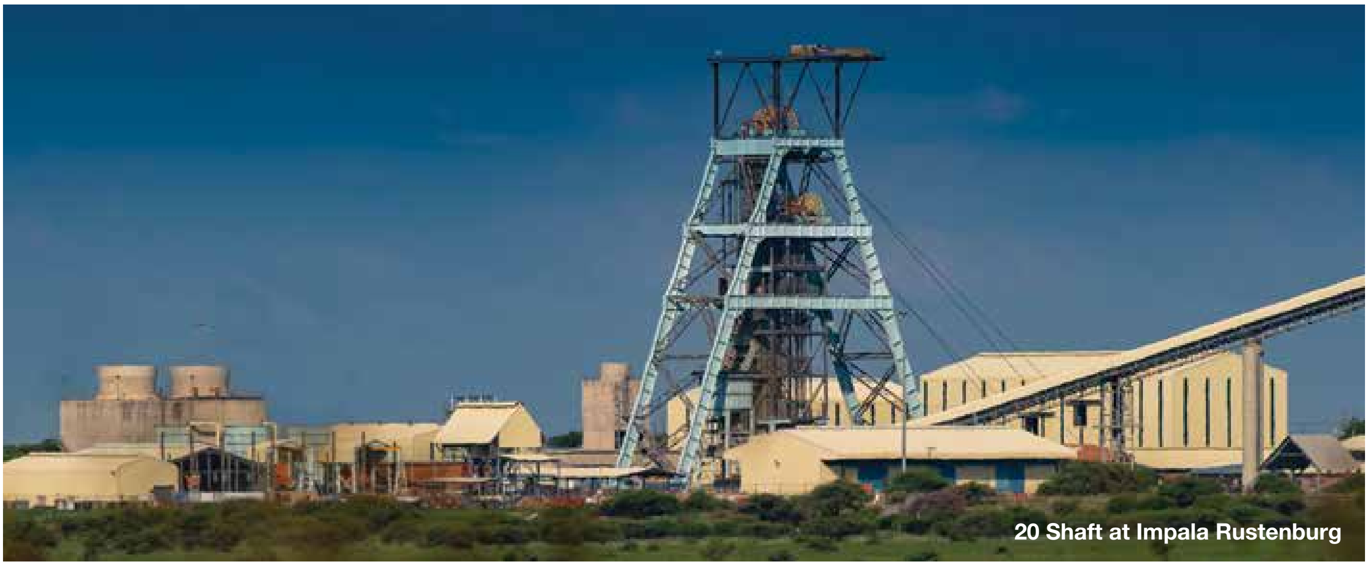
Voting outcomes

	2021	2020	2019	2018
Remuneration policy	94.37%	93.52%	89.36%	94.27%
Implementation report	59.65%	95.27%	90.60%	78.65%

Significant changes to our remuneration policy were made over the past four years which as the table above indicates, were well received by the shareholders. The implementation report for FY2021 failed to garner the 75% approval required. Engagements with shareholders on the matter made it clear that the report was voted down specifically as a result of the out of cycle salary adjustment and retention share award to the CFO. We will continue to proactively engage with our shareholders to ensure that we are aligned with the requirements of this key constituency. We focus on ensuring that reward policies and practices are fit for purpose.

During the current year, the key changes to our short-term incentive policy were:
- The introduction of an ESG measure to our bonus parameters
- The implementation of a fatality modifier, which are explained further below, which have been included to moderate the bonus outcomes.

Both of these initiatives further align our remuneration policy with our strategic intent and have been embedded in all levels of the Group (refer page 74).



20 Shaft at Impala Rustenburg

Year under review

The Group's operations faced disruptions from contractors, power supply issues, and disappointingly, seven fatalities at the end of the reporting period. Production and output from operations were lower and this was reflected in the current year's performance against targets and ultimately bonuses paid for the year.

The Group's overall performance resulted in a lower level of variable pay. Annual bonuses for the executive level employees (E band and above) dropped from R242.5 million in the prior year to R132.7 million. The bonus share awards, a key retention element for D-band and E-lower employees, were similarly affected.

Relationships with employees and labour unions

The Impala and Marula share ownership trusts declared and subsequently paid maiden dividends of R294 million in total. A special bonus of approximately R900 million in addition to guaranteed pay and production bonuses was paid to the bargaining unit employees in September 2021.

The ESOTs are expected to make further payments to their beneficiaries in early FY2023, which will result in well over R1.5 billion distributed to the Group's bargaining unit employees in addition to their normal pay, underpinning Implats' commitment to implement fair and reasonable pay practices and to allow employees to share in the performance of the Group.

Historical wage agreements

Groundbreaking wage agreements were reached in 2021 and 2022, strengthening the Group's relationships with recognised labour unions:

- The Refineries secured a first-ever three-year wage deal with the NUM in 2021, which will ensure relative labour stability for the next three years
- The Impala Rustenburg and Marula wage negotiations with AMCU in 2022 yielded an historical five-year wage agreement in June 2022.

Both agreements are testament to the good relationships the Group has fostered with labour unions at its operations and reflect Implats' values to respect, care and deliver.

Our approach to fair pay

The committee places a key focus on ensuring that fair and responsible remuneration practices are applied across the Group. The Implats guaranteed minimum wage for permanent full-time employees remains significantly higher than a "living wage", and in addition our employees are eligible for progressive variable pay arrangements which are generally above the median for the industry.

Wage gap analysis

PwC conducts an annual wage gap analysis at our South African operations, which considers total remuneration (TR) and includes all variable pay elements, as well as total guaranteed pay (TGP).

Our year-on-year comparison shows an improvement in the Gini-coefficient and the Palma ratio with both significantly better than their national market and mining industry equivalents.

The percentage of our employees earning between R250 000 and R500 000 per annum has increased from 62% in 2021 to 84% in 2022, which is an indication of the improved earnings of our employees.

All our employees earn in excess of a living wage. The TGP of the CEO is 58.3 times that of the lowest earning employee (2021: 59.2). Our fair pay policy, approved by the board in 2022 is available on our website at **www.implats.co.za**

Gini coefficients*

	Implats	Mining	National
2021	0.267	0.417	0.437
2022	0.260	0.470	0.437

Palma ratios**

	Implats	Mining	National
2021	1.082	1.993	2.245
2022	1.053	1.799	2.385

* *Gini coefficient is a measure of income distribution. It ranges from 0 to 1, where 0 represents completely egalitarian income distribution and 1 represents extreme inequality.*

** *The Palma ratio provides a ratio of the TR of the top 10% earners of the Company compared to the TR of the bottom 40% earners of the Company.*

Our remuneration policy and its alignment with Group strategy

Group performance and achievement of the operational strategies is supported by the remuneration policy, which, in addition to baseline targets, includes stretch targets to incentivise above-target performance and threshold levels of performance at which no variable incentives are paid. KPIs are set taking into account Group and individual performance, linking remuneration to the well-being of the Group while supporting individual performance.

There are clear links to corporate strategy and the operational strategies, which are cascaded throughout the Group to the operational level, aligning the remuneration policy and performance criteria with the material interests and performance evaluation criteria of the providers of capital and other key stakeholders. These incentives are more heavily weighted towards senior employees, who have the ability to drive and influence the strategic direction of the Group, in order to align performance with the expectations of our shareholders and other providers of capital.

Reward elements and eligibility		Strategic intent	Measurement (bonus/variable pay)
Guaranteed package (GP) • **Eligibility:** All employees	• Commensurate with role • Competitive with peers	• Attract and retain skills and talent • Reward expertise and experience and track record	• Peer market median
Benefits • **Eligibility:** All employees except where specified otherwise	• Includes leave, medical, retirement and travel allowances	• Remain competitive • Advance employee wellness and engagement	• Aligned with needs of employees and executives
Short-term incentives • **Eligibility:** All D-band and above employees, except for D-band employees participating in production bonus schemes			
• **Executive incentive scheme (EIS)**	**Annual short term incentive (STI)** • Threshold/target and stretch (encourages performance in excess of target)	• Aligned to operational business plans • Linked to achievement of corporate strategy and operational objectives	• Targets for the four elements below are set for Group and each of the operating units and approved by the STR operating unit's incentive awards, either up or down based on factors that are regarded as material to the operations. • Group and operational performance is disclosed in part three of the Remuneration report.
• **Production bonuses**		• Reward executives and management for short term performance	• Safety production, unit costs and free cash flow
Medium-term incentives (MTI) • **Eligibility:** Middle management and above	• Links to MTI and LTI • Value based on annual bonus • Vests equally in 12 and 24 months	• Supports the annual business plan over multiple years • Ensure consistent delivery	Linked to value of annual STI: • D and E-Lower MTI equals value of annual STI. • E Upper MTI is 66.6% of annual STI.
Long-term incentives (LTI) • **Eligibility:** Middle management and above. Different instruments are offered to different levels of staff	• Attract, retain and motivate senior employees who can influence medium and long term strategic direction of the Group	**Enhance, retain human and intellectual capital** • Bonus shares: Based on bonus, to focus D-level longer term performance (vesting 12 and 24 months) • Performance shares (PSP): Focus upper e-band and Exco on longer term targets (vesting 36 months) • Matching shares: Focus executives on Group performance by offering one matching share for three shares deferred or held in MSR (six years) • Restricted shares: Encourages executives to defer vesting of PSP, STI or bonus shares to meet six year MSR	• Bonus shares: vest in equal parts over 12 and 24 months. • Performance shares: vest after three years, subject to achievement of corporate performance targets, namely, • 1. Total shareholder return (TSR) (50%) • 2. Return on capital employed (ROCE) (50%)

Remuneration policy changes for FY2022

There have been significant shifts in the global economic and business landscape, and in the Group's strategic objectives. ESG factors and optimisation of the PGM value chain have become central strategic pillars due to their increased focus. These strategic objectives were approved by the board and associated strategic key performance areas were developed and reflected in the Implats balanced scorecard (BSC) and cascaded down to the CEO's personal scorecard and the rest of the Group. This alignment process is critical to ensure that the board-approved strategy is operationalised and achieved.

ESG performance metrics

As a first step to incorporating ESG performance measures into the Group's remuneration structures, the committee has approved the inclusion of Implats performance on the Dow Jones Sustainability Index (DJSI) as an STI parameter acknowledging the importance of sustainability to the Group strategy.

The DJSI provides a benchmarks to investors recognising that sustainable business practices are critical to generating long-term value. The index tracks the performance of companies in terms of economic, environmental, governance and social criteria across 61 different industries. Participation in the DJSI will lead to a significant improvement in our corporate sustainability practices. Rather than focusing on one specific ESG outcome, the DJSI will allow us to assess how we perform against multiple criteria, which include corporate governance; risk and crisis management; climate strategy; mineral waste management; social impacts on communities and code of business conduct. This assessment will also allow us to refine our ESG strategy to ensure alignment with the strategic direction of the Group.

Introduction of a fatality modifier

Our journey to Zero Harm underpins all the work that we do to ensure that safety and the preservation of lives remains a strategic business imperative.

The STR committee considered the recommendation to add a fatality modifier to the safety component of the bonus scheme and approved the introduction thereof into the executive incentive scheme bonus calculation for FY2022 and future years. The fatality modifier would apply in the event of the deterioration of the fatality frequency rate (FFR) by using the three-year average and comparing the fatality frequency rate for the financial year to ascertain whether there has been an improvement or regression and then to apply the modifier.

The fatality frequency rate is directly affected by fatalities, and ongoing improvement of the rate requires a reduction in fatalities and a constant focus on safety.

As indicated in part three of the remuneration report, the deterioration in the Group's FFR for FY2022 contributed to the reduced safety score for the Group and the relevant operating units.

Looking forward – Performance objectives for FY2023

Group strategic objectives	• Exco and the board discuss and determine the strategic objectives of the Group • Specific deliverables and targets are defined which need to be attained.	Refer to the corporate strategic objectives and operational strategies in the Group strategic framework on page 47.
CEO's balanced score card (BSC)	• Board chairperson and Group CEO discuss and agree the CEO's deliverables for the year • Threshold, target and stretch goals are set against which the CEO is measured • Board chairperson reviews CEO's performance at the end of the financial year and allocates annual performance review score.	Refer to the CEO's 2023 BSC below.
Exco members' BSC	• CEO and group executive: people discuss the deliverables required from each of exco member to ensure alignment with the Group objectives • Each exco member cascades individual deliverables to their respective teams.	• The short and medium term business plans and KPIs for the Group are disclosed on pages 52 to 54 • The FY2022 performance of each operation against strategic objectives • Our ESG performance is further articulated on pages 36 to 44 • FY2022 organisational objectives and performance below.
Operations	• All management employees have a BSC with their objectives for the year against which they will be measured.	

CEO – Mr Nico Muller
Balanced scorecard 1 July 2022 – 30 June 2023

Strategic objectives	Key performance area	Key performance indicator	Weighting
Sustainable development Operational excellence Organisational effectiveness Optimal capital structure Competitive asset portfolio Future focus	**ESG**	Embed ESG programmes into business to realise ESG goals	20%
	Strategy	Optimise and strengthen existing PGM business	15%
		Safeguard our PGM business through value enhancing initiatives	35%
	Leadership	Conclude CEO and Group exco succession programme	15%
	Stakeholder engagement	Establish and maintain sound relationships with key stakeholders	15%
	Total		**100%**

CEO performance during FY2022

The CEO's FY2022 annual performance bonus is determined by assessing the performance against Group objectives (weighted at 70%) and his personal performance as measured by his BSC (weighted at 30%). His individual performance was assessed and rated by the board chairperson, and ratified by the board, as 3.9 on the 5-point scale (4.6 for FY2021), which is 145% of the on-target award for the individual portion.

Strategic objectives	KPA	Goal	Weighting	Rating	Weighted ratings
Sustainable development Operational excellence Organisational effectiveness Optimal capital structure Competitive asset portfolio Future focus	**ESG**	Integrate renewable energy sources into the business	20%	4.00	0.80
	Strategy	Optimise and grow our current PGM asset base	30%	4.00	1.20
		Expand our PGM business through asset acquisition	10%	3.50	0.35
		Realise the expanded operating envelope of the Group, as defined in our corporate strategy	10%	3.00	0.30
	Leadership	Develop internal capacity, capability and culture to realise our strategic ambitions and engage key stakeholders	20%	3.75	0.75
	Stakeholder engagement	Establish sound relationships with key stakeholders	10%	5.00	0.50
	Total		**100%**		**3.90**

FY2022 organisational objectives

The Group STI measures for FY2022 and their respective weightings and corresponding operational scores are reflected in the table below:

Objective	Unit	Weight	Actual	Threshold 0%	Target 100%	Maximum 200%	% bonus achieved
Group		100%			Performance	Rating	52
Safety LTIFR	per million man hours	—	4.21	5.65	5.09	4.52	200
Safety fatality rate modifier	%	—	(37)	(30)	–	(30)	(40)
Safety	%	15%					160
DJSI assessment	%	10%	61	48	50	54	200
Mine-to-market 6E ounces in concentrate	koz	35%	2 821	2 753	3 059	3 211	22
Unit costs (working capital and stay-in-business capital)	R/oz 6E	25%	19 428	19 390	17 627	16 746	0
Free cash flow	Rm	15%	28 783	39 425	48 464	53 841	0

Non-executive directors

The role of the board and the non-executive director has become more prominent in recent times, especially following some of the failures and scandals within the corporate and state-owned enterprise environments. Members of the board have a critical role to play in ensuring that appropriate levels of governance and control are maintained in the organisation. The fee structures of the board and committee members therefore ensure the appropriate retention of the right mix of skills and competencies to ensure that the board operates optimally.

Our board supporting innovation

The board supports organisational improvement and performs regular reviews to establish a culture that ensures that innovation strategies, initiatives, goals, plans and objectives are achieved. The significant shifts that will strengthen Implats' foundations and elevate the profile of information technology (IT) within the Group have been identified. These are critical to enabling Implats to effectively leverage technology to drive production and ultimately support the Group to re-imagine mining.

Challenges

OEM mechanisation
Risk/Implication:
Information critical to improving how we operate is only controlled by the OEM

Shadow IT
Risk/Implication:
Risk of duplication of technology capabilities and complexity to support

Best of breed approach
Risk/Implication:
More complexity in the architecture and increased importance of strong integration capabilities

Skills scarcity
Risk/Implication:
We risk running short on the critical skills required to unlock the potential of the technology

Mining outsourcing
Risk/Implication:
No direct control over the technology enablement, but still accountable for what happens on the mine

Opportunities

Process digitisation
Leverage digital forms and workflows to digitise our business
Enabling: Reduction of the excessive amounts of paper in our processes and the manual effort linked to this

Advanced analytics
Leveraging the full analytics spectrum from descriptive (through predictive) to prescriptive
Enabling: More informed decision making

Drone technology
Leverage small unmanned aerial equipment to complete activities more difficult to complete by humans
Enabling: Faster and more accurate completion of imaging, assessments and inspections from the air

Security
Ensure we are secured against cyber-attacks.
Enabling: Continuity of operations and protection of our data and assets

RPA
Leveraging Robotics Process Automation to automate highly repetitive processes across systems
Enabling: Reduced process errors and reduced manual effort

Digital assistants
Leverage Bots that enable us to communicate with our systems through voice or chat
Enabling: A more natural – and in cases hands-free – way to interact

Sensor/Edge tech
Leverage mining automation technology in our equipment or as wearable technology to collect and process data
Enabling: Near real-time insight from our operation

General data protection regulation (GDPR)
Ensure we comply to the GDPR requirements for data protection.
Enabling: More consistent and deliberate management of personal information

Cloud
Leverage cloud technology as both infrastructure-, platform- and software-as-a-service
Enabling: Computing power on tap

Underground connect
Ensuring we have wireless connection pervasive throughout our operations
Enabling: Access to information at the point where it's needed

Our board supporting innovation (continued)

Innovation outlook

Supporting the future

- Sustainable development
- Operational excellence
- Organisational effectiveness
- Optimal capital structure
- Competitive asset portfolio
- Future focus

What innovation offers

Improvements through the value chain.

- Enterprise applications
- Mining execution applications
- End user computing and office productivity
- Storage and hosting
- Applications of insight
- Operating technology (in specific areas)
- Network and communications

Mining and surveillance

Main systems

C[1] | MS[2] | MC[3]

Improvements to

Data-mine	Sable	Deswick
2-3 years	2-3 years	2-3 years

Benefits:

- New software is agile
- Automated
- Improvements on scenario and month rolling mine planning
- Less room for errors and strong internal control

[1] *Cadsmine.*
[2] *MicroStation.*
[3] *MineRP Cad.*

Refining and processing

Main systems

PPMS[4] | EOR[5]

Improvements to

PPMS customisation, added functionality and rollout to all operations	Transform processing data to support business intelligence and create an iterative and predictive process assisting decision making
2-3 years	3-5 years

Benefits:

- Increased accuracy and productivity, automated data capture into other functional systems
- Effective management analysis through optimised data analytics and access to real-time information
- Lower cost due to centralisation of systems and service level agreements leading to better data integrity, transparency, security and good governance

[4] *Aspintech production performance management systems.*
[2] *Enterprise operations reporting systems.*

Finance

Main systems

SAP | SAP BW | SAP Ariba

Improvements to

SAP	SAP BW	SAP Ariba
1-2 years	1-2 years	1-2 years

Benefits:

- Redesigned and standardised process flows based on leading practice
- Performance improvements
- Data compression
- Digitised process flows
- Enhanced cloud access
- Near real time reporting
- Cost savings
- Improved employee and vendor satisfaction

Sustainability and enterprise value

There is growing demand from global capital markets assisting the ISSB for better information about how companies manage sustainability-related matters to enable investors to factor in these risks and opportunities into their assessment of enterprise value.

In response to investor demands for improved disclosure, substantial developments have occurred in sustainability reporting during the current year, including the publishing of the ISSB IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information* and IFRS S2 *Climate-related Disclosures* exposure drafts, as well as the JSE Sustainability and Climate Disclosure Guidance. Implats welcomes the establishment of the International Sustainability Standards Board (ISSB) and supports its stated objectives.

Implats' response

Implats complies with current reporting frameworks. We have included our climate-related considerations and impacts in the basis of preparation of our consolidated annual financial statements, in the estimates and judgements relating to property, plant and equipment and equity-accounted investments tests for impairment, as well as in the valuation of financial instruments.

The Group aims to achieve full compliance with future global sustainability disclosure framework requirements, once finalised. Implats will publish its first supplementary report on climate-related risks and opportunities in line with the recommendations of the Task Force on Climate-related Financial Disclosure (TCFD) early in FY2023.

We have advanced the process of further entrenching sustainability in our daily business practices and strategic decision-making by establishing the Implats sustainability framework (refer page 9), which forms the basis of the Group's ESG commitments and reinforces Implats' purpose, vision and values.

The framework is supported by strategy, business processes, funding, metrics and key performance indicators that are linked to the Group's remuneration structure and policies.

Through the principles of integrated thinking, our practices will culminate in continuously improved sustainability reporting across our suite of reports, to provide decision-useful information to our stakeholders.

Governance

The board is ultimately responsible for the strategic direction of the Group. Oversight of the various ESG themes in the sustainability framework, including the related risks and opportunities, are delegated to the board committees (refer governance chapter) and articulated in their terms of reference. Six of the top ten risks were allocated to the HSE committee and specific sustainability risks (refer appendix B) were identified and monitored by the HSE committee quarterly.

The HSE committee has oversight of the Group's environmental strategy. The committee reviews all Group environmental incidents and performs quarterly reviews of the Group's energy, water, air quality, waste and biodiversity management policies and practices, including any related developments in the regulatory landscape.

The STR committee oversees Implats' social strategy and monitors the Group's activities to ensure that Implats maintains its social licence to operate. The committee has oversight of remuneration practices, which include ESG-related and stakeholder engagement KPIs for the CEO.

Strategy

The sustainability framework contains strategies for the key environmental, social and governance factors impacting the sustainability of the Group (refer page 9).

The HSE and STR committees review the Group's business plans before they are approved by the board and consider the plans' accommodation of the aspirations of the sustainability framework, risk monitoring and management and the impact of newly set KPIs on resource allocation and the use of our capitals in planning for and executing on projects which support sustainability. Refer to the COO review and our ESG report for the Group's planned and approved sustainability-related projects.

The sustainability framework is firmly embedded in the corporate strategy, providing guidance in regards to investments, mergers and acquisitions and growth projects.

Resilience through our IT systems

Our IT and OT systems support our operations to manage, monitor and report on ESG metrics and the associated risks to ensure high levels of data integrity.

Various IT systems are used to manage, monitor and track ESG metrics and KPIs at the different Group operations

All Group functions	Environmental	Governance	Risk management
• SAP document management	• Landfolio	• GRI reporting system	Cura Enterprise risk system
• SharePoint (intranet)	• Geographical information system	• Isometrix (environmental, health, safety and community issues)	
	• Mass balances (water, SO_2, CO_2e, energy, etc.)		
	• Modelling (SO_2, groundwater, meteorological data etc.)		

Risk management

Management provides quarterly risk reports to board committees for review. Four of the current year's top ten Group strategic risks were allocated to the HSE committee, in conjunction with other committees, which report the outcome of their risk oversight deliberations to the board.

The committee is tasked with approving the tolerance levels and reviewing management's mitigating actions on climate-related risks.

Metrics and targets

The Group sustainable development department plays an advisory and facilitation role by engaging with management at the operations and other Group functions, to set and monitor the Group's ESG metrics and targets, which are subsequently reviewed and approved by the Group executive committee (exco), the boards of the subsidiary companies and the Implats board.

A vast number of available ESG metrics were reviewed to identify specific sustainability-related metrics, which are considered to have a material impact on enterprise value, and were identified by means of ESG ratings agencies such as MSCI, Dow Jones Sustainability Indices (DJSI), Sustainalytics and FTSE Russell, who independently gauge Implats' performance against environmental, social and governance risks.

The key metrics deemed material to Implats are listed below:

	Related theme or risk area in Implats' sustainability framework	Outcome – KPI measured[1,2]
Environment	• Water	• Water withdrawn • Water consumed • % of water consumed that is recycled/reused water
	• Climate change	• Scope 1 and Scope 2 carbon emissions • Carbon tax • Energy usage/mix • Spend on building resilience (physical and transitional risks and adaptations) • Capital allocation to decarbonisation programmes
	• Air quality	• Compliance status with AEL • Capital spend related to direct air emissions issues (SO_2 in Zimbabwe) • Air quality license requirements
Social	• Employee and contractor safety and health	• Number and rate of fatalities during reporting period across the organisation • LTIFR • TIFR • NIHL • TB incidence rate • AIDS deaths
	• Employees	• Percentage of active workforce covered under collective bargaining agreements • Pay equality (Gini co-efficient, ratio of lowest paid employee to CEO pay) • Industrial action related disruptions (days lost)
	• Communities	• Palma ratio • Socio-economic development spend • Number of local enterprises incorporated into supply chain • Local community spend and jobs supported • Employee engagement levels, retention, diversity, equity and inclusion

1 *Stakeholders' outcomes on page 36.*
2 *ESG report.*

The governance metrics include executive remuneration (pages 73 to 76), ethics codes of conduct and corporate governance (page 56).

For each of the identified metrics, KPIs were developed, reviewed, approved by the exco and allocated to management, with the consequent management plans incorporated into the business plans.

Group performance

16 Shaft at Impala Rustenburg

In a year typified by macro-economic headwinds and several local challenges, I am pleased to report that Implats strengthened its organisational flexibility, advanced a suite of ambitious growth projects, bedded down an historic wage agreement for the benefit of our employees, contributed to the socio-economic improvement of our mine-host communities and shared significant value with our stakeholders.

Creating a better future through **sustaining industry-leading operational, business and financial performance through the commodity cycle**

Mimosa processing plant

Our continued strong performance is a testament to the Group's agile strategy and our resilient and innovative people.

Nico Muller
CEO

Implats delivered strong EBITDA, earnings and free cash flow in the year ended 30 June 2022, despite lower received rand PGM pricing and sales volumes. This was achieved while navigating the numerous operational challenges of FY2022, including escalating geopolitical conflict and fragmentation, rising inflation, higher input costs, constrained supply chains and labour market tightness at Impala Canada and the impacts of which were compounded by extended safety stoppages, intermittent power supply and periods of community unrest at South African operations.

The progress made on our strategic journey has resulted in a stronger Implats, able to withstand numerous headwinds. The Group ended the period debt free, with a robust balance sheet and well-positioned to explore a range of exciting strategic options to further enhance value delivery for all stakeholders and ensure long-term sustainability for Implats.

Safety

The safety of our employees and contractor workers is our foremost priority. Safe production is non-negotiable and the cornerstone of achieving Implats' commitment to zero harm. The period saw an industry-wide regression in safety performances, a disappointing trend which was mirrored at our own operations.

It is with deep regret that we experienced five fatal incidents which resulted in seven fatalities at our managed operations during the first nine months of the period. The board of directors and management team extend their sincere condolences to the families and friends of our colleagues. Following investigations in each case, we renewed our focus on visible leadership and mining discipline. Heightened safety measures, which were shared across the Group and industry, resulted in a fatality-free final quarter.

Encouragingly, the lost-time injury and all injury frequency rates improved 14% to 4.21, and 1% to 9.76 per million man hours worked following the introduction of more stringent oversight and other targeted safety interventions. By year end, 12 of the Group's 17 operations had achieved millionaire or multi-millionaire status in terms of fatality-free shifts.

The Group is focused on reclaiming the excellent safety performance we demonstrated in the prior year, which saw several historic records reached and earned Implats the MineSafe 2021 Best Safety Performance in the PGM Sector award.

LTIFR (pmmhw)
4.21
14% improvement
2021: 4.92

6E refined
3.09Moz
6% reduction
Challenging operational environment
2021: 3.27Moz

Free cash flow
R28.8bn
Healthy cash flows
2021: R38.3bn

Competitive asset portfolio, underpinned by financial discipline

Implats' purpose is to create a better future. To achieve this, our six strategic focus areas target our actions to create and share value with all our stakeholders over the long term, through the metals we produce, the way we do business and through delivering a superior performance. I am pleased to report that excellent progress was delivered on advancing our stated strategy.

Having a competitive asset portfolio is a strategic advantage we have sought to bolster though operational exposure to shallow, mechanisable, orebodies and developing integrated processing facilities.

We are committed to a five-year, R50 billion capital investment programme to increase beneficiation capacity and extend life-of mine development at several of our operations, and during the year we launched the proposed acquisition of Royal Bafokeng Platinum (RBPlat) to fundamentally transform our remaining exposure to high-cost, labour intensive mining at Impala Rustenburg.

Of this capital investment, R9 billion is earmarked to expand our South African and Zimbabwean smelting and refining facilities. An initial US$521 million will be invested to expand the existing Zimbabwean smelting capacity and construct an SO_2 abatement plant to mitigate air quality impacts. Zimplats has access to hydropower and has also secured a power generation licence for 185MW, with the first phase of a 35MW solar photovoltaic project underway. This will result in an industry-leading environmental footprint for the Zimbabwean smelting facilities. This expansion will accommodate an additional 600 000 6E PGM ounces per annum, which post-smelting will be transported to our South African processing facilities for further refining.

Zimplats' Bimha and Mupani projects are progressing well and remain on schedule to replace the Ngwarati, Rukodzi and Mupfuti mines, on depletion.

Implats will invest another R3.9 billion over five years into improving our South African processing facilities. The bulk of the projects have been approved, including around R500 million to expand treatment capacity by 10% in the medium term at the base metal refinery in Springs. Feasibility studies into further capacity expansions at the South African base and precious metals refineries are well advanced.

These developments will benefit the southern African region's production, reduce the environmental footprint of the Groups' beneficiation capacity and directly increase local beneficiation, positioning the region more competitively as a global mine-to-market PGM producer.
In addition, around R8 billion will be invested across our managed and joint venture South African mining operations over the next few years to extend life-of-mine at producing mines, secure meaningful employment and entrench South Africa's status as a stable and sustainable global PGM producer, to support enduring benefits for all our stakeholders.

The R5.1 billion investment at our Marula operation will increase its life-of-mine by some 17 years and expand capacity by approximately 40 000 6E PGM ounces a year.

In partnership with African Rainbow Minerals, Implats has committed R5.7 billion to construct a new Merensky mine and plant at the Two Rivers operation to expand production. Implats has a 46% stake in Two Rivers, but 100% of the 180 000 ounces of 6E PGM project production will be treated through our smelting and refining facilities.

Together, these projects will increase local beneficiation by approximately 220 000 6E PGM ounces per annum from 2028 onwards. Added to several other life-of-mine extension projects at the Impala Rustenburg operation, we are confident we will sustain and grow total refined supply of 6E PGMs from our southern African assets over the next decade.

The Group also launched the proposed acquisition of RBPlat during the year, with an attractive offer of R90.00 in cash and 0.3 Implats shares per RBPlat share.

At year end the Group held 37.83% in RBPlat and the transaction was still subject to regulatory approval. We believe the proposed transaction is highly compelling – creating sustainable socio-economic benefits for the Rustenburg region and its communities, securing employment, unlocking significant value from the neighbouring operations and contiguous orebodies of Impala Rustenburg and RBPlat, and securing a Western Limb production base to entrench the region's position as the most significant source of global primary PGM production.

The considerable organic and acquisitive growth ambitions outlined above, were made possible by a relentless focus in recent years on an **optimal capital structure**, resulting in our strong and debt-free financial position, and **operational excellence**, which facilitated an industry leading recovery from Covid-related production setbacks.

Our efforts to improve **organisational effectiveness** saw improved stakeholder engagement, and strengthened technical capacity. Successfully securing a historic five-year wage agreement at our Marula and Impala Rustenburg operations at year-end was a welcome development and a testament to our maturing relationships with organised labour and improved engagement processes. The agreement assures employees of increases to all major components of remuneration over the next five years, is in line with mining inflation, and considers inflationary pressures. Importantly, the agreement secures a long period of stability as we progress our growth projects.

Group performance

Implats navigated several operating challenges during the year. Extended safety stoppages, intermittent industrial action and power supply interruptions at Impala Rustenburg had a notable impact on production, while a provincial power outage, ongoing supply-chain and labour availability constraints hampered operational continuity at Impala Canada.

Marula delivered record production in the period and Zimplats sustained production levels despite a complex operating environment and increased project activity.

Tonnes milled and 6E in concentrate production from the Group's managed operations both decreased by 4% with lower reported volumes at Impala Rustenburg and Impala Canada offsetting improved throughput at Marula and Zimplats.

Production volumes at the JV Two Rivers operation were impacted by extended safety stoppages while the JV at Mimosa continued to grapple with a drop in process recoveries. 6E concentrate production from JV operations declined by 2%. Third-party 6E concentrate receipts were lower as the ramp-up of deliveries from new contracts was slower than expected as third-party customers faced a series of operational challenges. In aggregate, total 6E concentrate production of 3.17 million ounces was 4% lower than the previous period.

Group refined 6E production was impacted by the lower concentrate production, compounded by the extended maintenance required on the Number 3 furnace at Impala Rustenburg, and was 6% lower. Refined volumes in the comparative period benefited from increased availability of processing capacity due to the timing of annual processing maintenance.

Inflationary pressures from energy and consumables were compounded by the planned increase in headcount across the Group and the payment of the previously signalled discretionary employee bonus in recognition of the strong financial performance in FY2021. Total cash operating costs increased by 12%, with the impact of lower mined and refined volumes resulting in a 17% increase in unit costs to R17 364 per 6E ounce on a stock-adjusted basis.

Capital expenditure increased by 41% to R9.1 billion as investment accelerated across the mining and processing operations at Impala

Rustenburg and several Group replacement and expansion projects were initiated during the period.

Please refer to our COO review on page 104 for a full review of our project pipeline and the individual performances of our operations.

Implats continued to deliver robust financial results and free cash flow despite lower rand PGM pricing, and ended the period with a strong and flexible balance sheet. Revenue of R118.3 billion decreased 9%, largely due to the decline in sales volumes and lower dollar metal prices. The cost of sales increased 1% to R77.0 billion primarily because of the lower volumes purchased from JVs and third parties and softer rand metal pricing, which were offset by mining inflation of 8.3%. The combination of lower revenue and higher cost of sales reduced gross profit by 23% to R41.3 billion from R53.5 billion in FY2021, and the Group recorded EBITDA of R53.4 billion at an EBITDA margin of 45%.

Mining personnel at Impala Rustenburg

Headline earnings of R32.0 billion or 3 853 cents per share were 12% and 17% lower, respectively. The Implats board approved the declaration of a final dividend of R8.9 billion or 1 050 cents per ordinary share, bringing the total dividend for FY2022 to R13.9 billion or 1 575 cents per ordinary share. Total dividends declared for the financial year amount to circa 48% of free cash flow, which is above the Group's minimum of 30% policy and reflects the robust cash generation during the period – after considering the Group's cash and liquidity obligations under the RBPlat mandatory offer. Please read the full account of our financial performance in the CFO review on page 88.

Market outlook

All three major PGM markets – platinum, palladium, and rhodium – recorded fundamental surpluses in 2021. The combination of accelerated destocking of producer inventories, coupled with the shortfall in expected auto demand due to the worsening semi-conductor chip shortage, resulted in a year characterised by extreme volatility with tight physical markets and price support in the first half of the year countered by increased primary and secondary refined supplies and erratic auto purchasing in the latter months.

2022 has seen several revisions to forecast global PGM demand and supply. The Group's primary supply outlook for 2022 has been downgraded due to the need for extensive processing maintenance at key South African processing facilities and further logistical challenges in North America. The pattern of Russian supply and growth is also clouded by uncertainty, given the geopolitical headwinds and the potential impact of restrictions on routes to market.

From a demand perspective, auto volumes have been downgraded by the lingering impact of supply-chain challenges, the lockdown in China in the first six months of the year and the deteriorating outlook for global growth, in Europe in particular. Industrial demand is expected to soften off the high base of 2021 and a weaker Chinese jewellery market will offset growth elsewhere.

Our supply and demand models reflect updated supply guidance provided with the release of peer group reporting and rolling auto demand revisions. We have lowered our estimates of recycling flows in the medium-term and adjusted for lower growth expectations on industrial demand. Our forecasts indicate tight rhodium and palladium markets and continued surpluses in the platinum market in 2022. Implats' base case remains for muted investor activity in 2022, given the macro-economic headwinds to platinum sentiment and previously accumulated ETF holdings.

In the medium term, supply is expected to drop sharply from the elevated base in 2021 and lag pre-Covid levels, before processing facility maintenance and debottlenecking facilitates a modest recovery in volumes. In 2022, rising interest rates, the rapid escalation in transport costs and weaker-than-expected new-vehicle sales outlooks are likely to dampen recycling volumes once again, delaying the expected growth in secondary supplies into 2023.

Implats benefits from a series of long-term customer relationships and its reputation as a consistent, sustainable and reputable producer of its key products. Conversations with our core customer base continue to reflect increased requests for metal on long-term supply contracts and support our view of robust medium-term demand for platinum, palladium and rhodium. Customer requests reflect growing industrial and automotive uses for platinum while discussions on long-term availability for iridium and ruthenium continue to rise in importance.

Focused on future generations

Our aspiration is to become an industry leader in ESG, producing metals that sustain livelihoods beyond mining and create a better future. The Groups' achievements in **sustainable development** were anchored by a sound environmental and social performance. We prioritise safe, responsible, competitive and consistent operational delivery, while applying industry-leading ESG practices. The period saw us receive several pleasing external rankings by leading global and regional agencies in recognition of our strong ESG management. Read about these in the Chairperson's review on page 12 of this report.

We continued to prioritise stakeholder engagement efforts against the backdrop of high youth unemployment in many of our mine-host communities, union contestation and industrial action among our South African contractor workforce, high expectations leading to acrimonious competition for procurement opportunities from local business groupings and, in Canada, an ongoing critical skills shortage.

During the year, R779 million was spent on sustainable development initiatives in local communities across the Group. In South Africa, R14 million was invested in developing local enterprises and R2.0 billion (or 16% of discretionary spend) was spent with local-tiered suppliers with >25% black ownership. We continued our proactive approach to Covid-19 prevention and treatment, which ensured lower mortality rates relative to those in the regions in which we operate. We have seen a shift from the pandemic phase of the outbreak to an endemic phase, where the virus is managed seasonally.

There were no new cases of noise induced hearing loss, and pulmonary TB and HIV levels were well controlled, with pulmonary TB cases among employees decreasing slightly to 109. At the South African operations, the annualised TB incidence rate of 222 per 100 000 employees remains well below the estimated national average of 615 per 100 000 citizens. The Group's estimated HIV prevalence rate remained level at 23%, with high adherence to HIV treatment at over 95%. Implats' aims to increase uptake of the antiretroviral treatment to eliminate Aids-related deaths among in-service employees by 2025.

The Group's environmental and decarbonisation strategies were implemented, targeting carbon neutrality by 2050. We will also publish our first supplementary report on climate-related risks and opportunities in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).The installation of SO_2 abatement at Zimplats, together with several renewable energy projects, will contribute significantly to a progressive decline in carbon emissions over time.

We invested R1.3 billion in environment-related projects. Implats recorded no major (level 5) or significant (level 4) environmental incidents, achieved a 43% reduction in limited-impact (level 3) environmental incidents to four. Recycled and reused water consumption of 53% exceeding the 48% target, and the Group water policy was finalised. Our total carbon emissions and our energy intensity both decreased by 8%, while 62% of non-mineral waste generated was recycled against a target of 60%. I invite you to read more about our sustainable development strategy, initiatives and progress in our accompanying ESG Report.

Implats' future focused strategy seeks to sustain and grow value by supporting present and future PGM demand, aligning our production to evolving demand, and creating and sustaining strong customer relationships. Along with our investment in AP Ventures, which supports market development for evolving end-uses for PGMs — such as hydrogen technologies, fuel cells and other energy storage — we promote research and development and play a leading role in the industry bodies supporting the PGM investment and jewellery markets.

Outlook and appreciation

We face an immediate future which the International Monetary Fund characterises as gloomy and more uncertain from the macro-economic perspective. This will intensify the socio-economic pressures we face on the ground in our operating jurisdictions. I am, however, encouraged by the progress we have made over the past few years in strengthening the Group, and am confident Implats has a long-term, sustainable future to look forward to. The operational focus in the near-term will be on advancing our exciting organic and acquisitive growth projects across our mine-to-market operations, improving operational stability at Impala Canada, and leveraging enhanced mining flexibility at Impala Rustenburg to deliver further growth.

Implats' current strong positioning is a credit to every employee in the Implats Group and the result of commitment, discipline, a singular focus and clear management. Together, we have created a robust Company, which is at the forefront of integrated PGM production, and is resilient for the long-term. I thank the Implats board for its guidance during the year, and our management team for your leadership. I look forward to building an even stronger Implats in the year ahead.

Nico Muller
Chief executive officer

Ongoing commitment

Implats has a long tradition of leadership in addressing sustainability challenges.

Gross profit	EBITDA	Headline earnings
R41.3bn	R53.4bn	R32.0bn
Gross margin of 35%	EBITDA margin of 45%	R38.53 per share

Lac des Iles at Impala Canada

Implats continued to deliver robust EBITDA, earnings and free cash flow in FY2022 despite lower rand PGM pricing and the need to navigate several operational challenges.

Meroonisha Kerber
Chief financial officer

Implats' strong and flexible balance sheet allowed the Group to pursue value-accretive organic and acquisitive growth, while maintaining its stated commitment to sustainable shareholder returns.

Overview

Implats delivered strong financial results despite facing several operational challenges and ended the financial year with a strong and flexible balance sheet.

As part of our purpose to create a better future through the way we do business, Implats remained committed to creating value for its various stakeholders. This included cash dividends of R14.8 billion paid to shareholders during the year, R12.8 billion taxes and state royalties paid to government and inclusive procurement of R3.2 billion spent on mine community businesses.

Marula's strong operating performance and dividend distributions during the year resulted in the Marula BEE loan being repaid. With the minorities now holding a debt-free shareholding in Marula, their share of the net assets of Marula has been reflected in minority interests and going forward, the full share of future minority dividends will flow to them.

Of the adjusted free cash flow of R29.9 billion generated during the year, R11.5 billion was spent on growth and investment, R13.9 billion was allocated to shareholders through cash dividends and R4.5 billion was retained to strengthen the Group's balance sheet and support the guarantees in place for the Royal Bafokeng Platinum (RBPlat) mandatory offer.

Acquired a 37.83% shareholding in RBPlat for R9.9 billion cash and issue of 33 million Implats shares

Robust free cash flow
R28.8bn
Closing net cash of R26.5 billion

Free cash flow
48%
Allocated to shareholder returns

Final dividend
R10.50 per share
Total FY2022 dividend R15.75 per share

Financial performance

Lower revenue and higher cost of sales reduced gross profit by 23% to R41.3 billion for the year. As a result, the gross profit margin decreased to 35% from 41% in the prior year, while EBITDA of R53.4 billion at an EBITDA margin of 45% was recorded.

Earnings in the prior year were impacted by:
- The reversal of prior impairments of R14.7 billion (pre-tax)
- The R1.5 billion Marula IFRS 2 BEE charge included in other expenses.

Other net expenses decreased by R1.5 billion to R0.4 billion mainly due to the once-off R1.5 billion Marula IFRS 2 BEE charge and the costs associated with the ZAR bond repurchases of R169 million recorded in the prior year, which were partially offset by R97 million of acquisition-related costs on RBPlat incurred during the year.

Following the accelerated repayment of debt and the repurchase and conversion of ZAR convertible bonds during the prior year, net finance costs decreased by R421 million to net finance income of R243 million. Included in finance costs are fees of R170 million incurred on the guarantees provided to the Takeover Regulation Panel (TRP) in terms of the mandatory offer for the remaining RBPlat shares not already held.

		2022 Rm	2021 Rm
Revenue		**118 332**	129 575
Cost of sales		**(77 047)**	(76 120)
Gross profit		**41 285**	53 455
Reversal of impairment		**—**	14 728
Other net expenses		**(439)**	(1 961)
Net finance income/(costs)		**243**	(178)
Net foreign exchange transaction losses		**(161)**	(1 336)
Share of profit of equity-accounted entities		**4 311**	3 212
Profit before tax		**45 239**	67 920
Income tax expense		**(12 100)**	(20 065)
Profit for the year		**33 139**	47 855
GP margin	%	**35**	41
EBITDA		**53 375**	61 442
Headline earnings		**32 028**	36 359
Group unit costs (stock-adjusted)	R/oz 6E	**17 364**	14 840

The net loss on foreign exchange transactions reduced to R0.2 billion from R1.3 billion in the prior year, with the rand closing the period at R16.27/US$ (2021: R14.32/US$).

The share of profit from equity-accounted entities increased by 34%, or R1.1 billion, to R4.3 billion, benefiting from the reversal of unrealised profits in inventory at both Mimosa and Two Rivers, mostly due to lower closing 6E rand prices. The Group also accounted for a maiden earnings contribution of R825 million from its 37.83% shareholding in RBPlat.

The tax charge of R12.1 billion for the year resulted in an effective tax rate of 26.7% (2021: R20.1 billion and 29.5%). The tax charge in the prior year was elevated by the deferred tax charge of R4.1 billion raised on the impairment reversal, while in the current year it was reduced by a deferred tax credit of R0.2 billion following the change in the South African statutory tax rate.

The underlying financial performance is discussed in more detail in the following sections.

Open pit at the Lac des Iles mine, Impala Canada

Revenue

Revenue of R118.3 billion was 9%, or R11.2 billion lower than the prior year:

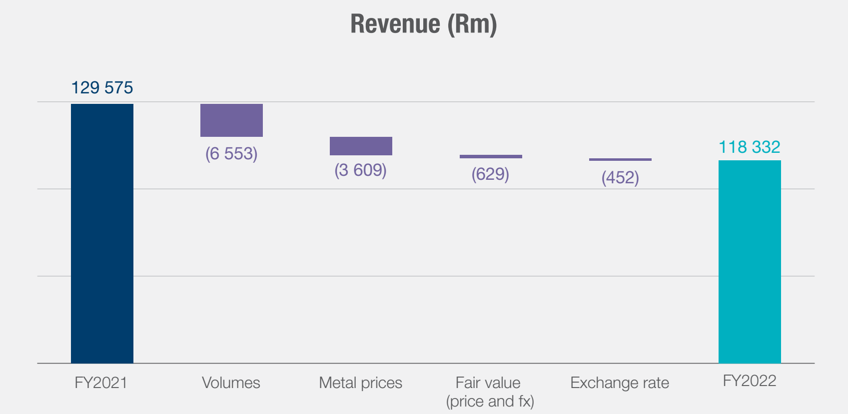
- 6E sales volumes decreased by 4% to 3.15 million ounces, resulting in a 5%, or R6.6 billion, reduction in revenue. Sales were impacted by lower production volumes and extended furnace maintenance, despite the release of refined platinum and palladium inventories. Sales volumes in the prior year benefited from the release of minor PGMs
- Lower dollar metal prices received resulted in a 3% or R3.6 billion reduction in revenue. Weaker achieved palladium, rhodium and platinum prices accounted for a R3.5 billion, R2.9 billion and R0.8 billion decline in revenue, respectively. Stronger pricing for the minor PGMs and base metals helped offset these declines
- The average exchange rate achieved of R15.22/US$ (2021: R15.26/US$) strengthened slightly compared to the prior year, resulting in a further 0.3% or R0.5 billion decrease in revenue.

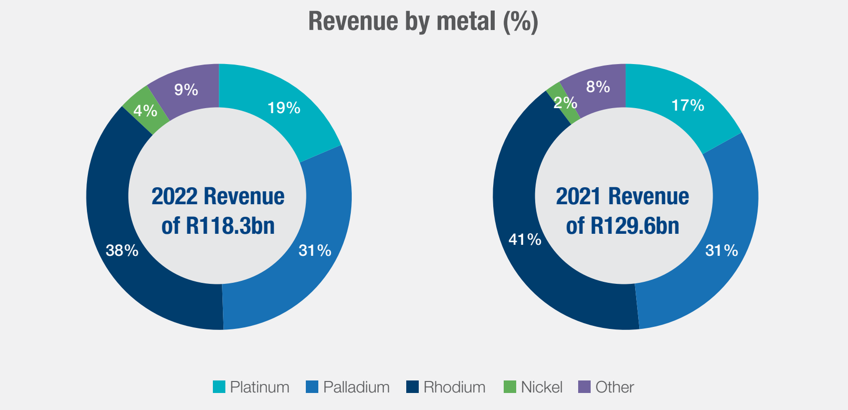
Total dollar revenue per 6E ounce sold benefited from changes in the sales mix, with higher platinum sales and lower ruthenium sales in the period, and declined by 4% to US$2 481 per 6E ounce (2021: US$2 587 per 6E ounce). The rand revenue per 6E ounce sold decreased by 4% to R37 703 (2021: R39 478).

FY2023 outlook

Sales volumes are expected to be in line with estimated refined production. The estimated refined production will be impacted by the scheduled rebuild of the next furnace (refer page 107).

Metals sold during the year	Unit	2022	2021	% Change
Sales volumes achieved				
6E	000 oz	**3 147**	3 274	(3.9)
Platinum	000 oz	**1 493**	1 397	6.9
Palladium	000 oz	**1 088**	1 093	(0.5)
Rhodium	000 oz	**177**	200	(11.4)
Nickel	tonnes	**13 094**	13 111	(0.1)
Average prices achieved				
Platinum	US$/oz	**1 008**	1 043	(3.4)
Palladium	US$/oz	**2 211**	2 419	(8.6)
Rhodium	US$/oz	**16 544**	17 610	(6.1)
Nickel	US$/t	**21 150**	15 621	35.4
Average rate achieved	R/US$	**15.22**	15.26	(0.3)
Revenue per 6E ounce sold	US$/oz	**2 481**	2 587	(4.1)
Revenue per 6E ounce sold	R/oz	**37 703**	39 478	(4.5)





Cost of sales

Cost of sales of R77.0 billion increased by 1% or R0.9 billion for the year, mainly due to increased production costs and a lower credit from movement in metal inventories, offset by a decrease in cost of metals purchased and lower royalty expenses.

Mining inflation of 8.3%, the payment of the once-off discretionary employee bonus and a higher average labour complement resulted in a 12% or R4.2 billion increase in cash costs.

Depreciation increased by 6% to R5.8 billion, with the impact of lower production fully offset by the higher carrying value of Impala Rustenburg's assets following the impairment reversal in the prior year.

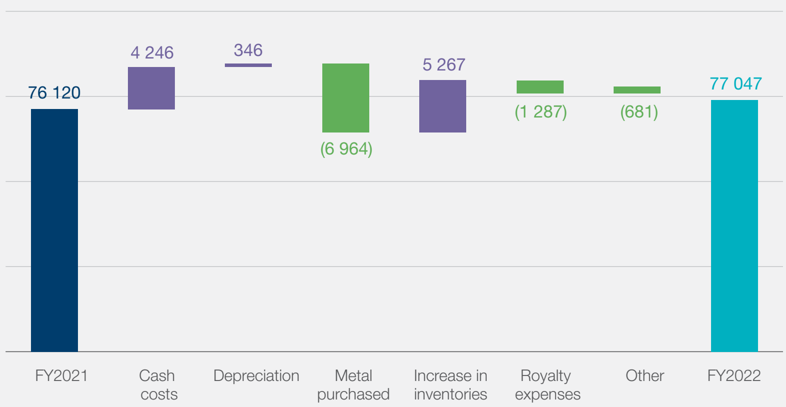
The costs associated with metals purchased decreased by 21%, or R7.0 billion, due to the combination of lower volumes purchased from joint ventures and third parties and softer rand metal pricing. Volumes in the prior year were elevated by the deferred receipt of concentrates accumulated during the Covid-related lockdowns in FY2020.

Royalty expenses decreased by R1.3 billion to R3.5 billion. The impact of lower profitability was partially offset by the R261 million (2021: R178 million) unwinding of the prepaid Royal Bafokeng Nation royalty.

The credit to cost of sales arising from the movement in metal inventories reduced to R0.02 billion from R5.3 billion in the prior year. Lower levels of refined metal inventories were offset by the higher cost of mined production and higher Impala in-process stock levels at the smelter due to the impact of the extended furnace maintenance.

	2022 Rm	2021 Rm	% Change
On-mine operations	**27 607**	24 709	11.7
Processing operations	**8 550**	7 739	10.5
Refining and selling	**2 252**	1 927	16.9
Corporate costs	**1 580**	1 368	15.5
Cash costs	**39 989**	35 743	11.9
Depreciation of operating assets	**5 821**	5 475	6.3
Metals purchased	**26 939**	33 903	(20.5)
Royalty expenses	**3 453**	4 740	(27.2)
Increase in metal inventories	**(21)**	(5 288)	(99.6)
Other	**866**	1 547	(44.0)
Cost of sales	**77 047**	76 120	1.2

Cost of sales (Rm)



Movement in excess 6E in-process inventory

The Group started the financial year with approximately 80 000 ounces of excess 6E in-process inventory comprising 45 000 6E ounces at Zimplats and 35 000 6E ounces at the South African processing operations. In line with expectations, the existing excess inventory was processed by the end of December 2021 due to improved smelting and milling rates, together with lower than planned receipts in the first half of the year. As a result of the unplanned full rebuild of Number 3 furnace during January to May 2022, the Group ended the year with approximately 40 000 ounces excess 6E in-process inventory. Due to the planned full rebuild of Number 4 furnace in H2 FY2023, the excess in-process inventory is likely to increase further as a result of the constrained furnace capacity.

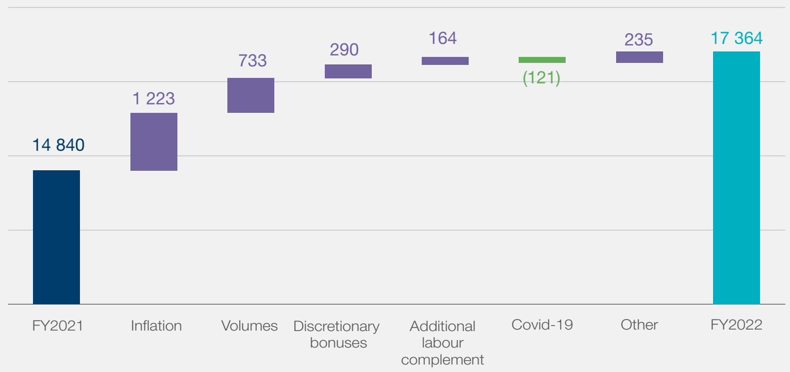
Employees, government and mine-host communities are essential to maintaining our legal and social licence to operate, as illustrated in the respective proportions of labour and royalties in our cost of sales, and their impact on net profit. Implats contributes economic value to the government and host communities in South Africa, Zimbabwe and Canada, with taxes paid through the life-cycle of our operations and across our value chain. Our tax contribution and value-added statement are disclosed in the stakeholder outcomes section on page 36.

Stock-adjusted unit costs

Group stock-adjusted unit costs increased by 17% or R2 524 per 6E ounce to R17 364 per 6E ounce:

- Group mining inflation of 8.3% at managed operations contributed R1 223 per 6E ounce to the increase. Inflation in South Africa and Zimbabwe increased to 8.9% (2021: 6.4%) and 5.4% (2021: 1.9%) respectively in the current year. Inflation at Impala Canada was exacerbated by retention and recruitment initiatives and exposure to energy pricing, resulting in Canadian inflation increasing to 8.5% from the 2.3% recorded in the prior year
- Tonnes milled at managed operations declined by 4% from the prior year while gross refined 6E PGM volumes declined by 6%. These lower production volumes accounted for R733 per 6E ounce, or 5% of the recorded unit cost increase
- The 5% increase in average working cost employee numbers at managed operations accounted for R164 per 6E ounce, or 1% of the stock-adjusted unit costs increase, while the discretionary employee bonus contributed R290 per 6E ounce, or 2%, to the recorded increase.

Stock-adjusted unit costs (R/oz 6E)



FY2023 outlook

	Unit	2022	2023 Outlook
Refined production	6E koz	**3 087**	3 000 – 3 150
Concentrate production	6E koz	**3 171**	3 100 – 3 300
Group stock-adjusted unit costs	R/oz 6E	**17 364**	18 200 – 19 200
Exchange rate assumptions	R/US$	**15.22**	16.00
	C$/US$	**1.27**	1.26

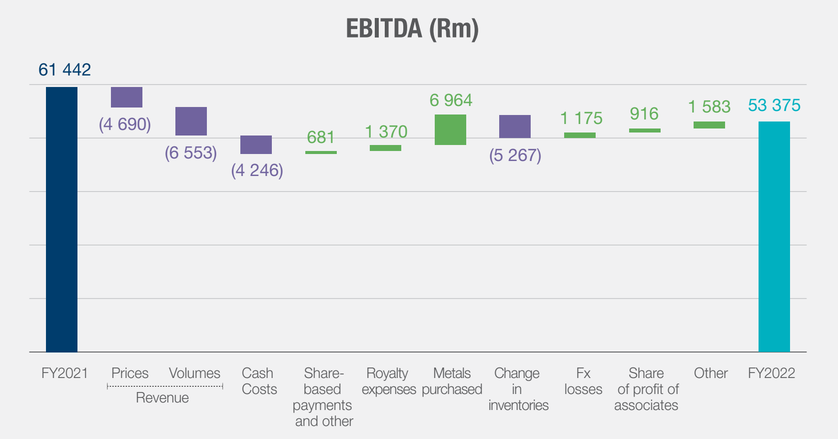
We are expecting inflationary pressures, particularly on consumables and utilities, to persist in the year ahead, thus impacting on our unit cost guidance for FY2023.

Mine-to-market concentrate volumes in FY2023 will be supported by growth from Zimplats and Two Rivers and the expected improvement in operating momentum at Impala Rustenburg and Impala Canada. The conclusion of two contracts at IRS will result in lower third-party receipts. Group 6E refined production is expected to be impacted by the scheduled rebuild of the next furnace during the year. Group unit costs are forecast to rise by between 5% and 11% per 6E ounce on a stock-adjusted basis.

EBITDA

The Group delivered earnings before interest, tax, depreciation and amortisation (EBITDA) of R53.4 billion at an EBITDA margin of 45% (2021: R61.4 billion EBITDA and 47% EBITDA margin). This includes the Group's portion of the EBITDA adjustments on equity-accounted entities.

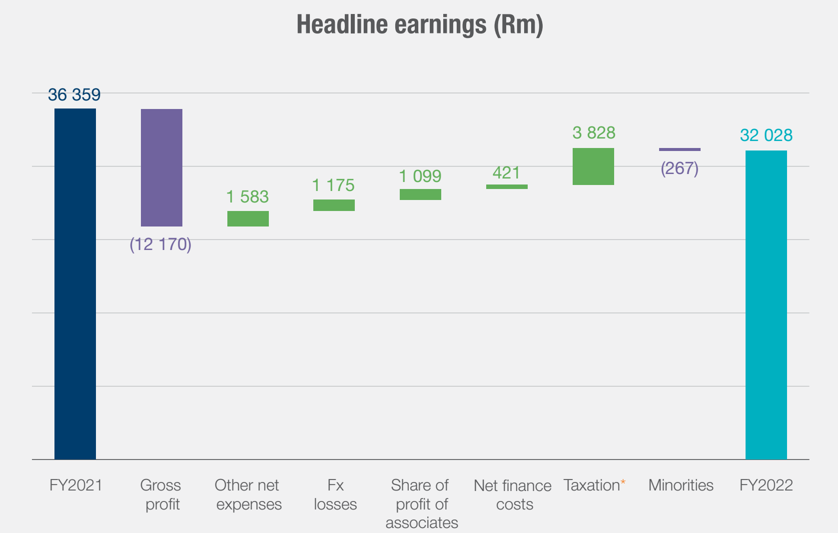
The decrease in profitability as a result of lower revenue and higher cash costs was partially offset by the reduction in the cost of metals purchased, royalties and foreign exchange losses.



Headline earnings

Headline earnings reduced by R4.3 billion to R32.0 billion, resulting in headline earnings per share of R38.53 (2021: R46.35). The effect of the R12.2 billion decrease in gross profit was partially offset by a reduction in taxes (R3.8 billion including tax effects of headline earnings adjustments), net foreign exchange transaction losses (R1.2 billion) and the increase in the share of profits of equity-accounted entities (R1.1 billion).

The weighted average number of shares in issue increased to 831.25 million from 784.43 million in the prior year. Implats issued 32.95 million shares, with a fair value of R6.5 billion, in part consideration for the 37.83% shareholding acquired in RBPlat.



* Includes the tax effects of the headline earnings adjustments.

Key financial risks

The Group's normal day-to-day activities expose it to a variety of financial risks, market risk, credit risk and liquidity risk. Market risk also includes currency risk, fair value and cash flow interest rate risk and price risk.

Implats has a formal financial risk management framework, and management actively and continuously monitors and reports on compliance.

For further information on Implats' financial risk management, refer to note 33.2 of the consolidated financial statements for the year ended 30 June 2022, pages 84 to 91.

Currency or exchange rate risk due to the continued devaluation of the Zimbabwean dollar remains a concern and is ranked fourth in the Group's top 10 strategic risks. Both Zimplats and Group management closely monitor the environment and continuously consider mitigating actions. The effectiveness of Implats' response is heavily reliant on proactive engagement with authorities as a key stakeholder. The impact, mitigation and long-term strategy are discussed in more detail in appendix A and B.

Financial position

Implats ended the financial year with a strong and flexible balance sheet.

Non-current assets increased by R26.1 billion due to increased capital expenditure, acquisition of the 37.83% shareholding in RBPlat and translation gains due to the weakening of the rand.

Net working capital increased during the year. The increase in metal inventories from the higher smelter in-process inventories due to the Number 3 furnace rebuild and higher production costs was partially offset by the decrease in the cost of metals purchased and lower refined metal inventories. Lower rand metal prices contributed to the decrease in trade receivables and trade payables.

Non-controlling interests increased by R1.7 billion due to the recognition of the minorities in Marula following the repayment of their BEE loans and the minority share of Zimplats profit for the year after accounting for the dividends received by them.

	2022 Rm	2021 Rm
Assets		
Property, plant and equipment	**64 513**	57 709
Investments in equity-accounted entities	**26 804**	7 748
Other non-current assets	**4 590**	4 346
Non-current assets	**95 907**	69 803
Inventories	**23 899**	22 711
Trade and other receivables	**6 209**	7 308
Cash and cash equivalents	**26 505**	23 474
Other current assets	**3 567**	3 179
Current assets	**60 180**	56 672
Total assets	**156 087**	126 475
Equity		
Equity attributed to owners of the Company	**114 697**	87 829
Non-controlling interests	**4 594**	2 847
Total equity	**119 291**	90 676
Liabilities		
Deferred tax	**16 795**	14 405
Other non-current liabilities	**3 414**	3 601
Non-current liabilities	**20 209**	18 006
Trade and other payables	**15 428**	16 190
Other current liabilities	**1 159**	1 603
Current liabilities	**16 587**	17 793
Total equity and liabilities	**156 087**	126 475

Cash flow and net cash position

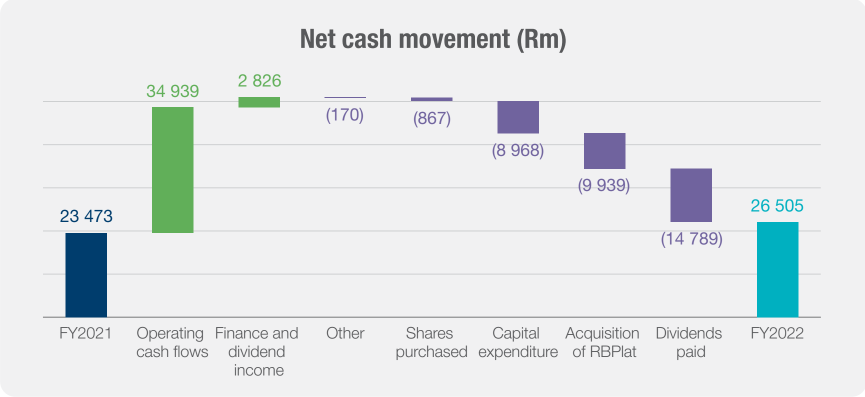
The Group remained debt free and ended the year with net cash (excluding finance leases of R1.2 billion) of R26.5 billion, an increase of R3.0 billion compared to the R23.5 billion at the end of the prior year.

At 30 June 2022, cash of R19.4 billion was held by South African operations, R6.1 billion was held by Zimplats and R1.0 billion was held by Impala Canada. At year-end, Zimplats only had R7 million in ZWL, with the remaining cash held in US dollars.

The Group generated R34.9 billion from operating activities for the year. The 16%, or R6.9 billion decrease was due primarily to lower sales volumes delivered into weaker average rand pricing.

During the year, the Group:
- Paid R9.9 billion cash to acquire 37.83% shareholding in RBPlat
- Incurred capital expenditure of R9.0 billion (2021: R6.3 billion)
- Received dividends of R2.1 billion from its equity-accounted investments (2021: R1.8 billion), including R551 million from RBPlat.

Dividend payments of R14.4 billion and R0.4 billion were made to Implats shareholders and Zimplats minorities, respectively. In addition, the Group paid R0.9 billion to acquire 5.07 million shares for the Implats share incentive schemes (2021: R1.6 billion and 9.5 million shares).



Capital expenditure

Capital expenditure increased by 41% to R9.1 billion (2021: R6.4 billion). Capital expenditure in the prior year was constrained by Covid-19-related factors.

Capital expenditure at Impala increased by 35% to R3.4 billion. Stay-in-business expenditure at Impala Rustenburg increased by 38% to R3.1 billion due to investment in several mining and processing projects, to improve asset and infrastructure integrity. R796 million (2021: R224 million) of the total capital expenditure incurred was invested in the Rustenburg smelters and the base and precious metal refineries in Springs.

Capital expenditure at Zimplats increased to R4.1 billion from R2.5 billion in the prior year due to increased spend on the Mupfuti Mine replacement project, housing development, the third concentrator plant and the new smelter. During the year, the board approved the construction of a 38MW furnace and SO_2 abatement plant for US$521 million.

Capital expenditure at Impala Canada increased to R1.3 billion from R1.1 billion in the prior year and was incurred mostly on developing the underground expansion project, the tailings storage facility, the mill decoupling project and strengthening critical infrastructure at Lac des Iles.

	2022 Rm	2021 Rm	% Change
Total capital expenditure			
Stay in business	**6 318**	4 865	29.9
Replacement	**1 413**	1 288	9.7
Expansion	**1 350**	284	375.4
	9 081	6 437	41.1

FY2023 outlook

	Unit	2022	2023 Outlook
Group capital expenditure	Rm	**9 081**	11 500 – 12 500
Exchange rate assumptions	R/US$	**15.22**	16.00
	C$/US$	**1.27**	1.26

The capital expenditure guidance for FY2023 reflects the increased investment in processing assets at both Zimplats and South African operations in the next year. Group capital expenditure is forecast inclusive of growth capital of between R2.9 and R3.3 billion.

Impact of climate change metric on enterprise value

In support of Implats' ESG framework and its long-term goal to increase the contributions to the UN SDGs, Implats currently holds R1.4 billion in rehabilitation investments, also has provided R2.3 billion for its environmental rehabilitation liabilities and has issued R2.6 billion guarantees. Specific key projects are planned over the next five years to ensure each operation has access to renewable energy. This will assist in the Group's efforts to combat climate change and strengthen energy security. Refer to the chief operating officer's review on page 104 for more detail on these key projects.

Strategic focus

Maintaining an optimal capital structure is one of the strategic objectives to deliver on Implats' value-focused strategy. The balance sheet is strong, with substantial cash reserves and funding flexibility to pursue its strategic objectives. The Group is well positioned to continue to deliver meaningful shareholder returns whilst funding the sustainable and efficient growth of its asset base.

Reflecting on FY2022 key performance indicators

Capital management

The two focus areas for the year were to create and maintain an effective capital structure and an effective capital allocation strategy. Refer to the Group performance against KPIs/targets on page 48 for more detail.

Capital structure and liquidity

- Net cash, excluding leases, increased from R23.5 billion to R26.5 billion
- Liquidity headroom increased from R30.9 billion to R34.5 billion
- Declared and paid an interim dividend of R4.6 billion
- Declared a final dividend of R8.9 billion.

Strategic focus continued

The Group provided guarantees of R16.8 billion to the TRP in terms of the mandatory offer for the remaining 62.17% in RBPlat at year-end. The mandatory offer included a liquidity covenant to fully cover the quantum of the guarantee. Subsequent to year-end, the guarantees were reduced to R16.2 billion in line with outstanding shares in RBPlat subject to the offer.

With the undrawn committed revolving credit facility of R6 billion and US$125 million in place, liquidity headroom increased by R3.6 billion to R34.5 billion at the end of June 2022.

Capital allocation strategy

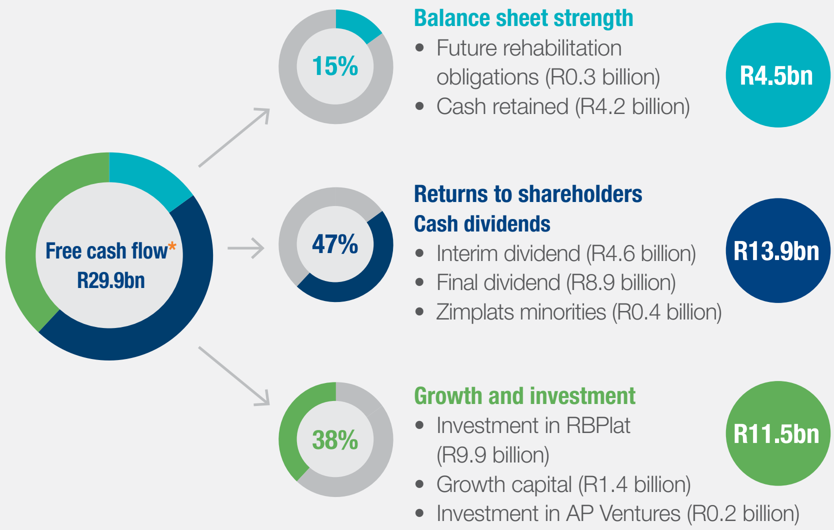
The Group generated free cash flow of R28.8 billion during the year. After adjusting for the R0.9 billion incurred on the purchase of Implats shares to settle the share scheme liabilities, a gain of R559 million on the translation of our offshore cash to year-end closing rates, and R1.4 billion incurred on growth capital, adjusted free cash flow of R29.9 billion was available for capital allocation by the board.

Of this adjusted free cash flow, 38% was allocated to growth and investments by:
- Funding the cash consideration for the Group's 37.83% investment in RBPlat
- Investing R1.4 billion in growth projects at our processing operations
- Contributing R0.2 billion to AP Ventures.

After considering the Group's cash and liquidity obligations under the RBPlat mandatory offer, R13.9 billion or 47% of the available free cash was allocated to shareholder returns in the form of interim and final cash dividends. This was well above the 30% minimum dividend policy and reflects the strong cash generation during the financial year and the board's commitment to prioritising shareholder returns.

The remaining free cash flow of R0.3 billion was used to fund the Group's long-term rehabilitation obligations, and R4.2 billion was retained to meet the Group's liquidity requirements in terms of the TRP guarantees and fund its potential obligations under the RBPlat mandatory offer.

Cash from operations of	**R46.0bn**
Other net income	R2.8bn inflow
Interest paid	R0.4bn outflow
Taxes paid	R10.6bn outflow
CAPEX	R9.0bn outflow
Free cash flow of	**R28.8bn**
Non-discretionary outflows*	R0.3bn outflow
Add back: Growth capital	R1.4bn inflow
Adjusted free cash flow of	**R29.9bn**



* *Free cash flow adjusted for outflows relating to growth capital, foreign exchange translation adjustments on cash and cost of purchasing shares for Implats shares incentive schemes.*

Significant post-balance sheet events

Shareholding in RBPlat

As disclosed in the consolidated financial statements for the year ended 30 June 2022, 1 612 308 RBPlat shares were acquired after year-end for a total consideration of R145 million paid in cash and the issue of 438 692 Implats shares. Since 30 August 2022, Implats acquired a further 6 095 952 RBPlat shares, comprising R549 million in cash and 1 828 785 Implats shares issued. Subsequent to year-end, Implats' shareholding in RBPlat increased to approximately 40.49%.

Acknowledgment

Lastly, I extend my gratitude to the dedicated finance team for supporting the business through the operational challenges faced in an ever-changing landscape while maintaining overall high standards of governance, compliance and financial reporting.

Meroonisha Kerber
Chief financial officer

MRMR statement at a glance

This section is an extract of Implats' Mineral Resource and Mineral Reserve statement (the report).

The Mineral Resource and Mineral Reserve statement as at 30 June 2022 reflects the benefit of the positive long-term pricing outlook for the significant PGMs and capital investments in material projects in the period under review.

In addition to the Two Rivers Merensky project which was approved in 2021, two additional mining projects were approved during FY2022 – the Marula Phase II UG2 project and the North Hill project at Mimosa. These projects result in a significant increase in the Mineral Reserve position at both operations and have a significant positive impact at a Group portfolio level.

Implats has elected not to account for the secured proportion of RBPlat in this declaration and this shall be included in the FY2023 declaration.

The Group Mineral Resource estimate decreased by 8.7Moz 6E on an attributable basis to 268.6Moz 6E, while the Group Mineral Reserve estimate increased by 2.3Moz 6E on an attributable basis to 55.7Moz 6E.

Greenfields exploration activities remain dormant at the South African and Zimbabwean operations, with some activity undertaken by Impala Canada in the Ontario province. Shaft sinking activities at Impala Rustenburg's 17 and Afplats' Leeuwkop Shafts remain suspended.

Mineral Resources and Mineral Reserves headline numbers

Combined estimates at 30 June 2022 show a stable inventory with a 3.1% reduction in the Mineral Resource estimates and a substantial increase in the Mineral Reserve estimates.

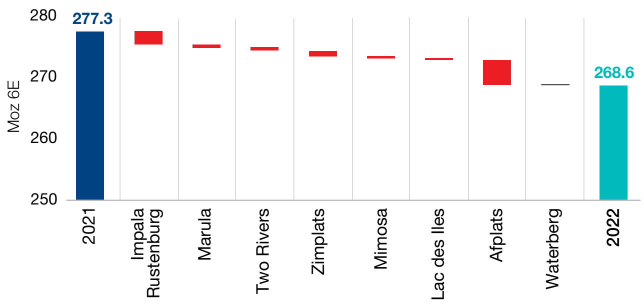
Attributable estimates*		2022	2021	2020	2019	2018
Mineral Resources	Moz Pt	**128.2**	132.3	132.4	131.6	133.8
	Moz Pd	**87.7**	90.2	89.9	81.5	83.0
	Moz 3E	**227.7**	234.4	233.9	228.0	228.0
	Moz 4E	**242.4**	249.7	249.1	239.5	243.9
	Moz 6E	**268.6**	277.3	277.1	268.3	273.2
	Mt	**1 834.6**	1 885.9	1 818.8	1 710.1	1 740.7
Mineral Reserves	Moz Pt	**25.5**	24.6	21.8	21.2	21.2
	Moz Pd	**19.7**	18.8	17.3	14.7	14.4
	Moz 3E	**47.8**	46.0	41.2	38.0	37.5
	Moz 4E	**50.7**	48.7	43.6	40.3	40.0
	Moz 6E	**55.7**	53.4	47.8	44.3	44.2
	Mt	**528.2**	512.4	419.7	370.7	365.5

* *Mineral Resource estimates are inclusive of Mineral Reserves.*

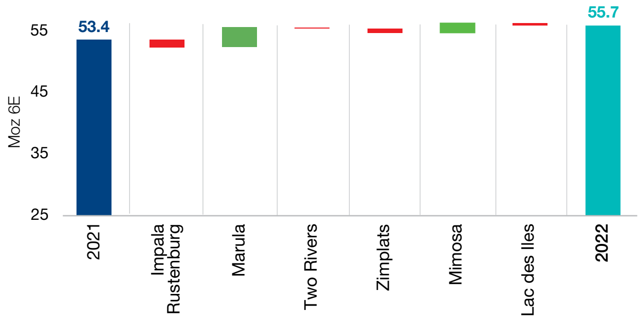
Overall, the Group Mineral Resource estimate decreased by 8.7Moz 6E on an attributable basis to 268.6Moz 6E. Zimplats accounts for 37% of the Group's Mineral Resource base, while Impala Rustenburg accounts for 33% and the balance of 30% comprises Marula, Mimosa, Two Rivers, Lac des Iles, Waterberg and Afplats. RBPlat is excluded from this declaration, pending conclusion of the transaction.

Overall, the Group Mineral Reserve estimate increased by 2.3Moz 6E on an attributable basis to 55.7Moz 6E. Zimplats accounts for 39% of the attributable 6E Mineral Reserve estimate base, while Impala Rustenburg accounts for 30%. RBPlat is excluded from this declaration, pending conclusion of the transaction.

Attributable Mineral Resource estimate
as at 30 June 2022 (variance Moz 6E)



Attributable Mineral Reserve estimate
as at 30 June 2022 (variance Moz 6E)



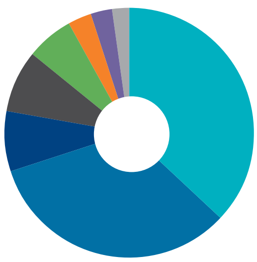
Mining method by Mineral Reserves

	FY2022	FY2021
Mechanised	61%	63%
Hybrid	9%	4%
Conventional	30%	34%

Geographic split of Mineral Reserves

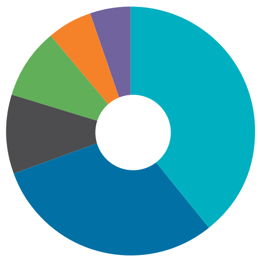
	Pt	Pd	Rh	OPGM
South Africa	52%	40%	66%	56%
Zimbabwe	47%	48%	34%	41%
Canada	1%	12%	0%	3%

Attributable Mineral Resource estimate of 268.6Moz 6E
as at 30 June 2022 (%)



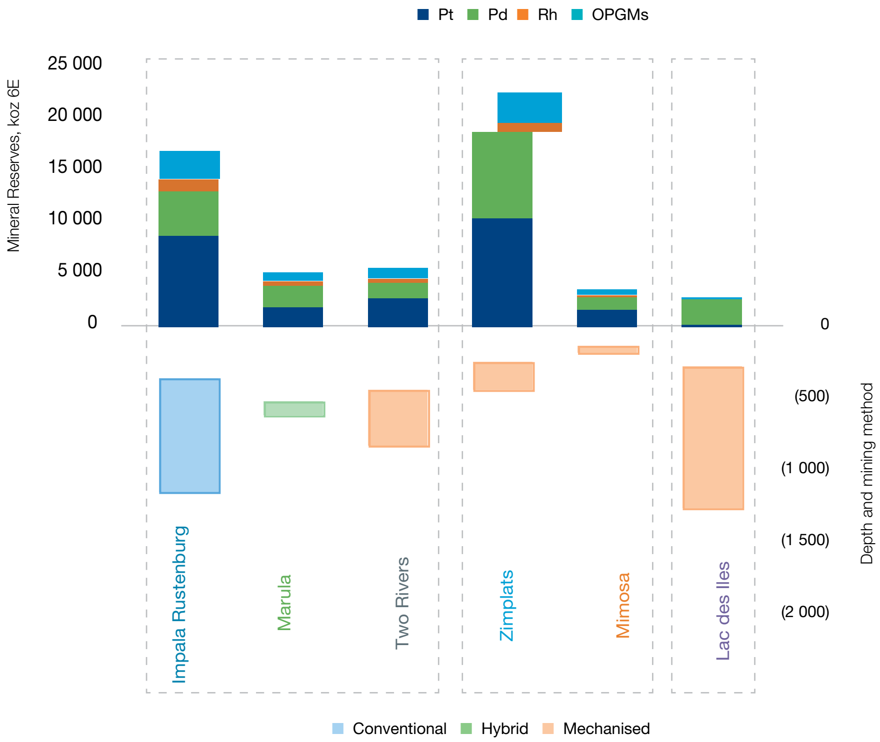
	2022	2021
Zimplats	37%	37%
Impala Rustenburg	33%	32%
Afplats	8%	9%
Two Rivers	8%	8%
Marula	6%	6%
Mimosa	3%	3%
Lac des Iles	3%	3%
Waterberg	2%	2%

Attributable Mineral Reserve estimate of 55.7Moz 6E
as at 30 June 2022 (%)



	2022	2021
Zimplats	39%	42%
Impala Rustenburg	30%	33%
Two Rivers	10%	11%
Marula	9%	4%
Mimosa	6%	4%
Lac des Iles	5%	6%

Mineral Reserves by asset



Valuation and sensitivities

Implats uses a discounted cash flow model that embodies economic, financial and production estimates in the valuation of mineral assets.

The outputs include net present value, the internal rate of return, annual free cash flow, project payback period and funding requirements. Metal prices and exchange rate forecasts are regularly updated and at 30 June 2022, a real long-term forecast for 6E basket revenue per 6E ounce sold of R23 350 (US$1 579) was used by the Group.

Governance and compliance

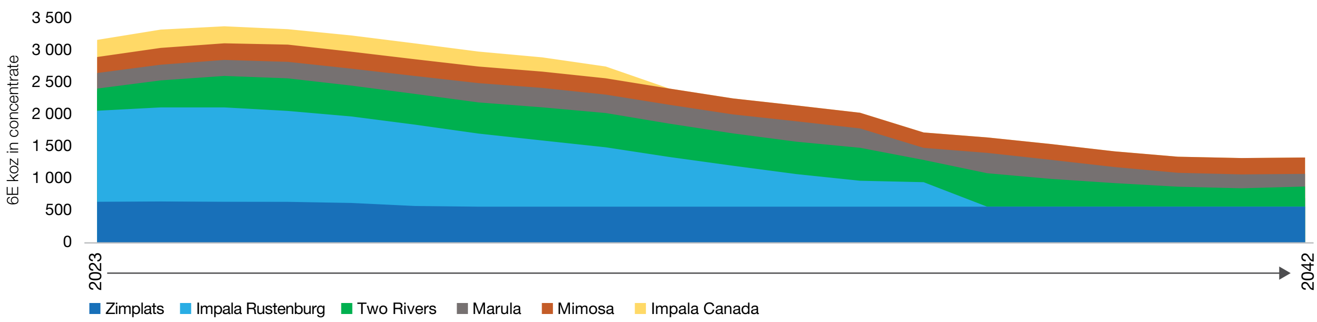
The reporting of Mineral Resources and Mineral Reserves for Implats' South African, Zimbabwean and Canadian operations is undertaken in accordance with the principles and guidelines of the SAMREC Code (2016), including Appendices and Table 1, and Section 12.13 of the JSE Listings Requirements. Additional detail is provided on page 12 of the Mineral Resource and Mineral Reserve Statement.

Group life-of-mine outlook

The graph below shows the consolidated high-level LoM I plans collated from the individual profiles per operation. The profiles represent the Mineral Reserve estimates as at 30 June 2022 and only reflect current infrastructure. The LoM I profiles have all been subjected to economic testing and unprofitable production has been excluded and classified as LoM IA. This is referred to as tail-cutting.

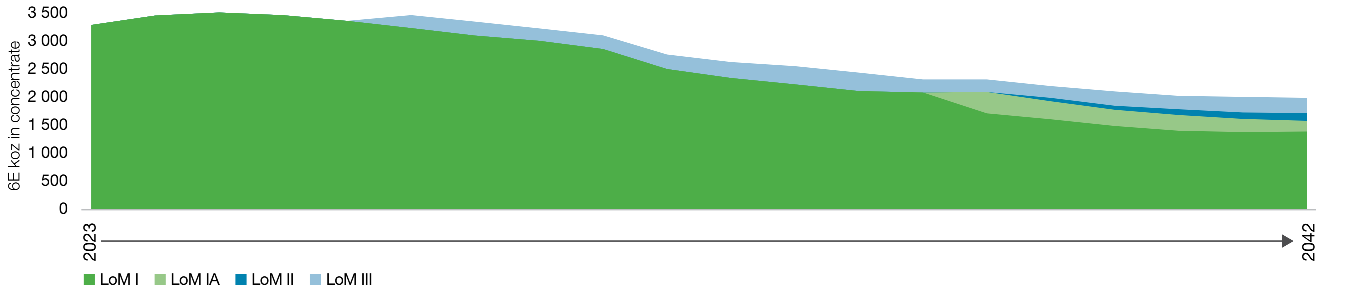
No Inferred Mineral Resources are included in the LoM I and Mineral Reserve estimates, other than minor incidental dilution in isolated cases, which is included at zero grade. At the same time, going forward, Implats is committed to an increased strategic thrust to evaluate LoM scenarios and options to optimise current infrastructure and Mineral Resources. This refers to brownfields opportunities but does not exclude mergers or new acquisitions.

Implats estimated 20-year 6E LoM I ounce profile
as at 30 June 2022



From a combined Group perspective, a proportion of the 20-year plan is still at levels II and III and would require an improved financial outlook, further studies, funding and capital approval by the board. Feasibility studies are continuing at Impala Rustenburg, Two Rivers, Zimplats, Marula and Lac des Iles, Mimosa and the Waterberg project to evaluate future opportunities. During the past year, the LoM I profiles for Marula and Mimosa were extended based on concluded feasibility studies and board approval. The Mimosa Mineral Reserves were expanded with the decision to proceed with the North Hill project while at Marula the Phase II UG2 project was approved. This includes levels 6 to 11 at Clapham and levels 10 to 15 at Driekop.

Implats estimated 20-year 6E LoM ounce profile
as at 30 June 2022



The above LoM graphs exclude RBPlat, which will be accounted for in the year-end FY2023 declaration.

Surface exploration drilling at Impala Rustenburg

Operational performance

16 Shaft personnel at underground waiting place

The focus of the year was on stability, growth and delivery amid a sometimes turbulent operating environment which saw constrained supply chains and labour market tightness at Impala Canada and extended safety stoppages, intermittent power supply and periods of community unrest at South African operations.

11 Shaft at Impala Rustenburg

Creating a better future through **superior performance**

We were pleased to initiate and advance a series of exciting organic projects designed to ensure Implats has a long-term and sustainable future.

Gerhard Potgieter
Chief operating officer

Despite these challenges, the Implats operations collectively delivered a creditable performance and we were pleased to initiate and advance a series of exciting organic projects, which signal a step-change in our ability to invest in long-horizon growth. These projects are designed to ensure Implats has a long-term and sustainable future.

Key projects

Energy security and decarbonisation projects

Over the next five years, R4.3 billion has been allocated to ensuring each operation has renewable energy in the mix, to meet the Group's decarbonisation targets and strengthen energy security. Impala Canada is already 95% powered by renewable hydro power (5% natural gas), and Zimplats' energy mix is 50:50 thermal to renewable hydro power.

Zimplats obtained a 185MW power generation licence, with the first phase of the solar project (35MW, US$37 million) in progress with completion expected in FY2023. This is the first large-scale project towards meeting the Group's short-term (2030) decarbonisation target of a 30% reduction against the 2019 baseline, and it supports Implats' stated ambition of achieving carbon neutrality by 2050.

In addition, several pre-feasibility studies are underway – 33MW of solar plant generation is at feasibility stage at Marula, and pre-feasibility studies were completed at Impala Rustenburg and Impala Refineries – to establish additional renewable energy capacity of around 200MW by 2025, with additional capacity possible. These studies are conducted in parallel to Implats' programme development to purchase electricity from independent power producers.

Zimplats mine replacement and beneficiation projects

In November 2021, the board approved the expansion of existing smelter capacity at Zimplats and the installation of SO_2 abatement to mitigate its air quality impacts, at a total capital vote of US$521 million. Together with the phased solar plant projects, this will result in an industry-leading environmental footprint for the Zimbabwean smelting facilities. The expansion will accommodate an additional 600 000 6E PGM ounces per annum, which post-smelting will be transported to the South African processing facilities for further refining. Advancing in-country beneficiation in future remains a Group aspiration. First matte production from the new 38MW furnace is scheduled for Q3 FY2024, with commissioning of the SO_2 abatement plant expected in Q2 FY2025.

The US$468 million mine replacement projects, focused on upgrading Bimha Mine and developing the new Mupani Mine, progressed well. Full production of 3.1 million tonnes and 3.6 million tonnes per annum remains on schedule for Q1 FY2024 and Q1 FY2028, respectively. Bimha and Mupani will replace the Ngwarati, Rukodzi and Mupfuti mines, on depletion.

6E in concentrate
3.17Moz
(-4%)

Impala (-9%)
Canada (-5%)
Zimplats (0%)
Marula (+12%)

2021: 3.29Moz

Unit cost (stock-adjusted)
R17 364/oz
(+17%)

Canada (+25%)
Impala (+22%)
Zimplats (+10%)
Marula (+9%)

2021: R14 840/oz

Capital
R9.1bn
(+41%)

Zimplats (+68%)
Impala (+35%)
Canada (14%)
Marula (-6%)

2021: R6.4bn

The Phase 3A growth project involves the construction of an initial 0.9 million tonnes per annum module at the third concentrator plant (US$104 million), together with associated additional mining fleet (US$18 million) and infrastructure. The project is on schedule with plant commissioning on track for Q1 FY2023.

In addition, a project to refurbish the Selous Base Metal Refinery in Zimbabwe to nameplate capacity is at the bankable feasibility stage, which is expected to be completed by Q1 FY2023. Post-approval, in-country base metal extraction will be prioritised, with an anticipated three to five year lead time.

Impala Refineries expansion projects

The nature and quantum of ore feeds generating the Group’s PGM production continues to evolve over time, while ounce production is set to increase in line with Implats’ growth and beneficiation strategy – as such, R3.9 billion over five years has been allocated to improving the South African processing facilities. Circa R500 million has been approved to de-bottleneck sections of the base metals refinery in Springs and expand treatment capacity by circa 10% in the medium term to provide room for future growth. In addition, the Group is building a new final metals facility, including three new processing sections and the required utilities and ancillary areas. Feasibility studies into further capacity expansions at the South African base and precious metals refineries are well advanced.

Marula Phase II expansion project

The R5.1 billion Marula Phase II project was approved by the board during the year. It serves to replace production as the current Marula life-of-mine I depletes, and includes a concentrator plant expansion allowing for incremental production growth. The project will deliver a 17-year life-of-mine extension to FY2039, with a circa 20% increase in milling capacity to 2.4 million tonnes per annum. Capital expenditure is planned over six years, with first production scheduled for FY2023 and full capacity expected in FY2028.

Two Rivers Merensky mine, UG2 plant expansion and tailings projects

In partnership with African Rainbow Minerals, Implats has committed R5.7 billion over the next five years to construct a new Merensky mine at the Two Rivers operation. The Merensky mining project was approved in FY2021 and will expand production by circa 180 000 6E ounces, with first concentrate production scheduled in FY2024 and full production planned for FY2025. Initial mining activities to support the creation of a run-of-mine (ROM) stockpile started in February 2022 with mining project completion expected in December 2024. Implats has a 46% stake in Two Rivers, but 100% of the 180 000 ounces of 6E production will be treated through the Group’s smelting and refining facilities.

The 40 000 tonnes per month UG2 plant expansion was commissioned in early H2 FY2022, with mining rates ramping up to maintain higher annualised feed rates to secure increased ounce production. The tailings storage facility (TSF) expansion which facilitates both the UG2 expansion and Merensky project is nearing completion.

Mimosa North Hill project

The US$90 million North Hill project will extend Mimosa’s life-of-mine by circa 10 years to 2044. The feasibility study was completed and presented to the Mimosa board in FY2022 and a Memorandum of Understanding is under discussion with the Zimbabwean government. The project will increase life-of-mine at the current production platform and sustain 227 000 tonnes per month into the existing processing plant. Steady-state production is forecast for 2034. A plant optimisation project underway at Mimosa is aimed at improving process recoveries.

Impala Canada mill decoupling project

A mill decoupling project at Impala Canada was approved in May 2021 and will decouple the SAG mill from the crushing section to optimise the availability of milling capacity, throughput and grind. The combination of equipment change orders, scope changes and inclement weather have compounded supply chain challenges prevalent in Ontario. Project costing has been revised to C$29.3 million and the expected completion date has been deferred by three months to Q2 FY2023.

Royal Bafokeng Platinum (RBPlat) transaction

The Group launched the proposed acquisition of RBPlat in November 2021. The proposed transaction is highly compelling and will unlock significant value from the neighbouring operations and contiguous orebodies of Impala Rustenburg and RBPlat, and secure a Western Limb production base to entrench the region’s position as the most significant source of global primary PGM production.

Operational review

Impala

Impala Rustenburg navigated an increasingly disrupted operational environment in FY2022. Challenges from the socio-economic pressures facing its labour force, communities and municipal, provincial and national administrations resulted in additional complexity. Production was negatively impacted by heightened community contestation, poor service delivery, unprotected industrial action among the contractor workforce and unstable power supply from Eskom. A disappointing and tragic retracement in safety performances also resulted in lengthy mine stoppages. These factors resulted in interruptions to the mining cycle and impacted grade due to changes in ore mix mined, resulting in severely impeded operational momentum during the period. Sequential improvements were delivered in the final quarter of the period as a series of targeted strategies and interventions were scoped and implemented to address the underlying challenges.

Impala’s strategic focus remains on transitioning to a lower-cost and sustainable operation. The team continues to focus on strengthening and optimising the business through investing in mineable face length, enhancing and de-risking critical infrastructure, and progressing a suite of life-of-mine extensions to support sustained production levels in the medium and longer term. Plans to increase capacity across its industry-leading processing assets are being advanced.

Total development declined by 8% in the period, however, mineable face length increased by 2% to 25.8km with improvements at 12,16 and 20 shafts compensating for the closure of 9 Shaft. Tonnes milled decreased by 8% to 9.80 million tonnes and milled grade declined to 3.86g/t due to operational interruptions at high-grade shafts and higher relative production in the lower-grade trackless section which negatively impacted ore mix.

Refined 6E production of 1.14 million ounces was 15% lower than the prior year, due to lower production volumes coupled with reduced available processing capacity flowing from the extended rebuild of Number 3 furnace. This furnace was scheduled for a partial rebuild during Q3 FY2022. However, accelerated wear lead to the decision to undertake a full rebuild

– extending the maintenance period to approximately four months from the previously expected six weeks.

Impala Rustenburg has a progressive shaft closure decommissioning and rehabilitation project in place, with the first phase of the project set to continue throughout 2022 and into 2023. Most of the structural steel has been removed from the 2A and 8 shaft, with demolition of the concrete structures such as buildings, plinths and floors progressing well. The shafts are scheduled to be fully rehabilitated during the year, including the remediation of contaminated surface and/or underground areas.

Impala Refining Services (IRS)

Receipts of 6E matte and concentrate from mine-to-market operations increased by 2% to 1.41 million ounces. Receipts from managed operations at Marula and Zimplats increased by 11% to 878 000 6E ounces, while receipts from Two Rivers and Mimosa declined by 10% to 534 200 ounces. Third-party 6E receipts decreased by 3% to 351 000 ounces as the ramp-up of deliveries from new contracts was slower than expected and certain third-party customers faced operational challenges.

Refined 6E volumes decreased by 1% to 1.72 million ounces, benefiting from a consistent processing performance in H1 FY2022 and the reduction in previously accumulated excess inventory. Sales volumes of 1.75 million 6E ounces decreased by 3% as sales of minor PGMs decreased year-on-year, following the opportunistic destocking of refined inventory into higher pricing in the previous year.

The cash operating costs associated with smelting, refining and marketing IRS production increased 6% to R2.0 billion.

Zimplats

Zimplats continued to deliver consistent results with sustained operating momentum. During the year, capital project activity at the mine increased significantly as the operation focuses on harnessing the inherent mining flexibility and optionality offered by the asset. Project development is concentrated on optimising processing capacity and infrastructure, while simultaneously delivering a step-change in the mine’s carbon footprint and environmental performance. This will position Zimplats as a low-carbon producer of PGMs, entrenching its position as a premier low-cost, capital-efficient, shallow and mechanised asset.

Milled volumes increased by 1% to 6.88 million tonnes as increased milling from the ROM stockpile compensated for lower volumes from Ngwarati (following repairs to the decline access necessitated by the high-wall subsidence in FY2021) and Mupfuti (where equipment availability was negatively affected by a maintenance contractor changeover). 6E concentrate production of 589 000 ounces was flat year-on-year, while matte production increased 1% to 583 000 ounces.

Marula

Cash flows from Marula resulted in the repayment the BEE loans and delivered a stellar operating performance during the year. The mine achieved record production as ongoing stakeholder interventions limited community disruptions and the safety performance improved allowing the operation to reap the full benefit of an improved mining performance.

Milled tonnage improved by 11% to 2.00 million tonnes, while a strong mining performance advanced the ratio of stoping-to-development tonnes, resulting in a 4% increase in the 6E milled head grade to 4.53g/t. Concentrate production increased by 12% to 259 000 6E ounces from 231 000 ounces in FY2021, which had benefited from yield gains from surface sources.

Impala Canada

Impala Canada continued to struggle with a challenging and complex operating environment. The impact of a shortage of critical skills and logistical constraints related to supply chain issues, were compounded by the Omicron wave of the pandemic, which saw the reintroduction and tightening of certain lockdown measures. Several interventions to address staffing constraints and increase operational flexibility and consistency are being implemented.

The operation delivered mill throughput of 3.69 million tonnes, a 6% decline from the previous year. The 4% improvement in head grade to 2.68g/t partially offset lower milled production and yielded 249 000 6E ounces in concentrate.

Two Rivers

Two Rivers faced several operational challenges in a period marked by extended safety stoppages, community interruptions and intermittent power instability. The secondary mill expansion project was commissioned in February 2022 and facilitated higher milled throughput in the period, partially offsetting the impact of operational challenges. Milled volumes improved by 5% to 3.46 million tonnes, despite the impact of an extended safety stoppage early in the period. These volume gains were offset by a 6% lower milled grade of 3.22g/t 6E, impacted by both the split reef and the milling of ore stockpiles to offset the production impact of safety stoppages. As a result, 6E concentrate volumes increased by 1% to 303 000 6E ounces.

Mimosa

Mimosa operated well in the period. However, the operation was hampered by processing instability due to a change in reagent suppliers because of global supply chain constraints, intermittent power interruptions and poor water quality, which together led to low process recoveries and negatively impacted reported metal production.

Milled volumes declined by 2% to 2.82 million tonnes, while milled grade was marginally lower at 3.82g/t. As a consequence of the processing challenges, volumes of 6E concentrate decreased 6% to 246 000 ounces. Ongoing work to improve plant performance yielded recovery benefits towards year-end.

Outlook and appreciation

The operational focus for FY2023 is to re-establish positive operational momentum at Impala Canada and Rustenburg, ramp-up installed milling capacity at Zimplats and Two Rivers, and advance our significant suite of life-of-mine extension and growth projects across our mining and processing assets.

Implats’ strong position is testament to our increasing strategic and operating agility and the significant capabilities of our resilient and innovative people. I extend my sincere appreciation to our management and operating teams across the Group and look forward to working together to build on the strong foundation we have developed over the last few years.

To give effect to the Group’s longer-term strategy, which seeks to evolve with the world in which we operate, we have increased our internal capacity to explore and understand the potential associated with new business opportunities and the transition to alternative future-facing high value commodities.

Gerhard Potgieter
Chief operating officer

Impala

About Impala

Impala, Implats' 96%-owned primary operational unit, has mining operations situated on the Western Limb of the world-renowned Bushveld Complex near Rustenburg in South Africa. This operation comprises a 9-shaft mining complex and concentrating and smelting plants. The base and precious metal refineries are situated in Springs, east of Johannesburg.

Value chain

Exploring | Mining | Concentrating | Smelting | Refining | Marketing | Rehabilitation

Strategic focus

Impala remains focused on securing a lower-cost and sustainable mining operation through a focus on safety, operational excellence, resilience and flexibility and constructive and collaborative relationships with stakeholders.

Outlook

Impala is expected to produce between 1.175 million and 1.275 million ounces of 6E concentrate in FY2023. Spend on ore reserve development and projects at the smelters and refineries will require capital expenditure of between R3.7 billion and R4.6 billion. Unit costs will be between R21 300 and R22 600 per 6E stock adjusted ounce.

Links

An overview of operational performance is available in the COO's review. Detailed performance commentary is available on page 11 in the FY2022 annual results announcement, while performance metrics are available on page 80 in FY2022 key operational statistics. Mineral Reserve and Resource details are available on page 32 in the FY2022 Mineral Reserve and Mineral Resource statement. Sustainable development information is available in the FY2022 ESG report.

Value drivers

- Higher rand PGM basket price
- Improved mineable face length
- Life-of-mine extension projects approved at 11 and 12 shafts and further studies in progress across Impala Rustenburg
- Improved relations with key stakeholders
- Enhanced decarbonisation efforts
- Safer working environment improves productivity
- Increased future capacity to process PGM matte

Key statistics

Mineral Resources
91.5Moz 6E

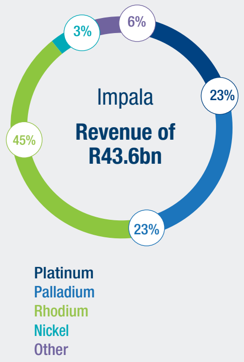
Mineral Reserves
17.2Moz 6E

Life-of-mine
16 years

Number of employees
43 389

EBITDA
R19 283m

Gross margin
36%



Risks	Risk controls, mitigation and opportunities
Increased social unrest due to deteriorating socio-economic conditions	• Joint strategic job creation initiatives with the Royal Bafokeng Nation • Enhance stakeholder engagement processes, specifically with employees, unions and host communities
Reduced productivity due to poor workforce discipline and workplace culture	• Enforcement of disciplinary codes and sustained positive management communication • Promotion of safety awareness and introduction of new bonus scheme
Failure to meet financial targets due to rising inflation and its impact on operating costs	• Contract approval framework implemented to manage contractors • Monitoring of contract commodity pricing • Increased stock levels maintained on high-risk store items
Key infrastructure failure at the refineries	• Prudent investment in an optimal processing facility expansion

Value added statement[1]

Prepared on a headline earnings basis	FY2022 Rm	FY2021 Rm
Revenue	**43 551**	51 393
Other net income/(expense)	**533**	(1 566)
Gross value generated	**44 084**	49 827
Depreciation	**(2 840)**	(2 480)
Deferred tax	**(59)**	(710)
	41 185	46 637
Distribution of value		
Labour and other	**(14 534)**	(13 539)
Cost of sales – other[2]	**(9 093)**	(7 849)
Finance costs	**(124)**	(161)
State royalties	**(1 512)**	(2 331)
Direct state taxes	**(4 470)**	(5 443)
Dividends paid to shareholders	**(3 429)**	–
Value retained in the business	**(8 023)**	(17 314)

[1] *The prior year amounts were restated to align their basis of preparation with those of the operating segments disclosed in note 1 of the consolidated Group annual financial statements. The value added statements were previously prepared on a separate financial statements basis.*
[2] *Includes R663 million (FY2021: R926 million) non-state royalty expenses.*

Stakeholder material matters

Key stakeholder	Stakeholder interest and concerns	Responses[1]
Employees and unions	• Employee health and safety	• Ongoing extensive communication, reinforced awareness messaging and training campaigns • Refer to the mitigating actions and controls to Group safety performance risk number 3 on page 139
	• Labour instability among contractor employees at Impala Rustenburg and organisational rights dispute between NUMSA and mining contractors • Successful conclusion of wage negotiations	• Engagements held with NUMSA, AMCU, government and various legal entities reduced tensions between the unions and prevented wide-scale disruptions and violence • Three and five-year wage agreements concluded with Impala Rustenburg and Springs Refineries employee unions respectively
Communities	• Employment, procurement and social investment opportunities for host communities	• Intensive consultation and engagement
Government	• Ongoing engagements regarding authorisations and permits • Socio-economic impacts of Covid-19	• Impala Rustenburg third generation social and labour plan approved • Support for government to contain the spread of Covid-19 infections and to provide relief aid

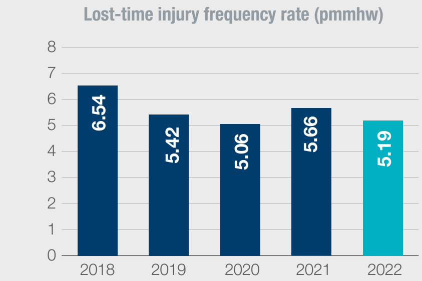
[1] *For detailed responses and initiatives at our owned operations, refer to the social chapter of the ESG report.*

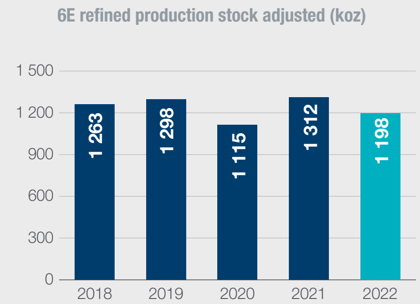
Strategic performance areas

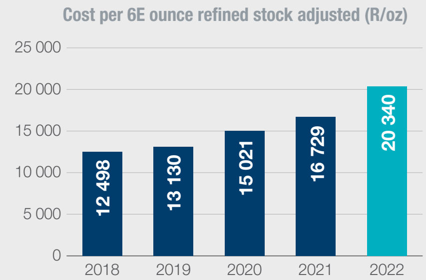
		Strategic performance area	Business plan/target KPI for FY2022
01	Sustainable development	We aspire to deliver an industry-leading sustainability performance, producing metals that sustain livelihoods through and beyond mining, creating a cleaner and better future for all	• Zero fatalities • Improve LTIFR – 10% improvement on 3-year average (<5.00 pmmhw) • Strengthen stakeholder management capability and capacity • Complete projects in line with SLP commitments • Maintain ISO 14001:2015 certification • No Level 4 or 5 environmental incidents • Total water consumed <25 000Ml • Total water recycled >40% • Increase average spend per local supplier
02	Operational excellence	We generate superior value for all stakeholders through modern, safe, responsible, competitive and consistent operational delivery	• 6E in concentrate production – 1.25Moz to 1.35Moz • Cost per 6E ounce – R18 200/oz to R19 000/oz
03	Capital management	We pursue value creation by sustaining and leveraging a strong and flexible balance sheet within a prudent capital allocation framework	• Capital – R3.2bn to R3.6bn • Costs <R25.0bn
04	Business development	We seek to leverage, strengthen and grow our diverse asset base through operational exposure to shallow, mechanisable orebodies We sustain and grow value by supporting present and future demand drivers, creating strong customer relationships and aligning our production to evolving demand	• Maintain operational delivery • Growth shafts to deliver 425koz 6E • Create face length • Further studies into the optimisation and growth of processing capacity
05	Organisational development	Place people at the centre of our organisation, and engender a shared culture founded on our values to respect, care and deliver	• Manage labour availability to support full operational capacity • Strengthen management succession and build leadership capacity

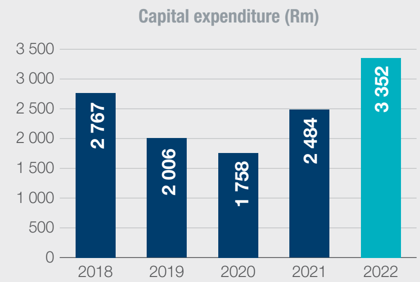
Human capital · Intellectual capital · Social and relationship capital · Financial capital · Manufactured capital · Natural capital

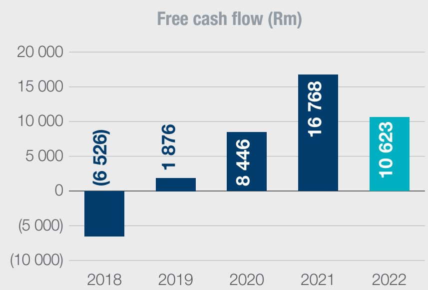
Performance against business plan/target KPI for FY2022	Business plan/target KPI for FY2023
• 6 fatalities • LTIFR 5.19 pmmhw • Implemented an effective Covid-19 response and vaccination programme • Sustained good relations with employees and unions and agreed a five-year wage settlement • Maintained ISO 14001:2015 certification • No Level 4 or 5 environmental incidents • Total water recycled – 46%	• Zero fatalities • Improve LTIFR – 10% improvement on 3-year average (4.78 pmmhw) • Sustain robust stakeholder engagement • Complete projects in line with SLP commitments • Maintain ISO 14001:2015 certification • No Level 4 or 5 environmental incidents • Year-on-year improvement in total water recycled/reused
• 6E in concentrate production – 1.17Moz • Cost per 6E ounce – R20 340 (stock-adjusted)	• 6E in concentrate production – 1.18Moz to 1.28Moz • Cost per 6E ounce – R21 300/oz to R22 600/oz
• Capital – R3.4bn • Costs – R24.4bn	• Capital – R3.7bn to R4.6bn • Costs <R26.8bn
• 6E concentrate production decreased 9% • 16 and 20 shafts delivered 340koz 6E • Mineable face length increased 2% to 25.8km • Approved the BMR debottlenecking to expand treatment capacity by 10% • Progressed several life-of-mine extension studies • Approved life-of-mine extensions at 11 and 12 shafts	• Improve operational delivery • Growth shafts to deliver >425koz 6E • Maintain face length at current levels • Advance life-of-mine extension projects • Further studies into life-of-mine extensions
• Effective Covid-19 risk-based response • Maintained stable and constructive labour relations and agreed a five-year wage settlement • Implementing culture transformation leadership programme • Developing managerial and competency skills	• Manage labour availability to support full operational capacity • Continue to strengthen management succession and build leadership capacity



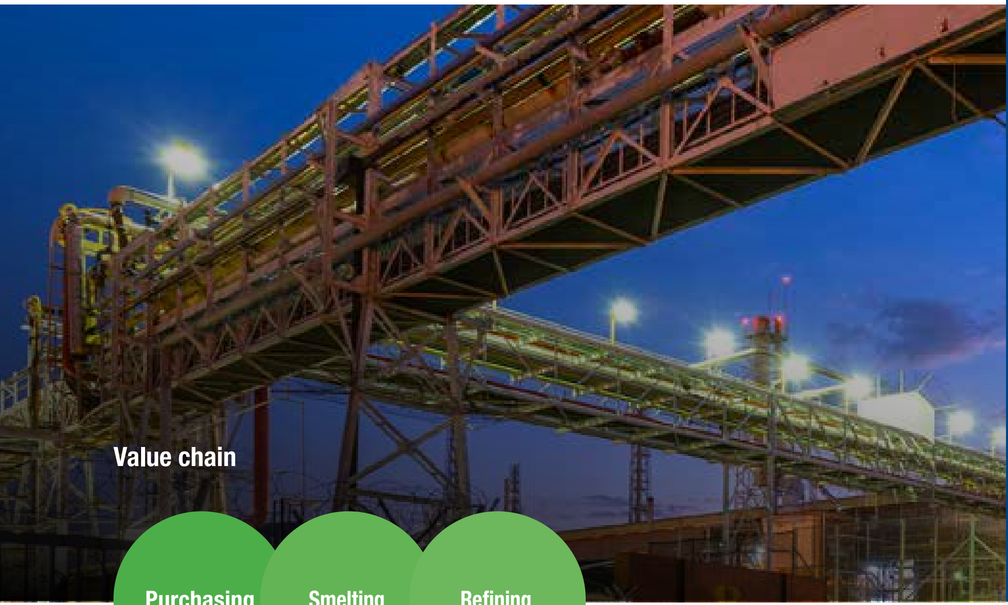








IRS



About IRS

Impala Refining Services (IRS), a division of Impala, is a dedicated vehicle housing the refining and metal concentrate purchases built up by Implats. IRS provides smelting and refining services through offtake agreements with Group companies (except Impala) and third parties.

Value chain

Purchasing → Smelting → Refining

Strategic focus

IRS utilises available processing capacity to maximise financial return from Impala's surface assets, while continuing to explore new opportunities.

Outlook

Receipts at IRS in FY2023 will be impacted by lower deliveries from third parties following changes in contractual arrangements. Third party concentrate receipts are expected to be between 270 000 and 310 000 ounces 6E ounces.

Links

An overview of operational performance is available in the COO's review. Detailed performance commentary is available on page 12 in the FY2022 annual results announcement, while performance metrics are available on page 92 in FY2022 key operational statistics.

Value drivers

- Available capacity for suitable processing opportunities
- Remains a strategic competitive advantage for the Group

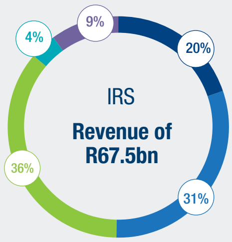
Key statistics

EBITDA

R7 673m

Gross margin

12%



Risks

Covid and electricity-related disruptions to supplier volumes or Impala's processing capacity

Sustained availability of Impala processing infrastructure

Insufficient processing capacity to serve available business opportunities

Risk controls, mitigation and opportunities

- Continue to review available processing capacities against opportunities as they present.

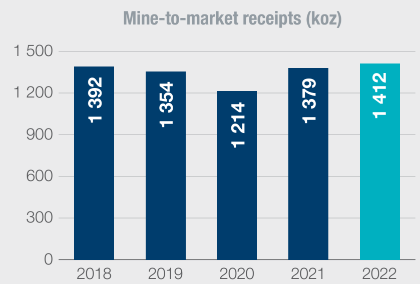
Value added statement[1]

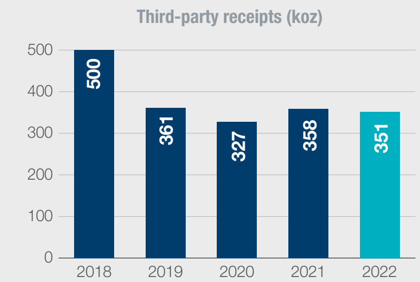
Prepared on a headline earnings basis	FY2022 Rm	FY2021 Rm
Revenue	**67 508**	68 895
Other net (expenses)/income	**(258)**	332
Gross value generated	**67 250**	69 227
Deferred tax	**(33)**	1
	67 217	69 228
Distribution of value		
Cost of sales	**(59 544)**	(59 424)
Direct state taxes	**(2 000)**	(2 741)
Dividends to shareholders	**(2 235)**	–
Value retained in the business	**(3 439)**	(7 063)

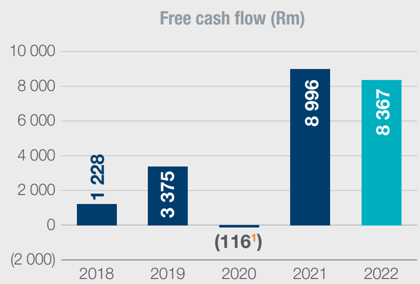
[1] *The prior year amounts were restated to align their basis of preparation with those of the operating segments disclosed in note 1 of the consolidated Group annual financial statements. The value added statements were previously prepared on a separate financial statements basis.*

Strategic performance areas	Strategic performance area	Business plan/target KPI for FY2022
02 Operational excellence	We generate superior value for all stakeholders through modern, safe, responsible, competitive and consistent operational delivery	• To ensure timeous adherence to all contractual obligations in accordance with supplier requirements
04 Business development	We seek to leverage, strengthen and grow our diverse asset base through operational exposure to shallow, mechanisable orebodies We sustain and grow value by supporting present and future demand drivers, creating strong customer relationships and aligning our production to evolving demand	• Prevailing surface stock provides an opportunity to increase production in accordance with available capacity headroom

Performance against business plan/target KPI for FY2022	Business plan/target KPI for FY2023
• Operational performance was sustained	• To ensure timeous adherence to all contractual obligations in accordance with supplier requirements
• Receipts from mine-to-market operations increased by 2% as 11% higher deliveries from Marula and Zimplats was offset by 10% lower receipts from Two Rivers and Mimosa • Third party deliveries were 2% lower	• Receipts will be supported by growth from Zimplats and Two Rivers • The conclusion of two third-party contracts will result in lower third-party receipts of between 270koz and 310koz 6E.

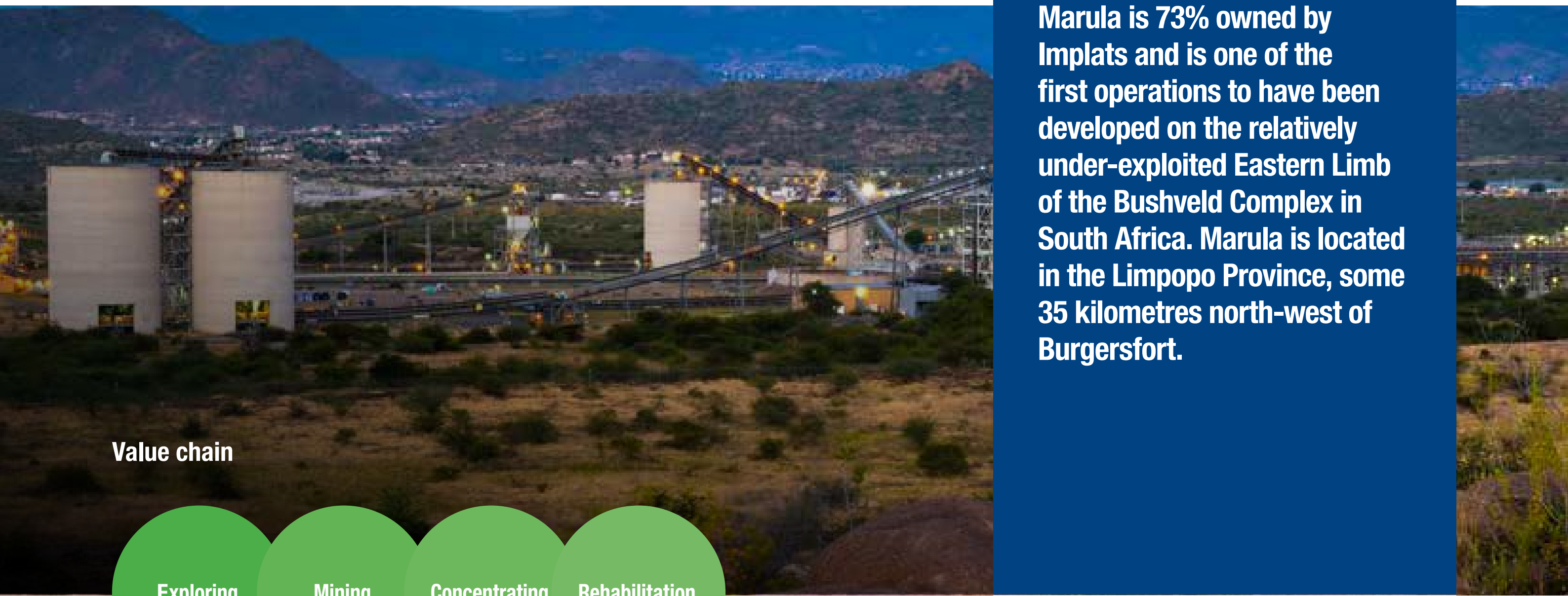






[1] *In the prior period, the estimated allocation of in-process metal inventories between the Impala and Impala Refining Services (IRS) segments was changed on a prospective basis. 2021 further benefited from contractual payment delays subsequent to the South African Covid-19-related national lockdown at the end of FY2020.*

Marula



About Marula

Marula is 73% owned by Implats and is one of the first operations to have been developed on the relatively under-exploited Eastern Limb of the Bushveld Complex in South Africa. Marula is located in the Limpopo Province, some 35 kilometres north-west of Burgersfort.

Value chain

- Exploring
- Mining
- Concentrating
- Rehabilitation

Strategic focus

Marula will focus on maintaining current operational performance, while further improving safety and productivity.
The implementation of the life-of-mine replacement project, including an extension to the concentrator, will ensure long-term sustainability at this asset.

Outlook

Marula is expected to produce between 240 000 and 260 000 ounces of 6E in concentrate in FY2023. Capital expenditure is expected to increase to between R750 million and R850 million given the life-of-mine extension. Unit costs are expected to be between R13 800 and R14 600 per 6E ounce in concentrate.

Links

An overview of operational performance is available in the COO's review. Detailed performance commentary is available on page 14 in the FY2022 annual results announcement, while performance metrics are available on page 82 in FY2022 key operational statistics. Mineral Reserve and Mineral Resource details are available on page 42 in the FY2022 Mineral Reserve and Resource statement. Sustainable development information is available in the FY2022 ESG report.

Value drivers

- High exposure to elevated palladium and rhodium prices
- Achievement of upper-end production guidance highly dependent on operational continuity

Key statistics

Mineral Resources
23.7Moz 6E

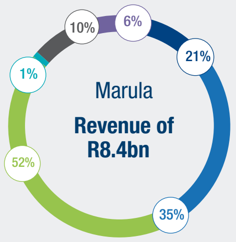
Mineral Reserves
7.1Moz 6E

Life-of-mine
13 years

Employees
4 673

EBITDA
R4 682m

Gross margin
52%



Risks	Risk controls, mitigation and opportunities
Security of current and future mineral resources and reserves	• Marula Phase II project (life-of-mine extension and 20% increase in milling capacity) initiated • Consistent monitoring of mine infrastructure and development
Ability to attract and retain critical skills	• Implementation of skills retention initiatives and talent management processes • Local youth recruitment through cadet mining training, bursaries and learnerships
Compliance with regulatory requirements	• Ongoing engagement with key regulators • Implementation of social and labour plans

Value added statement[1]

Prepared on a headline earnings basis	FY2022 Rm	FY2021 Rm
Revenue	**8 388**	9 309
Other net expenses	**(100)**	(21)
Gross value generated	**8 288**	9 288
Depreciation	**(369)**	(279)
Deferred tax	**18**	(396)
	7 937	8 613
Distribution of value		
Labour and other	**(1 786)**	(1 523)
Cost of sales – other[2]	**(1 877)**	(1 635)
Finance costs[3]	**(6)**	(1 520)
State royalties	**(11)**	(14)
Direct state taxes	**(1 251)**	(1 275)
Dividends to shareholders	**(2 549)**	(402)
Value retained in the business	**(457)**	(2 244)

[1] *The prior year amounts were restated to align their basis of preparation with those of the operating segments disclosed in note 1 of the consolidated Group annual financial statements. The value added statements were previously prepared on a separate financial statements basis.*

[2] *Includes R272 million (FY2021: R294 million) non-state royalty expenses.*

[3] *Comparative includes R1.5 billion IFRS 2 BEE charge.*

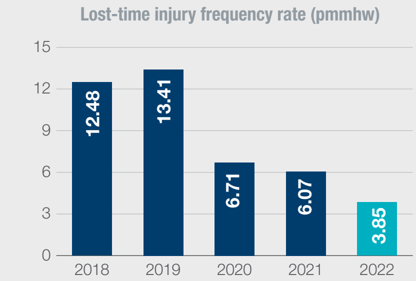
Stakeholder material matters

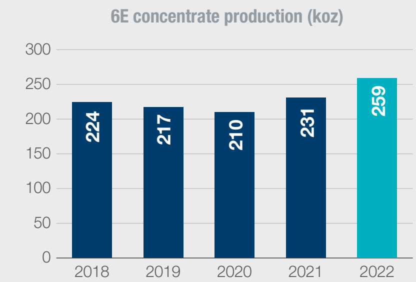
Key stakeholder	Stakeholder interest and concerns	Responses
Employees and unions	• Successful wage settlement	• Five-year wage agreement concluded
Communities	• Employment, procurement and social investment opportunities for host communities • Maintaining stability around Marula and chrome operations	• Ongoing engagement with both civic and traditional community structures • Improved relations between Marula management, trustees and community-elected trustees following implementation of a peace agreement • Establishment of a community-focused enterprise and supplier development (ESD) initiative

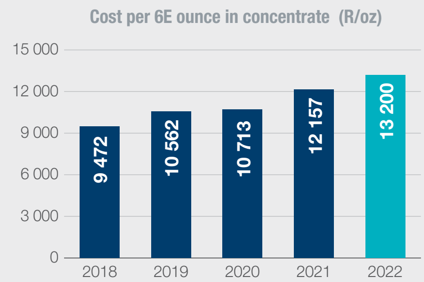
Strategic performance areas

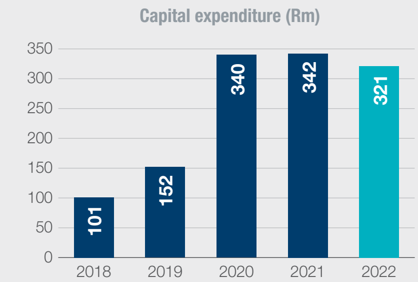
	Strategic performance area	Business plan/target KPI for FY2022
01 Sustainable development	We aspire to deliver an industry-leading sustainability performance, producing metals that sustain livelihoods through and beyond mining, creating a cleaner and better future for all	• Zero fatalities • Improve LTIFR <6.07 pmmhw • Increase year-on-year community procurement • Maintain ISO 14001:2015 certification • No Level 4 or 5 environmental incidents • Total water recycled >44
02 Operational excellence	We generate superior value for all stakeholders through modern, safe, responsible, competitive and consistent operational delivery	• 6E in concentrate production – 220koz to 260koz • Cost per 6E ounce – R12 700/oz to R13 500/oz
03 Capital management	We pursue value creation by sustaining and leveraging a strong and flexible balance sheet within a prudent capital allocation framework	• Capital – R400m to R500m • Costs <R3.1bn
04 Business development	We seek to leverage, strengthen and grow our diverse asset base through operational exposure to shallow, mechanisable orebodies We sustain and grow value by supporting present and future demand drivers, creating strong customer relationships and aligning our production to evolving demand	• Ongoing optimisation of production areas • Progress investigation into future mine extensions • Complete tailings dam project
05 Organisational development	Place people at the centre of our organisation, and engender a shared culture founded on our values to respect, care and deliver	• Manage labour availability to support full operational capacity • Strengthen management succession and build leadership capacity • Implement culture transformation

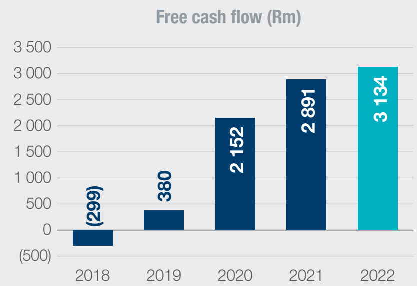
Performance against business plan/target KPI for FY2022	Business plan/target KPI for FY2023
• Zero fatalities • LTIFR – 3.85 pmmhw • Further progress on securing a lasting resolution to community disruptions • Increase year-on-year community procurement • Maintained ISO certification • No Level 4 or 5 environmental incidents • Total water recycled – 59%	• Zero fatalities • Improve LTIFR – 10% improvement on 3-year average (4.89 pmmhw) • Sustain robust stakeholder engagement • Ongoing implementation of SLP projects • Increase year-on-year community procurement • Maintain ISO 14001:2015 certification • No Level 4 or 5 environmental incidents • Advance 33MW solar photovoltaic project • Year-on-year improvement in total water recycled/reused
• 6E in concentrate production – 259koz • Cost per 6E ounce – R13 200/oz	• 6E in concentrate production – 240koz to 260koz • Cost per 6E ounce – R13 800/oz to R14 600/oz
• Capital – R321m • Costs – R3.4bn	• Capital – R750m to R850m • Costs <R3.6bn
• Advanced the stoping-to-development ratio • Revenue continued to benefit from high palladium and rhodium content • Approved and initiated the R5.1bn life-of-mine extension and concentrator plant expansion • Completed the tailings dam facility • Ongoing trialling of new technologies and mining equipment	• Advance the Marula Phase II project • Trial and invest in new mining technology
• Effective Covid-19 risk-based response • Maintained stable and constructive labour relations and signed a five-year wage agreement • Improved relations between Marula management, trustees and community-elected trustees following implementation of a peace agreement • Established a community-focused enterprise and supplier development (ESD) initiative • Implemented culture transformation leadership programme and embedded high performance management system • Developed managerial and competency skills	• Sustain robust stakeholder engagement • Implement skills retention initiatives and talent management processes • Local youth recruitment through cadet mining training, bursaries and learnerships • Manage labour availability to support full operational capacity • Strengthen management succession and build leadership capacity



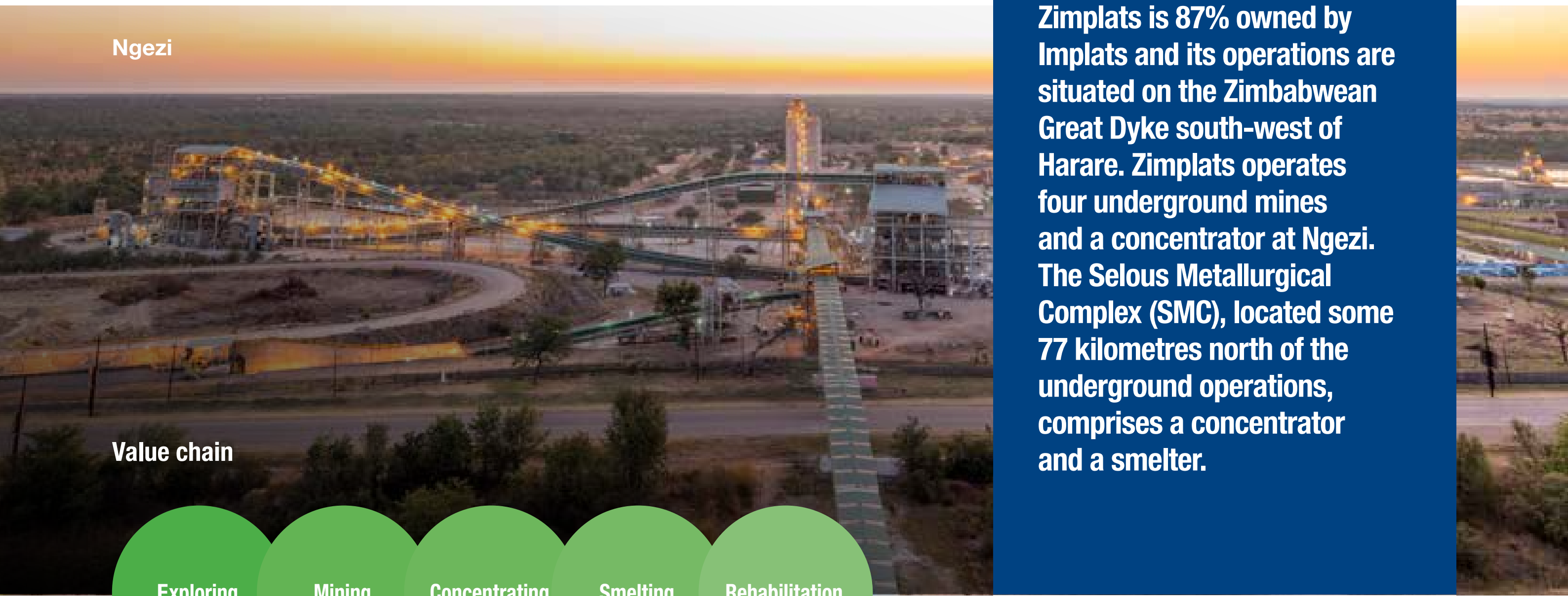








Zimplats



About Zimplats

Zimplats is 87% owned by Implats and its operations are situated on the Zimbabwean Great Dyke south-west of Harare. Zimplats operates four underground mines and a concentrator at Ngezi. The Selous Metallurgical Complex (SMC), located some 77 kilometres north of the underground operations, comprises a concentrator and a smelter.

Value chain

Exploring | Mining | Concentrating | Smelting | Rehabilitation

Strategic focus

Zimplats is focused on harnessing inherent mining flexibility and optionality through the further expansion of Bimha and Mupani mines to replace production from Mupfuti Mine, which will be depleted by FY2027 and the commissioning of a third concentrator at Ngezi to expand milling capacity from the end of Q1 FY2023. Upper ore extraction at Bimha and Mupani to increase flexibility and extend life of mine at these shafts remains a key focus.

Outlook

Zimplats is expected to produce between 620 000 and 650 000 ounces of 6E concentrate in FY2023. Capital expenditure is expected to increase to between US\$380 and US\$450 million given the expansion of the mining footprint at Mupani and Bimha, the construction of the new furnace and installation of SO_2 abatement. Unit costs will reflect the increased volumes from expanded processing capacity during the year and are expected to be between US\$730 and US\$760 per 6E ounce in matte.

Links

An overview of operational performance is available in the COO's review. Detailed performance commentary is available on page 13 in the FY2022 annual results announcement, while performance metrics are available on page 86 in FY2022 key operational statistics. Mineral Reserve and Mineral Resource details are available on page 60 in the FY2022 Mineral Reserve and Resource statement. Sustainable development information is available in the FY2022 ESG report.

Value drivers

Improved relations with key stakeholders including host communities, employees and organised labour and government

Stronger local currency will reduce costs and enhance profitability

Security of power supply enhances ability to plan and execute

Key statistics

Mineral Resources
115.5Moz 6E

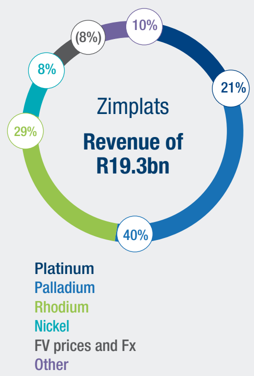
Mineral Reserves
25Moz 6E

Life-of-mine
39 years

Number of employees
8 980

EBITDA
R10 963m

Gross margin
52.6%



Risks	Risk controls, mitigation and opportunities
Policy inconsistencies and uncertainties leading to the perception of a high sovereign risk	• Engagement with authorities and regular lobbying for consistency in policies for coherent and consistent communication to promote a stable operating environment • Regular review and monitoring of the business operating environment to inform strategy • Refer also to the controls and mitigating actions for Group risk 4 on page 140
Reduced profitability due to lower PGM prices	• Market intelligence by monitoring PGM prices and supply and demand dynamics in the global market • Review and execute business optimisation initiatives to respond to metal price dynamics
Supply chain disruption and procurement inflation risks	• Alternative source markets • Regular review of stock holding and ensure adequate cover of all critical spare inventories and equipment.

Value added statement[1]

Prepared on a headline earnings basis	FY2022 Rm	FY2021 Rm
Revenue	**19 311**	20 054
Other net expenses	**(696)**	(62)
Gross value generated	**18 615**	19 992
Depreciation	**(1 492)**	(1 388)
Deferred tax	**(555)**	(983)
	16 568	17 621
Distribution of value		
Labour and other	**(2 125)**	(2 610)
Cost of sales – other	**(4 871)**	(3 663)
Finance costs	**(7)**	(48)
State royalties	**(670)**	(758)
Direct state taxes	**(2 559)**	(3 975)
Dividends to shareholders	**(3 031)**	(1 354)
Value retained in the business	**(3 305)**	(5 213)

[1] *The prior year amounts were restated to align their basis of preparation with those of the operating segments disclosed in note 1 of the consolidated Group annual financial statements. The value added statements were previously prepared on a separate financial statements basis.*

Stakeholder material matters

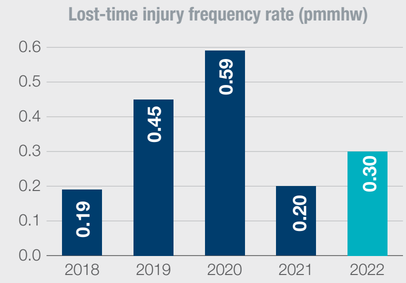
Key stakeholder	Stakeholder interest and concerns	Responses
Employees and unions	• Health, safety and wellbeing of employees • Increased demand for employment opportunities	• Embedded and mature Covid-19 practices at operations • Intensive communication and engagement • Recruitment from local communities is prioritised • Exploring opportunities for LED
Communities	• Socio-economic impacts of Covid-19 • Significant expectations around Zimplats' socio-economic contribution to the broader community/country • Tailings dam risk to communities	• Intensive consultation and engagement • Initiatives to ease the impacts of the pandemic • Local enterprise development programmes • Zimplats' infrastructure development projects are deemed to be a critical component of its contributions to local communities • Land has been identified for the relocation of families currently residing in the dam's zone of influence
Government	• Government severely challenged by economy • Cash and foreign currency shortages in Zimbabwe • Beneficiation expectations requiring the development of a refinery in-country and the implementation of an export levy on PGM concentrate	• Targeted high-level engagement is ongoing to promote value-enhancing relations • Ongoing engagement with the Reserve Bank of Zimbabwe • Zimplats continues to actively look into further beneficiation subsequent to board approval to refurbish Selous base metal refinery • The export levy has been deferred and is conditional on the development of beneficiation plans
Shareholders	• Concerns include uncertainty around political and economic developments in Zimbabwe and regulatory compliance and their impact on the business	• Kept informed of business performance through analyst briefings, quarterly updates and other announcements released on the ASX

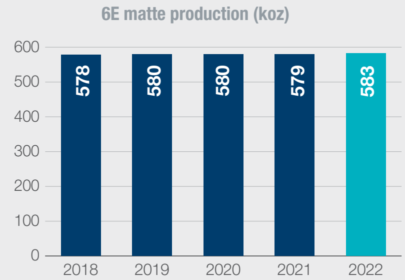
Strategic performance areas

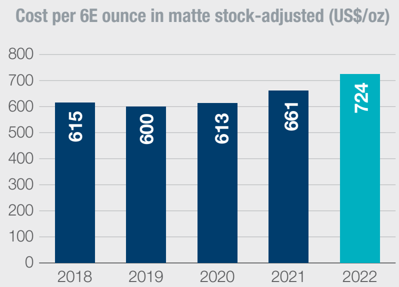
	Strategic performance area	Business plan/target KPI for FY2022
01 Sustainable development	We aspire to deliver an industry-leading sustainability performance, producing metals that sustain livelihoods through and beyond mining, creating a cleaner and better future for all	• Zero fatalities • LTIFR <0.35 pmmhw • Compliance with regulatory requirements • Nurture and retain goodwill • Implement CSR programmes • Increase year-on-year community procurement • Environmental management and rehabilitation programmes • Water recycled >44% • CO_2 emissions – achieve year-on-year reductions
02 Operational excellence	We generate superior value for all stakeholders through modern, safe, responsible, competitive and consistent operational delivery	• 6E in concentrate production – 580koz to 600koz • Cost per 6E ounce – US$670/oz to US$690/oz
03 Capital management	We pursue value creation by sustaining and leveraging a strong and flexible balance sheet within a prudent capital allocation framework	• Capital – US$220m to US$245m • Costs <US$410m
04 Business development	We seek to leverage, strengthen and grow our diverse asset base through operational exposure to shallow, mechanisable orebodies We sustain and grow value by supporting present and future demand drivers, creating strong customer relationships and aligning our production to evolving demand	• Ongoing optimisation of portfolio – Acceleration of Mupani project – Inclusion of upper ores in Mupani and Bimha mines – Expansion of Mupani and Bimha mines over a seven-year period • Development of the third concentrator plant at Ngezi for commissioning in FY2023
05 Organisational development	Place people at the centre of our organisation, and engender a shared culture founded on our values to respect, care and deliver	• Manage labour availability to support full operational capacity • Strengthen management succession and build leadership capacity • Implement culture transformation

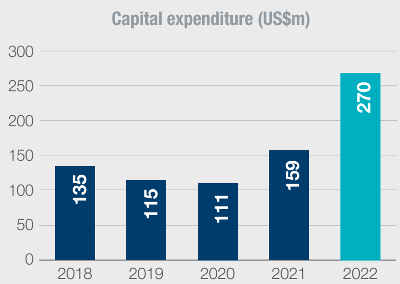
Human capital · Intellectual capital · Social and relationship capital · Financial capital · Manufactured capital · Natural capital

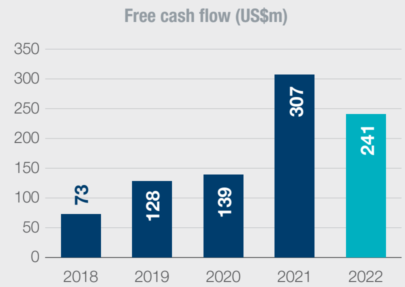
Performance against business plan/target KPI for FY2022	Business plan/target KPI for FY2023
• One fatality • LTIFR 0.30 pmmhw • Ongoing stakeholder engagement • Zimplats supports Zimbabwe's aspirations to grow and diversify its PGM industry • Local community procurement – 29% of total procurement spend • Environmental management and rehabilitation programmes • Water recycled – 46% • Achieved year-on-year reduction in CO_2 emissions • Installation of SO_2 abatement underway • 35MW solar project in progress – licence for 185MW received	• Zero fatalities • Improve LTIFR – 10% improvement on 3-year average (0.32 pmmhw) • Compliance with regulatory requirements • Nurture and retain goodwill • Implement CSR programmes • Increase year-on-year community procurement • Environmental management and rehabilitation programmes • Year-on-year improvement in total water recycled/reused • CO_2 emissions – achieve year-on-year reductions • Advance SO_2 abatement plant for completion in Q2 FY2025 • Advance first phase of 35MW solar project
• 6E in concentrate production – 589koz • Cost per 6E ounce – US$724/oz stock-adjusted	• 6E in concentrate production – 620koz to 650koz • Cost per 6E ounce – US$730/oz to US$760/oz
• Capital – US$270m • Costs – US$423m	• Capital – US$380m to US$450m • Costs <US$480m
• Inclusion of upper ores at Mupani and Bimha mines is ongoing • The Mupani and Bimha expansion projects and the development of a third concentrator plant are in progress and on schedule • The expansion of existing smelter capacity initiated	• Ongoing optimisation of portfolio – Acceleration of Mupani project – Inclusion of upper ores in Mupani and Bimha mines – Expansion of Mupani and Bimha mines to replace Ngwarati, Rukodzi and Mupfuti mines – The third concentrator plant at Ngezi to be commissioned in Q1 FY2023 – Expansion of processing capacity to accommodate an additional 600koz 6E, with first furnace production expected in FY2024 – Advance studies to refurbish and commission the Selous base metal refinery
• Enhanced focus on human resources • Development of a high-performance culture • Organisational structure and remuneration policies to support this culture	• Manage labour availability to support full operational capacity • Strengthen management succession and build leadership capacity











Impala Canada

About Impala Canada

Impala Canada's single operating asset, Lac des Iles Mine (LDI), is in the Canadian province of Ontario, north of the city of Thunder Bay. The operation comprises underground and surface mining operations and a concentrator.

Value chain

Exploring | Mining | Concentrating | Rehabilitation

Strategic focus

Impala Canada is intent on optimising its mining asset by transitioning it to a more sustainable underground operation and addressing processing constraints.

Outlook

Impala Canada is expected to produce between 250 000 and 280 000 ounces of 6E in concentrate in FY2023. Capital expenditure between C$75 million and C$85 million is expected with spend on equipment and continued development of the underground mine. Unit costs are expected to be between C$1 210 and C$1 290 per 6E ounce in concentrate.

Links

An overview of operational performance is available in the COO's review. Detailed performance commentary is available on page 14 in the FY2022 annual results announcement, while performance metrics are available on page 84 in FY2022 key operational statistics. Mineral Reserve and Mineral Resource details are available on page 78 in the FY2022 Mineral Reserve and Resource statement. Sustainable development information is available in the FY2022 ESG report.

Value drivers

- Improved stakeholder relations
- Elevated exposure to high palladium prices
- Delivery of mill decoupling project
- Operational continuity will ensure production targets are met

Key statistics

Mineral Resources
7.09Moz 3E

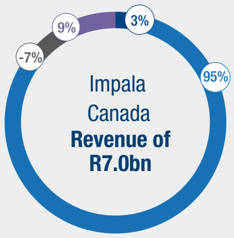
Mineral Reserves
2.88Moz 3E

Life-of-mine
10 years

Employees
975

EBITDA
R2 666m

Gross margin
25%



Risks	Risk controls, mitigation and opportunities
Critical skills shortage	Various mitigation steps, including: • Recruiting programmes • Organisational culture change • Developing local workforce and leadership capacity • Incentive programmes/competitive remuneration
Maintaining regulatory and social licence to operate	• Ongoing regulatory compliance • Third party support of permitting process • Maintaining strong government and indigenous relations
Supply chain disruptions	• Sourcing supplemental labour and alternate parts and supplies • Ongoing identification of critical supplies

Value added statement[1]

Prepared on a headline earnings basis	FY2022 Rm	FY2021 Rm
Revenue	**6 946**	8 971
Other net (expenses)/income	**(170)**	186
Gross value generated	**6 776**	9 157
Depreciation	**(1 107)**	(1 324)
Deferred tax	**32**	(488)
	5 701	7 345
Distribution of value		
Labour and other	**(1 336)**	(1 173)
Cost of sales – other	**(2 465)**	(1 979)
Finance costs	**(128)**	(318)
Non-state royalties	**(309)**	(401)
Direct state taxes	**(498)**	(724)
Value retained in the business	**(965)**	(2 750)

[1] *The prior year amounts were restated to align their basis of preparation with those of the operating segments disclosed in note 1 of the consolidated Group annual financial statements. The value added statements were previously prepared on a separate financial statements basis.*

Stakeholder material matters

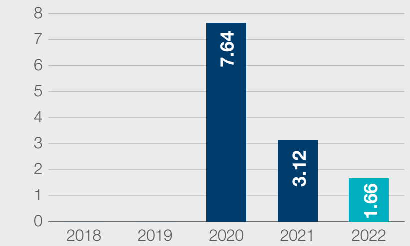
Key stakeholder	Stakeholder interest and concerns	Responses
Employees and unions	• Change in union leadership • Covid-19 risk in the workplace	• Sustained robust engagement with union leadership • 100% vaccination rate achieved at Impala Canada • Embedded and mature Covid-19 workplace protocols • Ongoing vaccination programme for employees and community members
Communities	• Environmental impact of greenfield tailings storage facility	• Sustained and robust stakeholder engagement

Strategic performance areas

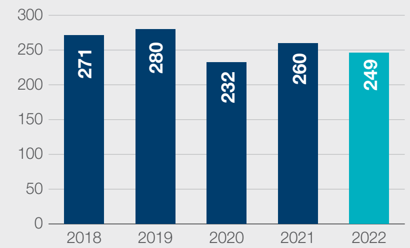
	Strategic performance area	Business plan/target KPI for FY2022
01 Sustainable development	We aspire to deliver an industry-leading sustainability performance, producing metals that sustain livelihoods through and beyond mining, creating a cleaner and better future for all	• Zero fatalities • Improve LTIFR <4.00 pmmhw • Protect and strengthen license to operate • Support the growth and delivery of local social and educational programmes • Invest and participate in local business opportunities
02 Operational excellence	We generate superior value for all stakeholders through modern, safe, responsible, competitive and consistent operational delivery	• 6E in concentrate production – 270koz to 300koz • Cost per 6E ounce – C$955/oz
03 Capital management	We pursue value creation by sustaining and leveraging a strong and flexible balance sheet within a prudent capital allocation framework	• Capital <C$105m • Costs <C$295m
04 Business development	We seek to leverage, strengthen and grow our diverse asset base through operational exposure to shallow, mechanisable orebodies. We sustain and grow value by supporting present and future demand drivers, creating strong customer relationships and aligning our production to evolving demand	• Ongoing optimisation of production areas • Increase underground production volumes • Optimise mill performance
05 Organisational development	Place people at the centre of our organisation, and engender a shared culture founded on our values to respect, care and deliver	• Manage labour availability to support full operational capacity • Address high employee turnover and implement initiatives to address employee retention • Strengthen capacity and capability in key areas • Embed high performance culture

Performance against business plan/target KPI for FY2022	Business plan/target KPI for FY2023
• Zero fatalities • LTIFR 1.66 pmmhw • Compliance with regulatory guidelines and protocols • Proactive investment in community programmes (both Covid-19 and non-Covid-19 related) • C$40m in spend with local indigenous businesses, 13% of total procurement spend • Updated long-term tailings storage options • Established a bursary programme for youth in local Indigenous communities • Water recycled – 84%	• Zero fatalities • Improve LTIFR – 10% improvement on 3-year average (3.73 pmmhw) • Compliance with regulatory guidelines and protocols • Sustain robust stakeholder engagement to further strengthen relationships with local indigenous communities and government • Promote local recruitment and procurement • No Level 4 or 5 environmental incidents • Year-on-year improvement in total water recycled/reused
• 6E in concentrate production 249koz • A winter storm, resulting in an eight-day power outage, a shortage of critical skills and the ongoing effect of Covid-19 impacted operational performance • Cost per 6E ounce C$1 272/oz	• 6E in concentrate production – 250koz to 280koz • Cost per 6E ounce – C$1 210/oz to C$1 290/oz
• Capital – C$107m • Costs – C$316m	• Capital – C$75m to C$85m • Costs <C$340m
• Revenue benefited from high palladium content • The mill decoupling project was impacted by inclement weather necessitating scope and equipment changes and will be completed by Q2 FY2023	• Ongoing optimisation of production areas • Improve underground mining rates • Complete the mill decoupling project and optimise mill performance
• Development of technical, financial, environmental and stakeholder management processes • Effective Covid-19 risk-based response • Maintained constructive labour relations • Implementing culture transformation leadership programme • Embedding high performance management system	• Sustain robust stakeholder engagement • Implement skills retention initiatives and talent management processes • Manage labour availability to support full operational capacity • Strengthen management succession and build leadership capacity

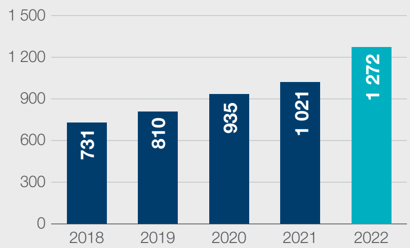
Lost-time injury frequency rate (pmmhw)



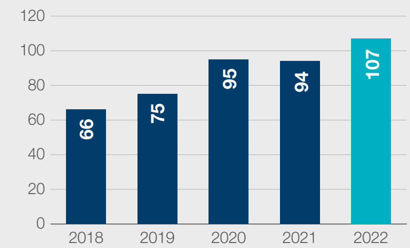
6E concentrate production (koz)



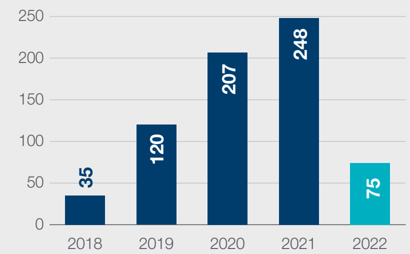
Cost per 6E ounce in concentrate (C$/oz)



Capital expenditure (C$m)



Free cash flow (C$m)



Note: *Graph information prior to 13 December 2019 relates to North American Palladium.*

Two Rivers

About Two Rivers

Two Rivers is a joint venture between African Rainbow Minerals (54%) and Implats (46%). The operation is situated on the southern part of the Eastern Limb of the Bushveld Igneous Complex, some 35 kilometres south-west of Burgersfort in Mpumalanga, South Africa.

Non-managed operations are reported at 100% in this operational performance chapter.

Value chain

Exploring | Mining | Concentrating | Rehabilitation

Strategic focus

Two Rivers is advancing the Merensky expansion project, which includes the development of a new mine and concentrator plant.

Outlook

Two Rivers is expected to produce between 300 000 and 320 000 ounces of 6E concentrate in FY2023. Capital expenditure is expected to rise to between R2.65 billion and R3.10 billion as spend accelerates on the 180 000 6E ounce Merensky project. Unit costs will reflect the impact of increased volumes of ore mined as stockpiles are accumulated ahead of commissioning of the expanded processing capacity at the operation and are expected to be between R12 800 and R13 400 per 6E ounce in concentrate.

Links

An overview of operational performance is available in the COO's review. Detailed performance commentary is available on page 15 in the FY2022 annual results announcement, while performance metrics are available on page 90 in FY2022 key operational statistics. Mineral Reserve and Mineral Resource details are available on page 51 in the FY2022 Mineral Reserve and Resource statement.

Value drivers

High exposure to elevated palladium and rhodium prices

Improved UG2 mining volumes above the UG2 plant mill capacity

Key statistics

Mineral Resources
48.2Moz 6E

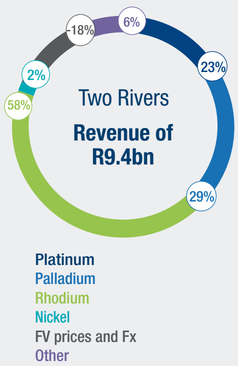
Mineral Reserves
12.2Moz 6E

Life-of-mine
23 years

Employees
4 495

EBITDA
R3 645m

Gross margin
52%



Risks	Risk controls, mitigation and opportunities
Delay in execution of mine expansion and optimisation projects	• Capital execution processes • Consistent monitoring of mine infrastructure and development
Increase in fall of ground incidents	• Implementation of skills retention initiatives and talent management processes
Business interruption due to social unrest	• Business continuity and contingency plans • Engagement with law enforcement

Value added statement

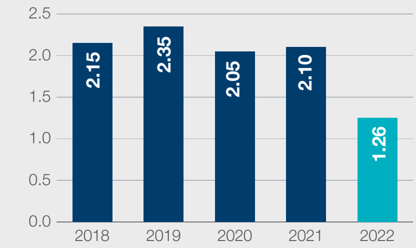
Prepared on a headline earnings basis	FY2022 Rm	FY2021 Rm
Revenue	**9 416**	11 992
Other net income	**18**	66
Gross value generated	**9 434**	12 058
Depreciation	**(514)**	(503)
Deferred tax	**(172)**	(692)
	8 748	10 863
Distribution of value		
Labour and other	**(1 672)**	(1 631)
Cost of sales – other	**(1 767)**	(1 396)
Finance costs	**(10)**	(22)
State royalties	**(486)**	(847)
Direct state taxes	**(1 179)**	(1 465)
Dividends paid to shareholders	**(2 305)**	(2 650)
Value retained in the business	**(1 339)**	(2 852)

Strategic performance areas

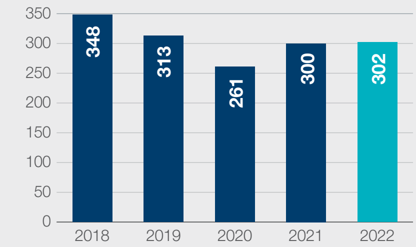
	Strategic performance area	Business plan/target KPI for FY2022
01 Sustainable development	We aspire to deliver an industry-leading sustainability performance, producing metals that sustain livelihoods through and beyond mining, creating a cleaner and better future for all	• Zero fatalities • LTIFR <2.10 pmmhw • Complete projects in line with SLP commitments • Ensure regulatory compliance • Maintain ISO 14001:2015 certification
02 Operational excellence	We generate superior value for all stakeholders through modern, safe, responsible, competitive and consistent operational delivery	• 6E in concentrate production – 310koz to 330koz • Cost per 6E ounce – R10 000/oz to R11 800/oz
03 Capital management	We pursue value creation by sustaining and leveraging a strong and flexible balance sheet within a prudent capital allocation framework	• Capital – R2.7bn to R3.0bn • Costs <R3.7bn
04 Business development	We seek to leverage, strengthen and grow our diverse asset base through operational exposure to shallow, mechanisable orebodies. We sustain and grow value by supporting present and future demand drivers, creating strong customer relationships and aligning our production to evolving demand	• Progress the UG2 plant expansion • Advance Merensky expansion project

Performance against business plan/target KPI for FY2022	Business plan/target KPI for FY2023
• Zero fatalities • LTIFR 1.26 pmmhw • Continued to build constructive and cordial relationships with local communities • Maintained ISO14001:2015 certification • Focus on local-to-site procurement, employment and social investment	• Zero fatalities • Maintain LTIFR <2.10 pmmhw • Complete projects in line with SLP commitments • Ensure regulatory compliance • Maintain ISO 14001:2015 certification
• 6E in concentrate production – 302koz • Cost per 6E ounce – R11 491/oz (stock-adjusted)	• 6E in concentrate production – 300koz to 320koz • Cost per 6E ounce – R12 800/oz to R13 400/oz
• Capital – R1.8bn • Costs – R3.4bn • Dividends of R1 060m paid to Implats	• Capital – R2.65bn to R3.10bn • Costs <R4.15bn
• The UG2 plant expansion was commissioned in early H2 FY2022 • Initial mining activities to support the creation of a run-of-mine stockpile were started in February 2022 • Expansion of the tailings storage facility is nearing completion	• Advance Merensky expansion project • Complete the tailings storage facility expansion

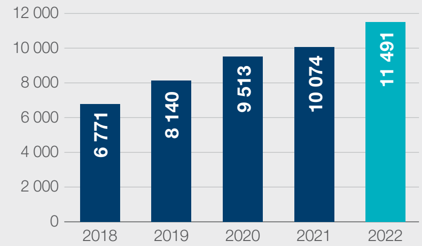
Lost-time injury frequency rate (pmmhw)



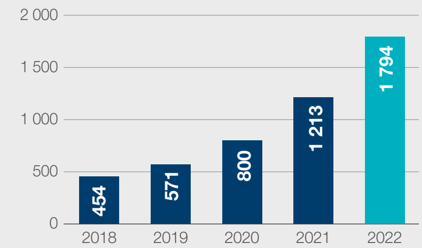
6E concentrate production (koz)



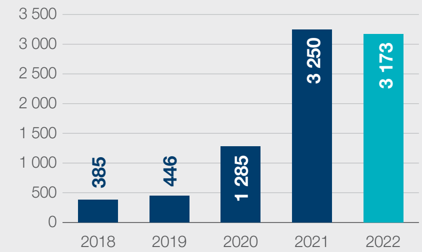
Cost per 6E ounce in concentrate (R/oz)



Capital expenditure (Rm)



Free cash flow (Rm)



Mimosa

About Mimosa

Mimosa is jointly held by Implats and Sibanye-Stillwater. Its operations are located on the Wedza geological complex on the Zimbabwean Great Dyke, 150 kilometres east of Bulawayo. The operation comprises a shallow underground mine, accessed by a decline shaft, and a concentrator.

Non-managed operations are reported at 100% in this operational performance chapter.

Value chain

Exploring | Mining | Concentrating | Rehabilitation

Strategic focus

Mimosa pursues operational excellence while capitalising on sustained operational continuity and efficiency gains. Reserve extensions will be realised through the North Hill expansion project.

Outlook

Mimosa is expected to produce between 240 000 and 260 000 ounces of 6E concentrate in FY2023. Capital expenditure will be impacted by project approval and progression during the period and is expected to be between US$90 million and US$120 million. Unit costs are expected to be between US$920 and US$980 per 6E ounce in concentrate.

Links

An overview of operational performance is available in the COO's review. Detailed performance commentary is available on page 15 in the FY2022 annual results announcement, while performance metrics are available on page 86 in FY2022 key operational statistics. Mineral Reserve and Mineral Resource details are available on page 69 in the FY2022 Mineral Reserve and Resource statement.

Value drivers

- Improved relations with key stakeholders including host communities, employees and organised labour and government
- Commissioning of the optimisation project
- Improved recoveries and a stronger local currency will reduce costs and enhance profitability
- Security of power supply enhances ability to plan and execute

Key statistics

Mineral Resources
15.1Moz 6E

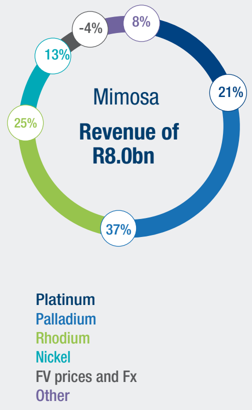
Mineral Reserves
7.2Moz 6E

Life-of-mine
22 years

Employees
3 704

EBITDA
R2 079m

Gross margin
46%



Risks	Risk controls, mitigation and opportunities
Failure to achieve budgeted cost platform due to inflationary pressures	• Cost containment and cash conservation measures • Plant optimisation project expected to improve production volumes and unit costs
Metal price fluctuations due to supply chain constraints impacting PGM demand	• Cost containment and cash conservation measures
Failure to achieve planned parameters on key projects	• Monitoring of project implementation • Projects subject to feasibility studies and third-party reviews
Exchange rate fluctuations	• Ongoing mitigation measure

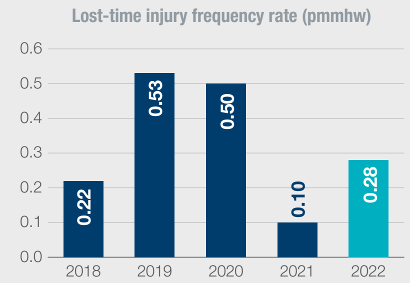
Value added statement

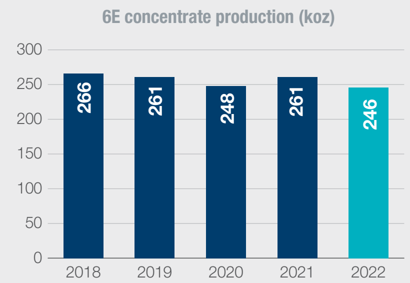
Prepared on a headline earnings basis	FY2022 Rm	FY2021 Rm
Revenue	**8 028**	10 771
Other net expenses	**(83)**	(467)
Gross value generated	**7 945**	10 304
Depreciation	**(591)**	(540)
Deferred tax	**(115)**	(49)
	7 239	9 715
Distribution of value		
Labour and other	**(1 374)**	(1 390)
Cost of sales – other	**(2 532)**	(1 754)
Finance costs	**(18)**	(12)
State royalties	**(271)**	(366)
Direct state taxes	**(694)**	(1 442)
Dividends paid to shareholders	**(835)**	(1 198)
Value retained in the business	**(1 515)**	(3 553)

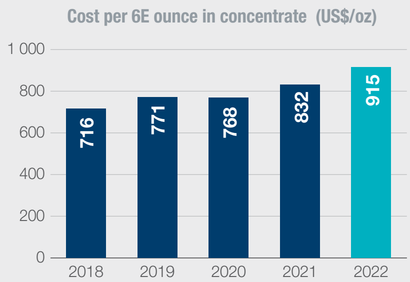
Strategic performance areas

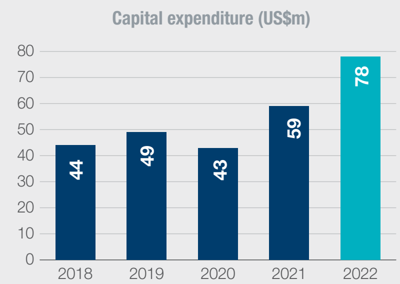
	Strategic performance area	Business plan/target KPI for FY2022
01 Sustainable development	We aspire to deliver an industry-leading sustainability performance, producing metals that sustain livelihoods through and beyond mining, creating a cleaner and better future for all	• Zero fatalities • LTIFR <0.35 pmmhw • Implement social development programmes • Maintain ISO 14001:2015 certification
02 Operational excellence	We generate superior value for all stakeholders through modern, safe, responsible, competitive and consistent operational delivery	• 6E in concentrate production – 250koz to 270koz • Cost per 6E ounce – US$800/oz to US$850/oz
03 Capital management	We pursue value creation by sustaining and leveraging a strong and flexible balance sheet within a prudent capital allocation framework	• Capital – US$220m to US$245m • Costs <US$410m
04 Business development	We seek to leverage, strengthen and grow our diverse asset base through operational exposure to shallow, mechanisable orebodies. We sustain and grow value by supporting present and future demand drivers, creating strong customer relationships and aligning our production to evolving demand	• Improve plant recoveries • Extend the LoM through mining North Hill • Secure TSF stability and life extension

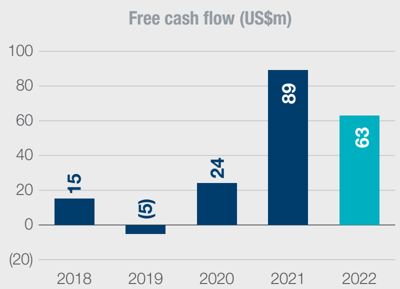
Performance against business plan/target KPI for FY2022	Business plan/target KPI for FY2023
• One fatality • LTIFR 0.28 pmmhw • Continued to build constructive and cordial relationships with local communities • Maintained ISO14001:2015 certification • Focus on local-to-site procurement, employment and social investment	• Zero fatalities • Improve LTIFR <0.35 pmmhw • Implement social development programmes • Maintain ISO 14001:2015 certification
• 6E in concentrate production – 246koz • Cost per 6E ounce – US$915/oz stock-adjusted	• 6E in concentrate production – 240koz to 260koz • Cost per 6E ounce – US$920/oz to US$980/oz
• Capital – US$226m • Costs – US$78m • Dividends of R438m paid to Implats	• Capital – US$90m to US$120m • Costs <US$240m
• The North Hill life-of-mine extension feasibility study was completed. A memorandum of understanding to support execution is with the Zimbabwean government for discussion • Progressed the plant optimisation project to improve process recoveries	• Initiate the life-of-mine extension project at North Hill • Commission plant optimisation project











Appendices

Lac des Iles portal at Impala Canada

Appendix A – Top 10 Group risks

Group risks

Note that the risk rating for the risk *Impact of the Covid-19 pandemic on Implats operations* (previously ranked fourth in FY2021) has dropped outside the top 10 in the current year. This resulted in all subsequent risks moving up during 2022, which is not an indication that the inherent risk has increased.

C Controllable
PC Partially controllable
U Non-controllable

🔴 Critical-catastrophic
🟠 Critical
🟢 Minor

1	Maintaining optimal and harmonious labour relations		Ranking: 2021 (1) 2020 (–) PC
Impact	Value	Strikes/operational disruption: Production losses with associated revenue impact dependent on prevailing PGM.	Within: Appetite ✓ Tolerance ✓
	Capitals	Impact on labour availability: Higher unit cost of production.	Financial capital; Human capital
Mitigation	Response	• Regular engagement between unions and Implats management • Close monitoring of NUMSA/contractor CCMA process • Implementation of wage agreements. • Listed as South African operational KPI.	
	Opportunity	• Strengthen management succession and organisational and leadership development, train dispute resolution skills and ensure contractor strike action plans are in place.	
Responsibility	Committee	STR committee	Refer corporate governance chapter
	Management	Group executive: People Operations: CEOs	Refer COO review
Outlook – five years	Residual risk	2023 – 🔴; 2024 – 🟠; 2025 – 🟠; 2026 – 🟠	
Strategy	Long-term response	Focus on sustained engagement, monitoring and the establishment of sound employee relations.	Responsible stewardship; Operational excellence

2	Rising cost and unreliable supply of electricity resulting in business interruption		Ranking: 2021 (2) 2020 (2) PC
Impact	Value	Electricity outages: Stock build-up with associated revenue impact dependent on prevailing PGM basket price. Electricity tariff increase of approximately 15% or R500 million year on year.	Within: Appetite ✓ Tolerance ✓
	Capitals	Energy interruptions impact our ability to produce and defer profit and cash flow. Rising energy costs increase Group unit costs and reduce shareholder returns. Decarbonisation will also impact unit costs going forward.	Financial capital; Intellectual capital; Manufactured capital; Social and relationship capital
Mitigation	Response	• Implement power-saving initiatives, finalise power securitisation agreements with Zimbabwe Electricity Distribution Company (ZETDC) and power reduction and curtailment agreements with South Africa's Eskom.	
	Opportunity	• Finalise and implement Group energy security and decarbonisation strategy. Develop intellectual capital for implementation of future technology for clean energy projects.	
Responsibility	Committee	HSE committee	Refer corporate governance delivering value page 64
	Management	Group COO Operations executives	Refer COO review page 104
Outlook – five years	Residual risk	2023 – 🔴; 2024 – 🔴; 2025 – 🔴; 2026 – 🔴	
Strategy	Long-term response	Operating units will assess and implement alternate electricity supply projects aligned to the Group's energy strategy. The cost of, and transition towards, decarbonisation will have various future implications on our business.	Responsible stewardship; Operational excellence; Organisational effectiveness

3 Deterioration in safety performance			Ranking: 2021 (3) 2020 (4) C
Impact	**Value**	Fatalities and lost-time injuries: seven fatalities and LTIFR of 4.21 per million man hours worked (2021: three fatalities and 4.92). DMRE section 54 stoppages resulted in a production loss of 381kt at Impala (2021: 114kt).	Within: Appetite ✓ Tolerance ✓ Refer stakeholder interests
	Capitals	Intellectual property associated with safety procedures and systems is continually monitored in terms of performance standards, while embedding safety performance into management KPIs, together with the application of lessons learned, ensures continuous improvement. Negative impact on human and social capital due to loss of life and injuries. Safety interruptions impact the Company's ability to produce, which has a knock-on effect on revenue and taxes paid.	Financial capital; Human capital; Intellectual capital; Social and relationship capital
Mitigation	**Response**	• Detailed analyses are performed on all DMRE findings and remediation is implemented • Strong focus on the prevention of fatal incidents, continuous visible-felt leadership and remediation following safety reviews • Safety included in Group and operational KPIs.	
	Opportunity	• A safe, productive culture supports the business's operating model and profit formula and improves unit cost performance • Improved planning processes ensure better information is available at the face • Management and line supervision compliance with critical behaviours supports operational risk management and alignment with individual business units' fatal risk control protocols.	
Responsibility	**Committee**	HSE committee	Refer corporate governance chapter
	Management	Group COO Operations CEOs and executives	Refer CEO review
Outlook – five years	**Residual risk**	2023 – ●; 2024 – ●; 2025 – ●; 2026 – ●	
Strategy	**Long-term response**	• Training and coaching of senior line management • Safety culture interventions focusing on behaviour and human capital.	Responsible stewardship; Operational excellence; Organisational effectiveness

C Controllable
PC Partially controllable
U Non-controllable

● Critical-catastrophic
● Critical
● Minor

4	Currency or exchange rate risk due to continued devaluation of the Zimbabwean dollar		**Ranking: 2021 (5)** 2020 (5) U
Impact	**Value**	Exchange rate exposure could translate into high inflation and possible cost escalation. Availability of foreign currency is affected by uncertainty in the Zimbabwean foreign currency retention policies, the difference between the official and the parallel exchange rates and settlement delays on the foreign exchange auction system.	Within: Appetite ✓ Tolerance ✓
	Capitals	Constrained availability of financial capital and increased holding costs. The ability to retain the US dollar, the rate and timing of conversion to Zimbabwean dollars, severely impact this capital.	Financial capital
Mitigation	**Response**	• Pre-pay operating expenses, capital projects and local currency denominated statutory obligations and minimise excess Zimbabwean dollars and use for operating and capital projects • Invest excess Zimbabwean dollars in short-term money market instruments • Substitute local purchase with imports where local prices increase significantly in real terms • Obtained a facility through the Central Bank (RBZ) for staggered liquidation of local currency retention portion.	
	Opportunity	• Enhance relationship capital and improve local supply chains by availing foreign currency to critical suppliers for cost management and skills retention • Improve foreign currency settlements by encouraging key suppliers to use foreign currency auction systems.	
Responsibility	**Committee**	ARC	Refer corporate governance chapter
	Management	Group CFO Zimplats CFO	Refer CFO review
Outlook – five years	**Residual risk**	2023 – ●; 2024 – ●; 2025 – ●; 2026 – ●	
Strategy	**Long-term response**	A memorandum of understanding signed with the Zimbabwean government provides stability on the country's unpredictable foreign currency retention policies. The effectiveness of Implats' response is heavily reliant on proactive engagement with authorities as a key stakeholder in order to achieve coherent and consistent cooperation on key government policies affecting the business so as to provide more certainty and predictability. The Group will continue to focus on the identified risk mitigation measures.	Responsible stewardship; Operational excellence; Optimal capital structure

C Controllable
PC Partially controllable
U Non-controllable

● Critical-catastrophic
● Critical
● Minor

5 Maintaining our social licence to operate and good stakeholder relations			Ranking: 2021 (6) 2020 (6) PC
Impact	Value	Dissatisfied stakeholders and mine-host communities impact Implats' ability to achieve and execute its strategic objectives by preventing normal operations and threatening operational effectiveness.	Within: Appetite ✓ Tolerance ✓ Refer stakeholder interests
	Capitals	A deficiency in social and relationship capital adversely impacts financial and human capital.	Social and relationship capital
Mitigation	Response	• Transparent engagement with all stakeholders, including government and business forums, community leaders and other recognised structures • Develop and deliver social and labour plans • Forensic investigation into business forum allegations • Enhanced security, including patrols and contingency planning with SAPS • Taking legal recourse, including litigation and interdicts, against business forums where appropriate.	
	Opportunity	• Implement the Implats social performance strategy to improve social and relationship capital • Strengthen communities in collaboration with RBN to empower local youth and create jobs • Reduce tension through direct engagement with host communities, the DMRE and Rustenburg municipalities to address expectations for job and procurement opportunities and other uneconomical demands.	
Responsibility	Committee	STR committee	Refer corporate governance chapter
	Management	Group executive: People Operations CEO and executive	Refer stakeholder interests
Outlook – five years	Residual risk	2023 – ●; 2024 – ●; 2025 – ●; 2026 – ●	
Strategy	Long-term response	• Implement social performance strategy • Initiate SLP4 process.	Responsible stewardship · Operational excellence · Organisational effectiveness

6 Impala Canada: challenges with ounce production due to low underground delivery			Ranking: 2021 (7) 2020 (–) C
Impact	Value	Lower than planned underground production threatens the financial stability of Impala Canada. A shortage of technically skilled employees and underground contractors and equipment contributed to lost production during the year.	Within: Appetite ✓ Tolerance ✓ Refer stakeholder interests
	Capitals	• Recruiting the necessary technical skills will enhance human capital • Securing equipment needed to support operational excellence will improve manufactured capital • The impact of low production on financial performance is not sustainable.	Financial capital · Human capital · Manufactured capital
Mitigation	Response	• The commissioning of a new Company drill will address shortages of underground equipment and supply chain constraints • Workforce capacity to be supplemented in the short term by contractors • Production included in Group and operational KPIs.	
	Opportunity	• Supply chain management, the use of alternative suppliers and enhanced operating practices	
Responsibility	Committee	SIC	Refer corporate governance chapter
	Management	Group COO Impala Canada CEO	Refer COO review
Outlook – five years	Residual risk	2023 – ●; 2024 – ●; 2025 – ●; 2026 – ●	
Strategy	Long-term response	In addition to underground optimisation initiatives and the rebuild and commissioning of Company drills, longer-term external dependencies will be reduced through collaboration with the Canadian government to attract host community talent. Refer to short and medium-term KPIs for production outlook.	Operational excellence · Organisational effectiveness · Future focus

7 Failure to comply with legal and regulatory requirements through the value chain			Ranking: 2021 (8) 2020 (8) C
Impact	Value	Failure to comply with legal and regulatory requirements will result in operations forfeiting their licence to operate.	Within: Appetite ✓ Tolerance ✓ Refer stakeholder interests
	Capitals	Legislative compliance assures a right to operate and ensures benefit flows to stakeholders, the protection of natural resources and profitability.	Financial capital; Intellectual capital; Social and relationship capital; Natural capital
Mitigation	Response	• Established and legal compliance management functions • Ongoing engagement with the DMRE to ensure compliance and to address non-compliance efficiently and effectively • Regulatory compliance included in Group and operational KPIs.	
	Opportunity	• Develop and embed processes and cultivate the intellectual capital required to ameliorate possible impacts.	
Responsibility	Committee	ARC, STR and HSE committees	Refer corporate governance chapter
	Management	Operations CEO and executives	Refer stakeholder interests
Outlook – five years	Residual risk	2023 – ●; 2024 – ●; 2025 – ●; 2026 – ●	
Strategy	Long-term response	Ensure strong, established legal and compliance management functions. Maintain direct and transparent engagement with line management and report on and monitor Group compliance through board and committee governance structures.	Responsible stewardship; Operational excellence; Organisational effectiveness

8 Ramp-up of 16 and 20 shafts to steady-state production in accordance with business plan			Ranking: 2021 (9) 2020 (–) C
Impact	Value	Shafts 16 and 20 are critical to the sustainability of the Impala Rustenburg operation and will constitute approximately 40% of future production. The successful ramp-up to full production at these shafts is critical to Impala's financial performance.	Within: Appetite ✓ Tolerance ✓ Refer stakeholder interests page 36
	Capitals	• Successfully ramping-up and effectively operating these shafts is dependent on the employment of intellectual capital and will benefit manufactured and financial capitals • Production targets included in Group and operational KPIs.	Financial capital; Intellectual capital; Manufactured capital
Mitigation	Response	• Specified metrics are monitored and deviations from plan investigated and corrected.	
	Opportunity	• An investigation to establish white-area mining at 20 Shaft is underway. Increasing vamping tonnes from back areas and embedding leadership tools to assist supervisors manage operational requirements offer further upside • At 16 Shaft, culture survey recommendations are being implemented and ventilation constraints being addressed by a ventilation action plan.	
Responsibility	Committee	SIC	Refer corporate governance chapter
	Management	Group COO Impala CEO	
Outlook – five years	Residual risk	2023 – ●; 2024 – ●; 2025 – ●; 2026 – ●	
Strategy	Long-term response	The Impala board and the SIC will guide, support and monitor critical projects in the long term and support the development of internal human capital required to successfully manage projects of this nature.	Responsible stewardship; Operational excellence; Organisational effectiveness

C Controllable
PC Partially controllable
U Non-controllable

● Critical-catastrophic
● Critical
● Minor

9 Challenged capacity and efficiencies of management layers at South African operations			**Ranking: 2021 (10)** 2020 (9) C
Impact	**Value**	The lack of bench strength in key strategic roles within the organisation negatively affects the achievement of strategic objectives for operational and organisational excellence.	Within: Appetite ✓ Tolerance ✓ Refer stakeholder interests page 36 Refer ESG report page 60
	Capitals	The quality of human and intellectual capitals are being enhanced as the Duke University senior and middle management development programmes are rolled out.	Human capital, Intellectual capital
Mitigation	**Response**	• An exco succession plan and individual development plans to proactively address leadership gaps have been implemented • Capacity and efficiencies of management included in the CEO's KPIs (refer page 75) • A plan to build capacity and ensure bench strength has been implemented for supervisory and technical areas • Talent councils and 261 delegates currently participating in the Duke University senior and middle management programmes and 221 graduates for the year ended June 2022.	
	Opportunity	• Implats external mapping of key resources and a talent framework process is in place.	
Responsibility	**Committee**	STR committee	Refer corporate governance chapter
	Management	Group COO Group executive: People Impala CEO	
Outlook – five years	**Residual risk**	2023 – ● (orange); 2024 – ● (green); 2025 – ● (green); 2026 – ● (green)	
Strategy	**Long-term response**	Execute the people pipeline management and recruitment process and on-the-job targeted coaching programmes to embed the care and growth leadership model.	Responsible stewardship, Operational excellence, Organisational effectiveness

10 Failure to establish water security, avoid contamination and manage water costs			**Ranking: 2021 (11)** 2020 (10) PC
Impact	**Value**	Water is a critical input for mining, processing and refining operations. It is an imperative for economic development and access to it is a fundamental human right.	Within: Appetite ✓ Tolerance ✓ Refer stakeholder interests page 36
	Capitals	• Water is a scarce natural resource. Insufficient supply and its irresponsible use negatively affect the Group's responsible stewardship and operational excellence strategies and damage social and relationship capital • Implats manages this resource very well and recycled 53% of water used compared to a target of 48% • Zimplats owns the Chitsuwa Dam, Impala is part of the Pilanesberg water scheme and Marula remains a member of the Lebalelo water scheme.	Financial capital, Intellectual capital, Social and relationship capital, Manufactured capital
Mitigation	**Response**	• Infrastructure to retain rainwater, water storage facilities, dynamic water balance models and monitoring through dashboard reporting are in place • KPI targets embedded for Group and operational metrics measuring the risk.	
	Opportunity	• A Group environment strategy is being developed, which addresses water management, water reticulation capabilities and the necessary processes and understanding from an intellectual capital point of view.	
Responsibility	**Committee**	HSE committee	Refer corporate governance chapter
	Management	Group COO and operations executives	Refer stakeholder interests page 36
Outlook – five years	**Residual risk**	2023 – ● (orange); 2024 – ● (orange); 2025 – ● (orange); 2026 – ● (orange)	
Strategy	**Long-term response**	• The development of intellectual property to enhance the future efficient water use of water is underway • Financial support is provided to catchment-level water management forums.	Responsible stewardship, Operational excellence, Organisational effectiveness

Appendix B – Sustainability risks

HSE committee – top health, safety and environmental operational risks

Safety

- Rock mass stability
- Human behaviour failure
- Contractor management
- Major electrical interruptions
- Underground track-bound mobile equipment
- Underground trackless mobile equipment
- Stakeholder engagement (community disruption associated safety risks)
- Gasses, fires and explosions
- Scraping and rigging

Health

Occupational:

- Noise-induced hearing loss
- Pulmonary TB
- Diesel particulate matter
- Community dust claims
- System integration, data storage and data mining

Non-occupational:

- Healthcare costs
- Community demands
- HIV/AIDS
- Covid-19
- Clinical skills

Environment

- Zimbabwe SO_2 abatement
- Water scarcity in southern Africa region
- Impact of climate change
- Failure to deliver on projects required to meet the 2020 air quality emissions standards by December 2024
- Inability to reduce carbon footprint
- Failure to mitigate the contamination of surface and ground water resources
- Failure to effectively administer compliance with environmental authorisation
- Inability to obtain mine closure certificates to failure to rehabilitate environment (including demolition, reclamation, decontamination) on cessation of operations
- Uncontrolled access to hazardous infrastructures
- Inefficient water usage throughout operations

STR committee-focused risks

Group management performed a review of its internal and external operating environment and identified the following additional social/employee-related risks, in addition to those in the Group strategic risks:

1. Potential impact of the Companies Amendment Bill Section 30 A

- The bill proposes that the remuneration policy and remuneration implementation report (which are currently non-binding advisory votes) become binding by ordinary shareholder resolution.
- Should the implementation report not meet the requisite 50% approval requirement, the non-executive directors of the committee will be required to stand down for every year that the report is rejected by shareholders.

(The public participation process is still underway. Numerous parties raised objections to the proposed amendments.)

2. Ongoing decline in the social and economic environment in South Africa

- The rising cost of living will impact the livelihoods of our employees and host communities.

3. Forward-looking organisational capacity

4. Critical skills shortage at Impala Canada

Appendix C – Market analysis

The July 2022 update to the International Monetary Fund's (IMF's) World Economic Outlook projected global economic growth of 3.2% in 2022 and 2.9% in 2023, reflecting negative revisions to the outlook for the major economies of the United States, China and Europe. The risks to the outlook remain tilted to the downside – the potential for reduced gas supplies to Europe could materially alter both the inflation and growth outlook in the region, while intermittent lockdowns in China could further suppress economic momentum.

All three major PGM markets – platinum, palladium and rhodium – recorded fundamental surpluses in 2021. The combination of accelerated destocking of producer inventories, coupled with the shortfall in expected auto demand due to the worsening semi-conductor chip shortage, resulted in a year characterised by extreme volatility with tight physical markets and price support in the first half of the year countered by increased primary and secondary refined supplies and erratic auto purchasing in the latter months.

Refer to page 19 of the 2022 Group results booklet at www.implats.co.za for the complete market review.

Platinum

koz	2020	2021	2022	2023
Demand				
Industrial	4 421	4 937	**5 035**	**5 198**
Automotive	2 288	2 527	**2 667**	**2 905**
Hydrogen and fuel cells	36	43	**65**	**103**
Other industrial	2 097	2 367	**2 303**	**2 190**
Jewellery	1 830	1 953	**1 958**	**2 032**
Investment	1 175	90	**(165)**	**–**
Total demand	7 426	6 979	**6 828**	**7 230**
Supply				
Primary	4 879	6 197	**5 771**	**5 883**
South Africa	3 250	4 664	**4 176**	**4 245**
Zimbabwe	457	486	**516**	**529**
North America	339	265	**298**	**305**
Russian sales	709	658	**656**	**679**
Others	125	125	**125**	**125**
Secondary	1 597	1 653	**1 607**	**1 641**
Recycle – Auto	1 154	1 204	**1 159**	**1 171**
Recycle – Jewellery	422	422	**422**	**445**
Recycle – Other	22	27	**25**	**25**
Total supply	6 477	7 850	**7 378**	**7 524**
Movement in stocks	(949)	871	**550**	**295**

2022 PLATINUM MARKET to remain in surplus

Demand expected to decrease by 2%
- Automotive production recovery on easing chip shortages
- Stable jewellery demand as Zero Covid policy in China offsets good growth elsewhere
- Industrial demand remains elevated and firm.

Supply to retrace by 7% on operational headwinds and processing maintenance across peer group.

Negative outlook for physical investment demand in 2022 due to macro-economic climate.

The palladium price closed FY2022 some 31% lower (US$1 888 per ounce) than the start (US$2 761 per ounce). The average London trade price for the full financial year was 9% lower at US$2 207 per ounce (FY2021: US$2 425 per ounce).

Palladium

koz	2020	2021	2022	2023
Demand				
Industrial	10 132	9 924	**10 065**	**10 197**
Automotive	8 510	8 327	**8 439**	**8 679**
Hydrogen and fuel cells	–	–	**–**	**1**
Other industrial	1 623	1 597	**1 625**	**1 516**
Jewellery	177	207	**207**	**214**
Investment	(90)	40	**(60)**	**–**
Total demand	10 219	10 171	**10 212**	**10 410**
Supply				
Primary	6 171	6 994	**6 714**	**6 830**
South Africa	1 922	2 750	**2 459**	**2 512**
Zimbabwe	389	405	**432**	**443**
North America	934	857	**951**	**981**
Russian sales	2 714	2 769	**2 660**	**2 681**
Others	212	212	**212**	**212**
Secondary	3 190	3 429	**3 075**	**3 316**
Recycle – Auto	2 686	2 898	**2 562**	**2 820**
Recycle – Jewellery	128	117	**112**	**104**
Recycle – Other	376	414	**401**	**392**
Total supply	9 361	10 423	**9 789**	**10 146**
Movement in stocks	(858)	252	**(423)**	**(264)**

2022 PALLADIUM MARKET to return to deficit

Demand estimated to remain unchanged vs 2021

- Automotive production recovery weakened by supply chain challenges, thrifting and switching
- Industrial offtake reflects ongoing price elasticity of demand.

Supply to decline by 4% with weak recycling and Russian sales uncertainty.

A tight market in medium term despite rising BEV sales.

Limited speculative interest and net short positioning vulnerable to supply and demand shocks.

Rhodium pricing also exhibited significant price volatility in FY2022, with an almost 50% differential between peak to trough pricing of US$22 200 and US$11 250 per ounce, respectively. The closing price of US$14 000 per ounce was 28% lower than the opening US$19 700 per ounce on New York Dealer Trade. The average price for the full financial year of US$16 411 per ounce was some 13% weaker (FY2021: US$18 812 per ounce).

Rhodium

koz	2020	2021	2022	2023
Demand				
Industrial	980	988	**1 027**	**1 071**
Automotive	904	896	**922**	**947**
Hydrogen and fuel cells	—	—	**—**	**—**
Other industrial	76	92	**106**	**124**
Investment	(7)	(3)	**(2)**	**—**
Total demand	973	985	**1 025**	**1 071**
Supply				
Primary	609	790	**724**	**734**
South Africa	477	668	**592**	**598**
Zimbabwe	41	43	**46**	**48**
North America	21	15	**16**	**17**
Russian sales	58	53	**58**	**60**
Others	12	12	**12**	**12**
Secondary	339	370	**326**	**339**
Recycle – Auto	339	370	**326**	**339**
Total supply	948	1 160	**1 050**	**1 073**
Movement in stocks	(25)	175	**25**	**3**

2022 RHODIUM MARKET to tighten

Demand to grow by 4% with rise in 2H 2022 automotive production.

Supply to retrace by 8% as South African volumes normalise following inventory release.

Physical tightness dictated by level of Chinese and Scrap activity in the SPOT market.

Merensky Reef stockpile ore at Two Rivers

Automotive

Global light-duty vehicle sales are estimated to have reached 81.4 million units for 2021. This marked a 5% improvement on the pandemic-struck 2020 result, although it remained 10% below the sales rate achieved in 2019. The early months of 2021 were marked by pandemic-related restrictions, which were followed by crippling supply-chain constraints impacting the availability of semi-conductor chips in the latter part of the period.

	2020	2021	% Change	2022E	Year-on-year %
World	77.8	81.4	5	**81.3**	**0**
North America	16	16.6	3	**16.6**	**0**
Europe	14.5	14.5	0	**13.4**	**(7)**
Japan	4.1	3.9	(4)	**3.9**	**1**
India	2.5	3.2	22	**3.5**	**12**
China	24.4	25.5	4	**26**	**2**
Rest of the world	16.3	17.8	9	**17.7**	**(1)**

Light-duty vehicle sales
Source: LMC July 2022 Forecast

The broader global impact of the war is most likely to be felt via the macro-economic effects of a deteriorating growth outlook, rising inflation and the impacts on disposable income and consumer confidence. LMC retains the view that supply constraints remain the most pressing issue for the near-term automotive outlook, with lengthy delays on new vehicle deliveries and inventories well below normal operating levels.

The next series of major emission standards changes is expected in 2023. In 2022, changes in auto demand will primarily be driven by underlying production volumes, which are expected to run ahead of sales to replenish depleted inventory levels, and changes in the underlying choice of metals used. In particular, additional platinum is expected to be used at the expense of palladium in the after-treatment of gasoline engines. 'Switching' is expected to vary greatly by geographic region and by OEM, but will help to drive a structural increase in platinum automotive use after years of decline due to falling diesel market share.

Glossary

Aids	Acquired immune deficiency syndrome
AMCU	Association of Mineworkers and Construction Union
ART	Antiretroviral therapy, provided for the treatment of HIV and Aids (excluding state and private medical aid)
ASX	Australian Securities Exchange
B-BBEE	Broad-based Black Economic Empowerment
BSC	Balanced scorecard
CDP	Climate Disclosure Project
CO_2	Carbon dioxide
Covid-19	Corona virus disease 2019
CY	Calendar year
DoE	Department of Education
DoH	Department of Health
DMRE	Department of Mineral Resources and Energy, South Africa
EBITDA	Earnings before interest, tax, depreciation and amortisation
ESG	Environmental, social and governance
ESOT	Employee Share Ownership Trust
Executive director	Is employed by the Company and is involved in the day-to-day running of the organisation
FFR	Fatality frequency rate
FIFR	A rate expressed per million man-hours of any Impala employee, contractor or contractor employee or visitor who is involved in an incident while performing his duties at work and who sustains terminal injuries shall constitute a fatal accident. Any road-related fatal incident where the Company is in full control of the vehicle, the driver and conditions related to the road injury of an employee shall constitute a fatal incident. A fatal injury may occur when an employee is incapacitated for a period of time prior to expiration, thus requiring a revision of injury status from LTI to a fatality
FY	Financial year (to 30 June)
GJ	Gigajoules. Unit of measure for energy
GHG	Greenhouse gas
HDP	Historically disadvantaged person
HIV	Human immunodeficiency virus
Independent directors	Directors who apart from receiving directors' remuneration do not have any other material pecuniary relationship or transactions with the Company, its management or its subsidiaries, which in the judgement of the board may affect their independence
Impala	Impala Platinum Limited, comprising Impala Rustenburg, Impala Springs and Impala Refining Services (IRS)
Implats	Impala Platinum Holdings Limited or the Company
Independent non-executive directors	Directors who apart from receiving directors' remuneration do not have any other material pecuniary relationship or transactions with the Company, its management or its subsidiaries, which in the judgement of the board may affect their independence
IPA	International Platinum Group Metals Association
ISO	International Organization for Standardization
JSE	Johannesburg Stock Exchange
KPI	Key performance indicator
Local/host community	Communities that are directly impacted by our mining operations and are on or near the mine lease area
LoM	Life-of-mine
Lost-time injury	A work-related injury resulting in the employee being unable to attend work at his/her place of work, performing his/her assigned duties, on the next calendar day (whether a scheduled work day or not) after the day of the injury. If the appointed medical professional advises that the injured person is unable to attend work on the next calendar day after the injury, regardless of the injured person's next roster shift, a lost-time injury is deemed to have occurred
LTI	Long-term incentive

LTIFR	Number of lost-time injuries expressed as a rate per million hours worked and includes restricted work cases
Marula	Marula Platinum (Pty) Limited
MHSC	Mine Health and Safety Council
Mimosa	Mimosa Platinum (Private) Limited
Mining Charter	Broad-based socio-economic empowerment charter for the South African mining industry
MRMR	Mineral Resource and Mineral Reserve
MTI	Medium-term incentive
NIHL	Noise-induced hearing loss
Non-executive director	A director who is not involved in the day-to-day running of the organisation but is a nominee director of a material shareholder
NOx	Nitrous oxide
NUMSA	National Union of Mineworkers, South Africa
OEM	Original equipment manufacturer
ORAs	Objective-based risk assessments
PGI	Platinum Guild International
PGMs	Platinum group metals being the metals derived from PGE
SAMREC	The South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves
SDL	Skills development levy
SLP	Social and labour plan
SO_2	Sulphur dioxide
STI	Short-term incentive
TB	Pulmonary tuberculosis, which in South Africa is considered an occupational illness when it is associated with the presence of dust in the workplace
TCFD	Task Force on Climate-related Disclosures
TRP	Takeover Regulation Panel
UIF	Unemployment Insurance Fund
UN SDGs	United Nations Sustainable Development Goals
WPIC	World Platinum Investment Council

Contact details and administration

Registered office
2 Fricker Road
Illovo, 2196
Private Bag X18
Northlands, 2116
Telephone: +27 (11) 731 9000
Telefax: +27 (11) 731 9254
Email: investor@implats.co.za
Registration number: 1957/001979/06
Share codes: JSE: IMP ADRs: IMPUY
ISIN: ZAE000083648
ISIN: ZAE000247458
Website: http://www.implats.co.za

Impala Platinum Limited and Impala Refining Services

Head office
2 Fricker Road
Illovo, 2196
Private Bag X18
Northlands, 2116
Telephone: +27 (11) 731 9000
Telefax: +27 (11) 731 9254

Impala Platinum (Rustenburg)
PO Box 5683
Rustenburg, 0300
Telephone: +27 (14) 569 0000
Telefax: +27 (14) 569 6548

Marula Platinum
2 Fricker Road
Illovo, 2196
Private Bag X18
Northlands, 2116
Telephone: +27 (11) 731 9000
Telefax: +27 (11) 731 9254

Impala Platinum Refineries
PO Box 222
Springs,1560
Telephone: +27 (11) 360 3111
Telefax: +27 (11) 360 3680

Zimplats
1st Floor South Block
Borrowdale Office Park
Borrowdale Road
Harare
Zimbabwe
PO Box 6380
Harare
Zimbabwe
Telephone: +26 (34) 886 878/85/87
Fax: +26 (34) 886 876/7
Email: info@zimplats.com

Impala Canada
69 Yonge Street
Suite 700
Toronto, ON, Canada
M5E 1K3
Telephone: +1 (416) 360 7590
Email: info@impalacanada.com

Sponsor
Nedbank Corporate and Investment Banking
135 Rivonia Road
Sandton, 2196
Johannesburg

Impala Platinum Japan Limited
Uchisaiwaicho Daibiru, room number 702
3-3 Uchisaiwaicho
1-Chome, Chiyoda-ku
Tokyo
Japan
Telephone: +81 (3) 3504 0712
Telefax: +81 (3) 3508 9199

Company secretary
Tebogo Llale
Email: tebogo.llale@implats.co.za

United Kingdom secretaries
St James's Corporate Services Limited
Suite 31, Second Floor
107 Cheapside
London EC2V 6DN
United Kingdom
Telephone: +44 (020) 7796 8644
Telefax: +44 (020) 7796 8645
Email: phil.dexter@corpserv.co.uk

Public officer
Ben Jager
Email: ben.jager@implats.co.za

Transfer secretaries
Computershare Investor Services (Pty) Ltd
Rosebank Towers
15 Biermann Avenue, Rosebank
Private Bag X9000, Saxonwold, 2132
Telephone: +27 (11) 370 5000

Auditors
Deloitte & Touche

Johannesburg Office
5 Magwa Crescent
Waterfall City
Johannesburg, 2090
Telephone: +27 (11) 806 5000

Cape Town Office
The Ridge
6 Marina Road
Portswood District
V&A Waterfront
Cape Town, 8000
Telephone: +27 (21) 427 5300

Corporate relations
Johan Theron
Investor queries may be directed to:
Email: investor@implats.co.za

IMPLATS
EXCELLENCE IN PGMs

Impala Platinum Holdings Limited

Tel: +27 (11) 731-9000
investor@implats.co.za
2 Fricker Road, Illovo, 2196
Private Bag X18, Northlands, 2116

www.implats.co.za