



## **IMPALA PLATINUM HOLDINGS LIMITED KING IV REPORTING**

The board of directors (the board) of Impala Platinum Holdings Limited (Implats or the Company) strives to ensure the Company and the entities it controls (the Group), meet the highest standards of corporate governance. The board recognises that it has responsibilities to its stakeholders, customers, employees and suppliers, as well as the communities where it operates. It is therefore vital that the highest standards of good governance to promote quality decision-making and the execution of those decisions within a disciplined framework of policies, procedures and authorities to meet obligations to each stakeholder are maintained.

The board is committed to providing effective leadership to the Group and it embraces the principles of ethical leadership in settling and implementing Implats' strategy and is guided by the principles of the King IV Code on Corporate Governance, the Companies Act, 2008, the JSE Listings Requirements and all other applicable laws, standards and codes.

The application of King IV is on an apply and explain basis and is embedded in many of the policies and procedures governing corporate conduct. The board is satisfied that the Company has applied the principles set out in King IV. This document provides the detail pertinent to the application of these principles.

Where applicable, additional governance disclosure can be found in the annual reports which can be accessed at [www.implats.co.za](http://www.implats.co.za).

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KING IV PRINCIPLE	DISCLOSURE
1. The governing body should lead ethically and effectively	The board exercises effective leadership over the Company and all its business units. It ensures that roles and responsibilities are clearly defined and performance is robustly reviewed on a regular basis. The directors recognise that sound corporate governance practices are necessary for sustainable value creation for all stakeholders.
2. The governing body should govern the ethics of the organisation in a way that supports the establishment of an ethical culture	The board has adopted a Code of Ethics which has been rolled out throughout the Group. A committee of the board oversees that an effective ethics management programme is developed and implemented. This has assisted the board to develop a culture of ethics in the organisation. Refer to the Notice to Shareholders (Notice) annual integrated report (IR) for additional disclosure.
3. The governing body should ensure the organisation is and is seen to be a responsible corporate citizen	Being a responsible corporate citizen (maintaining our social licence to operate) is a key pillar of our strategy. Given the broad scope of our initiatives in this area, oversight vests with two board sub-committees, namely the Social, Transformation and Remuneration (STR) committee and the Health, Safety, Environment and Risk (HSER) committee. The board discloses all its activities in the annual Environmental, Social and Governance (ESG) report, which is available on the Company website.
4. The governing body should appreciate that the organisation's core purpose, its risks and opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value creation process	The board interrogates strategy implementation on an on-going basis to ensure the continuing relevance of previous decisions. The Group's purpose, risks and opportunities, strategy and business model are also reviewed with due consideration to all the capitals deployed to create value for stakeholders. Refer to the Notice and the IR for additional disclosure.
5. The governing body should ensure that reports issued by the organisation enable stakeholders to make informed assessments of its performance, and its short-, medium- and long-term prospects	The preparation of the IR and other supplementary reports is guided by the relevant reporting frameworks as well as existing guidance for best practice. The board is assisted by the audit and other committees to ensure reporting is fair, accurate and independently assured where possible. All external reports published by the Company are available on Implats' website.
6. The governing body should serve as the focal point and custodian of corporate governance in the organisation	The board ensures the Company and all its subsidiaries adhere to high standards of corporate governance. A committee of the board authorises the appointment of directors to subsidiary companies to ensure these standards are maintained. The board functions in terms of an approved charter and is also guided by King IV principles, the memorandum of incorporation, the Companies Act as well as the JSE Listings Requirements. Refer to the Notice and the IR for additional disclosure.
7. The governing body should comprise the appropriate balance of knowledge, skills,	The Nomination, Governance and Ethics (NGE) committee assists the board with planning and appointing suitably qualified

<p>experience, diversity and independence for it to discharge its governance roles and responsibilities objectively and effectively</p>	<p>members with the requisite skills and experience and the majority of whom are independent. The board also receives recommendations on suitable candidates for deployment to board committees. The board has adopted a diversity policy, which addresses issues of race, gender, skills and geography to enable the board to draw potential candidates across all spectrums. The board has met all its targets in terms of race and gender diversity. Refer to the Notice for additional disclosure.</p>
<p>8. The governing body should ensure its arrangements for delegation within its own structures promote independent judgement, and assist with balance of power and the effective discharge of its duties</p>	<p>The board comprises majority independent non-executive directors. All committees comprise majority independent directors and are chaired by independent chairpersons. No board member has unfettered powers in any of the board structures, which allows for free flowing discussion during deliberations. Executive directors and management are always present in meetings to provide context, which enables the board to discharge its duties responsibly. The board delegates certain authority to management and reserves the right to withdraw or vary the delegated authority.</p>
<p>9. The governing body should ensure the evaluation of its own performance and that of its committees, its chair and its individual members, supports continued improvement in its performance and effectiveness</p>	<p>The board conducts an evaluation of itself as a unit, individual members, committees and committee chairpersons. The evaluation of the board and its committee is conducted once every two years in alternate years. This means that each year, the board conducts an in-depth review either of the board or its five committees. Every evaluation starts with the outcomes of the previous evaluation and assesses how the recommendations were implemented to ensure continuous improvement.</p>
<p>10. The governing body should ensure that the appointment of, and delegation to, management contributes to role clarity and the effective exercise of authority and responsibilities</p>	<p>The NGE committee recommends and the board approves the appointment of the CEO, the CFO and other members of the executive committee. The board delegates its authority to management through the CEO and holds management accountable for executing the approved strategy. The board publishes the performance scorecard of the CEO in its remuneration report published in the annual Notice which is available on the Company's website. The scorecard includes the deliverables he is held accountable for during any year under review. An approval framework is in place to clarify what powers have been delegated to management and which have been reserved for the board.</p>
<p>11. The governing body should govern risk in a way that supports the organisation in setting and achieving its strategic objectives</p>	<p>The board takes overall responsibility for the effective governance of organisational risks and opportunities. The management and oversight of top risks is delegated to relevant committees which possess the requisite expertise. The Group HSER committee is responsible for ensuring the risk management environment is designed and operated effectively. The Group continuously monitors its risk appetite and tolerance in terms of its strategic objectives and associated key performance indicators.</p>
<p>12. The governing body should govern technology and information in a way that</p>	<p>The board recognises the importance of actively managing technology and information in the same way other assets are</p>

<p>supports the organisation setting and achieving its strategic objectives</p>	<p>managed and protected. The audit committee has been delegated, through its terms of reference, the responsibility to ensure there is adequate governance in the way technology and information are used as capital in value creation.</p>
<p>13. The governing body should govern compliance with applicable laws and adopted, non-binding rules, codes and standards in a way that supports the organisation being ethical and a good corporate citizen</p>	<p>The board takes seriously the requirement to comply with applicable laws, non-binding rules, codes and standards to the extent that they have been adopted. A compliance management function has been established and it reports primarily to the audit committee. The quarterly reports cover areas of current and future focus; actions to monitor and address compliance management; material or repeated sanctions, fines and penalties on the organisation, its officers and/ or members; environment regulator inspections and incidents of non-compliance and the consequences thereof.</p>
<p>14. The governing body should ensure the organisation remunerates fairly, responsibly and transparently to promote the achievement of strategic objectives and positive outcomes in the short, medium and long term</p>	<p>The Company has adopted a remuneration philosophy and policies which enable it to attract, retain and motivate talented individuals. The employee value proposition is assessed annually for internal and external competitiveness and is aligned to Group strategy. The STR committee, comprising only independent non-executive directors, interrogates the reward offering to ensure alignment with all stakeholders. Roadshows are undertaken to engage shareholders about their views regarding reward offerings and reported remuneration activities. The remuneration report addresses the reporting requirements of King IV by including a background statement, policy overview and an implementation report. Shareholders are given the opportunity to vote on the policy and the implementation report. In the event that the non-binding votes do not get the required votes, the Company, led by the chairman of the STR committee, engages shareholders to better understand their requirements. Improvements are made where possible.</p>
<p>15. The governing body should ensure that assurance services and functions enable an effective control environment, and that these support the integrity of information for internal decision-making and of the organisation's external reports</p>	<p>The board delegates oversight over the effectiveness of the Company's internal controls, risk management processes and integrity of information to the audit committee. Assurance is provided over the information reported both internally and externally by management, specialist functions, internal audits, external auditors and other third-party assurance providers. To this end, the audit committee adopted an effective combined assurance framework, which has matured over the years in optimising the assurance provided, cross functionally, enterprise wide. Refer to the IR for additional disclosure.</p>
<p>16. In the execution of its governance roles and responsibilities, the governing body should adopt a stakeholder-inclusive approach that balances the needs, interests and expectations of material stakeholders in the best interests of the organisation over time</p>	<p>The Company makes every possible effort to engage with stakeholders. A quarterly report is submitted to a board committee detailing all key engagements and the outcomes thereof. Stakeholder governance, engagement and material matters are disclosed in the IR and ESG reports.</p>