

Corporate governance

Implats supports the Code of Corporate Practices and Conduct as advocated in the King Report on corporate governance. A summary of compliance is as follows:

Board of Directors

The board follows the unitary structure and retains full and effective control over the group. It meets on a quarterly basis to review the operational performance of the group, strategic issues, the business plan, acquisitions, disposals and other major contracts and commitments, group policies and stakeholders reporting. There are seven non-executive members of whom two are also directors of the major shareholder. There are four executive directors.

The positions of Chairman and Chief Executive Officer are separate. The Chairman of the board is a non-executive director. In addition, the independent directors are of such calibre and number that they carry significant weight in the board's deliberations and resolutions.

A number of standing committees of the Board have been established. These committees operate with written terms of reference and are comprised, in the main, of non-executive directors. The chairman of each committee is a non-executive director.

- **Remuneration Committee**

The Remuneration Committee comprises three non-executive directors and is responsible for determining the group policies and structure with regard to executive remuneration, remuneration packages for executive directors and senior executives and policy and strategy of employment.

- **Audit Committee**

The Audit Committee, which meets on a quarterly basis, is comprised solely of non-executive directors. The role of the audit committee is to assist the board by performing an objective and independent review of the functioning of the organisation's finance and accounting control mechanisms. It exercises its functions through close liaison and communication

with corporate management and the internal and external auditors.

- **Health, Safety and Environmental Audit Committee.**

A Health, Safety and Environmental Audit Committee (HSE Audit Committee) is in place to monitor and review health, safety and environmental performance and standards. The primary role of the HSE Audit Committee is to supplement and support, and give advice and guidance on the effectiveness or otherwise of management's effort in the HSE arena. The committee consists of not less than four members. Employee representatives are invited to the committee meetings on a regular basis.

Internal Control Systems

The group maintains accounting and administrative control systems designed to provide reasonable assurance that the accounting records accurately reflect that transactions are executed and recorded in accordance with sound business practices, that the assets are safeguarded and that protection is provided against serious risk of error or loss in a cost-effective manner.

An internal audit department, which holds regular meetings with management and the Audit Committee and reports to the Chairman of the board, independently monitors these controls.

Nothing has come to the attention of the directors to indicate that any material breakdown in the functioning of these controls has occurred during the year under review.

Employee participation

Employees throughout the organisation are actively involved on all Fixco committees. A quarterly Leadership Summit facilitates communication between management and employee representatives across the organisation. In addition, representatives of all unions serve on key committees such as the Impala HIV/AIDS committee.

“ The group has adopted a code of values, governing the manner in which it does business with its stakeholders and, in particular covering business integrity and the development and safety of employees. ”

~ Alan Snashall

Alan Snashall
Group Secretary



Johan van Deventer
Treasurer

Affirmative action

The business plan of the organisation includes interventions to support the transformation process, to develop and empower our workforce and to accommodate both anticipated and recently promulgated legislation.

Our commitment to the process of “unlocking the potential” of our employees applies in particular to those who fall within the category of designated groups. All our developmental programmes, succession planning, career path programmes and bursary projects take cognisance of this commitment.

Numerous steering committees have been established and specific numerical targets to be achieved have been set over a five-year period to achieve a discrimination-free workplace.

Code of values

The group has adopted a code of values governing the manner in which it is committed to do business with its stakeholders and, in particular, covering business integrity and development and safety of employees. The process whereby employees committed themselves to these values has resulted in the development of the principles of that code into a “Value Statement” which interprets those values in a practical and easily understandable form. All employees and directors are required to adhere to the ethical standards contained in this code.

The group observes a closed period of one month prior to the announcement of interim and year-end results, during which neither directors nor employees can deal, either directly or indirectly, in the shares of Implats or its listed subsidiaries.

Year 2000 compliance

With the start of the new millenium and 2000 being a leap year all production and administrative systems functioned normally. All potential risk has now passed and no further costs are expected to be incurred.