



CODE OF CONDUCT:  
Suppliers and  
Contractors



RESPECT, CARE  
AND DELIVER

2021

# CONTENTS

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<b>1</b>	Foreword .....	1
<b>2</b>	Objective of this code .....	2
<b>3</b>	Health and safety.....	2
<b>4</b>	Governance and ethics.....	3
<b>5</b>	Sustainability .....	4
<b>6</b>	Communities .....	4
<b>7</b>	Environment .....	5
<b>8</b>	Human rights.....	5
<b>9</b>	Continuous improvement and innovation .....	6
<b>10</b>	Risk management and change management .....	6
<b>11</b>	Quality .....	7
<b>12</b>	Procurement .....	7
<b>13</b>	Transformation .....	8
<b>14</b>	Affidavit requirements.....	9
<b>15</b>	Service performance .....	10
<b>16</b>	Supplier/contractor new registration and annual maintenance requirements .....	11
<b>17</b>	Site access requirements.....	12
<b>18</b>	Compliance with this code .....	12
<b>19</b>	Governance framework references .....	12



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## SUPPLIER/CONTRACTOR CODE OF CONDUCT

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Doing business in the 21st century means that, more than ever before, the principles of good corporate governance and sustainability play a leading role in the longevity of companies. Increasingly, companies are extending their commitment to responsible business practices to their supply chain business partners too. Creating a sustainable supply chain drives value creation and success, for businesses and for society.

This Supplier/Contractor Code of Conduct (“Code”) applies to Impala Platinum Limited and Marula Platinum (Pty) Limited, (“the Companies”). This Code demonstrates the Companies’ commitment to supply chain governance and sustainability. It also provides suppliers/contractors with the insight needed on the Companies’ framework of responsible business practices and the principles within which the supply chain is managed.

The Companies believe the principles contained in this Code will assist them and their supply chain business partners to drive continuous improvement and innovation and to set strategic priorities that will deliver tangible and sustainable benefits to the businesses, the environment and society at large.



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## OBJECTIVE OF THIS CODE

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The objective of this Code is to provide a framework to all new and existing suppliers/contractors stipulating the requirements and standards for business engagement and transactions with the Companies.



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## HEALTH AND SAFETY

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The Companies' Policy on Health and Safety commits them to enforcing compliance with the relevant aspects of health and safety regulations and legislation. The Companies, therefore, require that suppliers/contractors:

- Work towards attaining the same health and safety goals as the Companies
- Safeguard the health and safety of all stakeholders and demonstrate their commitment to zero harm
- Take ownership of and enforce compliance by having an effective health and safety policy in place
- Maintain controls and implement innovative methods to ensure compliance with associated legislation, requirements or best practice standards (e.g. ISO 45001) and procedures the Companies may prescribe from time to time
- Provide appropriate resources, training and personal protective equipment to employees to improve health and safety and stop unsafe work practices
- Maintain an appropriate level of emergency preparedness to effectively manage any potential safety, health or environmental emergencies



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## GOVERNANCE AND ETHICS

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### GOVERNANCE

- The principles of the King IV Code on Corporate Governance, the Companies Act, 2008 (as amended), the JSE Listings Requirements and all other applicable laws, standards and codes are the primary framework within which the Companies conduct business as responsible corporate citizens
- Suppliers/contractors must adhere to Principle 2 of King IV, concerning ethical conduct, which requires establishing a culture of ethics. The Companies reserve the right to immediately terminate a relationship with a supplier/contractor in the event of corrupt conduct by any employee, director, officer or agent of the supplier/contractor
- The Companies reserve the right to immediately terminate a relationship with a supplier/contractor if they are found guilty of conduct that could reasonably lead to reputational harm relating to the Companies or any of their affiliates.

### ETHICS AND FRAUD

- The Companies takes a zero-tolerance stance against corruption, fraud, misconduct, fronting and/or dishonesty. Consequently, the principles of unquestionable ethical business conduct are non-negotiable
- All suppliers/contractors are therefore required to agree, adhere to and be bound by the Companies' Code of Ethics as well as the Fraud, Corruption and Whistleblowing Policy, available on the Implats website
- Suppliers/contractors, their employees, directors, officers and agents are encouraged to report any alleged illegal or dishonest activity on the Whistleblower hotline number on 0800 005 314. All calls are toll-free, available 24 hours and anonymous
- Should an employee, director, officer or agent of a supplier/contractor be found to be involved in instances of corruption, fraud, misconduct, fronting, dishonesty and/or any other action that could damage the Companies' reputations, the Companies, at their sole discretion, will cancel any contract/order, cancel the suppliers/contractors' vendor number, report the matter to the relevant authorities and be entitled to claim damages from the supplier/contractor.



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## SUSTAINABILITY

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The Companies are committed to sustainable development principles and therefore, similarly, expect their suppliers/contractors to:

- Promote a culture of sustainable development by defining and keeping current the responsibilities and accountability of all employees and contractors, as well as documenting, communicating and ensuring understanding thereof by those to whom it applies
- Make investment decisions which are commercially sound and financially profitable
- Have technically appropriate and socially responsible practices
- Have inherently safe and environmentally sound processes and practices.

# 6

## COMMUNITIES

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The Companies are committed to contributing towards the upliftment of their local communities. They encourage their suppliers/contractors to participate in the livelihoods and social upliftment of the communities in which the Companies operate.



7

## ENVIRONMENT

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The Companies are committed to responsible environmental stewardship of natural resources and the ecological environment and require their suppliers/contractors to strive towards these principles too, inter alia by:

- Implementing an effective environmental policy applicable to the relevant operating environment
- Complying with all applicable legislation and any other appropriate environmental regulations or guidelines, where the products or services supplied might have an impact on the Companies' ability to remain in compliance with such legislation or regulations
- Training and developing employees in environmental principles and ethical practices
- Implementing appropriate environmental management programmes, systems, associated standards (e.g. ISO 14001) and initiatives to maintain and remain accountable for legislative and regulatory compliance.

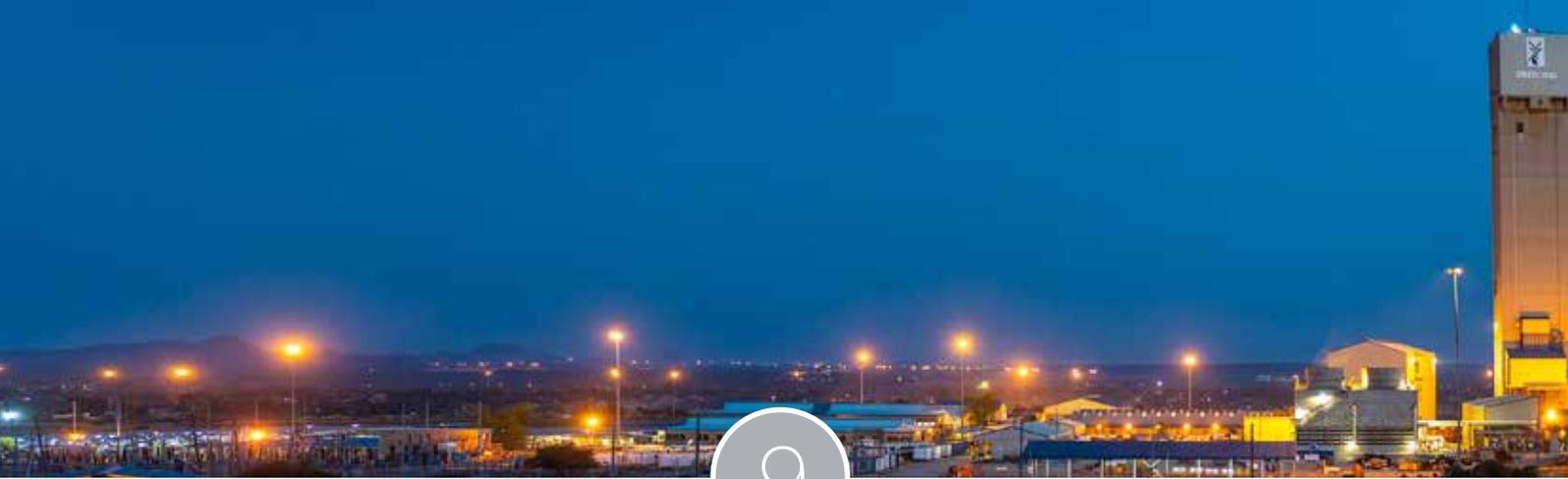
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## HUMAN RIGHTS

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The Companies are committed to human rights and expect their suppliers/contractors to similarly demonstrate a commitment to:

- Treat all stakeholders fairly and with dignity, irrespective of race, colour, gender, language, religion, political affiliation, national or social origin, or any another status
- Foster a working environment free of sexual harassment and violence, where employees are treated with respect and dignity and demonstrate a commitment to recognised labour standards such as:
  - Promoting freedom of association
  - Prevention of child labour
  - Eliminating forced or compulsory labour
  - Eliminating unlawful discrimination in the workplace
  - Eradicating harassment and violence
  - Recognising the right to collective bargaining.



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## CONTINUOUS IMPROVEMENT AND INNOVATION

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### The Companies value suppliers/contractors who:

- Strive for continuous business, product or service improvements and/or innovations
- Suggest appropriate improvements that contribute to the Companies' strategic growth and production objectives
- Continuously improve business efficiencies and translate those efficiency gains into tangible cost improvements in the Companies' supply chain.

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## RISK MANAGEMENT AND CHANGE MANAGEMENT

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Suppliers/contractors working on the Companies' operations play a fundamental role in identifying, mitigating and controlling risks.

- All suppliers/contractors of the Companies' mining operations must comply with Section 21 of the Mine Health and Safety Act No. 29 of 1996 concerning the design, manufacture, repair, import, erecting, installing and supplying of any article for use at a mine, and ensure it is safe and without risk to the health and safety of any person
- Suppliers/contractors are required to take ownership of, and actively participate in, risk management programmes, initiatives, management systems and associated standards (e.g. ISO 31000) to support risk-related requirements and certification
- Suppliers/contractors must continuously ensure effective change management systems are in place to stop and reassess risks whenever planned or unplanned changes occur.



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## QUALITY

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### Suppliers/contractors are required to:

- Take ownership of all quality-related requirements stipulated by the Companies, aimed at enhancing the quality of goods and services supplied
- Implement and adhere to an appropriate quality management system and associated standards (e.g. ISO 9001) in a manner which supports the Companies' quality requirements and quality certifications
- Supply goods and services according to the specifications and/or scope of work stipulated by the Companies.

# 12

## PROCUREMENT

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The Companies are committed to fair, equitable, competitive, and sound commercial processes

- **The Companies undertake to:**
  - give preference to their local communities wherever reasonably possible to facilitate the socio-economic development of these communities
  - support the directives contained in the Mining Charter, particularly those that relate to Historically Disadvantaged people, women and youth.
- The Companies procure from suppliers that manufacture locally to facilitate the industrial development of South Africa where possible
- Even though the aim is to promote the diversity and development of suppliers/contractors, the Companies' primary objective of the procurement and purchasing function remains to find reliable and cost-effective suppliers/contractors for their operations. Consequently, all suppliers/contractors are required to meet the expected quality, pricing, delivery and service levels, as well as the health, safety and environmental requirements
- All suppliers/contractors are expected to accept and contract under the Companies' General Conditions of Contract.

## TRANSFORMATION

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- The Companies have a zero-tolerance approach to fronting
- Should it come to the Companies' attention that any employee, director, officer or agent of the suppliers/contractors may be engaging in fronting, the Companies reserve the right to appoint third parties to conduct a fronting audit or report the situation to the B-BBEE Commissioner for further action. Should the allegations of fronting be proven, the Companies, at their sole discretion, will cancel any contract/order, cancel the suppliers/contractors' vendor number, report the matter to the relevant authorities and be entitled to claim damages from the supplier/contractor
- Suppliers/contractors must comply with the Broad-Based Black Economic Empowerment Act No. 53 of 2003 ("B-BBEE Act") as well as the relevant Mining Charter, with a minimum level 4 status
- Suppliers/contractors must be verified annually by a Department of Trade and Industry (DTI) accredited agency and submit SANAS B-BBEE certificates, or qualifying suppliers/contractors can provide affidavits signed by a Commissioner of Oaths in compliance with the B-BBEE Act. An affidavit is a written statement of facts voluntarily made by a person under an oath or affirmation, administered by a person authorised to do so by law
- In terms of the Codes, exempted micro-enterprises (EMEs) and greater than 51% black-controlled and owned qualifying small enterprises (QSEs) only use an affidavit to indicate their B-BBEE compliance status
- The DTI has designed affidavit templates. Qualifying measured entities must use these templates, which can be accessed on the DTI's website.

## AFFIDAVIT REQUIREMENTS

- The B-BBEE Commission, in accordance with the requirements to advise on the interpretation of any provision of the Act as per section 13F(1)(a) and (3)(b) (ii) of the B-BBEE Act, concludes that the modified flow-through principle cannot be used to benefit from the enhanced recognition status reserved for 51% and 100% black-owned EMEs and QSEs
- When submitting an affidavit for validity, suppliers/contractors must comply with the following:
  - An affidavit must be either for an EME (less than or equal to R10 million turnover per annum) or a QSE with black ownership of at least 51% (between R10 million and R50 million)
  - Should a QSE have less than 51% black ownership, a full SANAS verification certificate is required, and an affidavit is not acceptable
  - An affidavit must comply with the applicable scorecard for the type of entity (EME or QSE)
  - An affidavit must contain the legal entity name, registration number, black-woman ownership/black ownership/black-youth ownership/black-designated group ownership percentages
  - The recognition level must be shown
  - The affidavit must be signed and dated by the deponent and the Commissioner of Oaths. The deponent must sign contemporaneously or just before the Commissioner, but not after
  - The deponent must be a director or majority shareholder
  - Whether the relevant parties claiming black ownership were South African citizens before 1994 (where applicable)
- Suppliers/contractors relying on any empowerment credentials, must submit to the Companies or their appointed verification service provider, adequate proof that there is no attempted circumvention of the B-BBEE Act and Codes in the way that they present their company structure. This includes, but is not limited to:
  - Company ownership structure and share certificates
  - Company registration document and confirmation of director appointments
  - Proof that directors are actively involved in the business of the entity
  - A letter from the auditor that the entity type has the turnover it purports to have on the affidavit
  - Adequate proof of citizenship or naturalisation before 1994 must be provided. This may take, but is not limited to, the form of proof by the South African Department of Home Affairs that you were born in South Africa and at least one of your parents is a South African citizen, or that you were adopted by a South African citizen prior to 1994.

## SERVICE PERFORMANCE

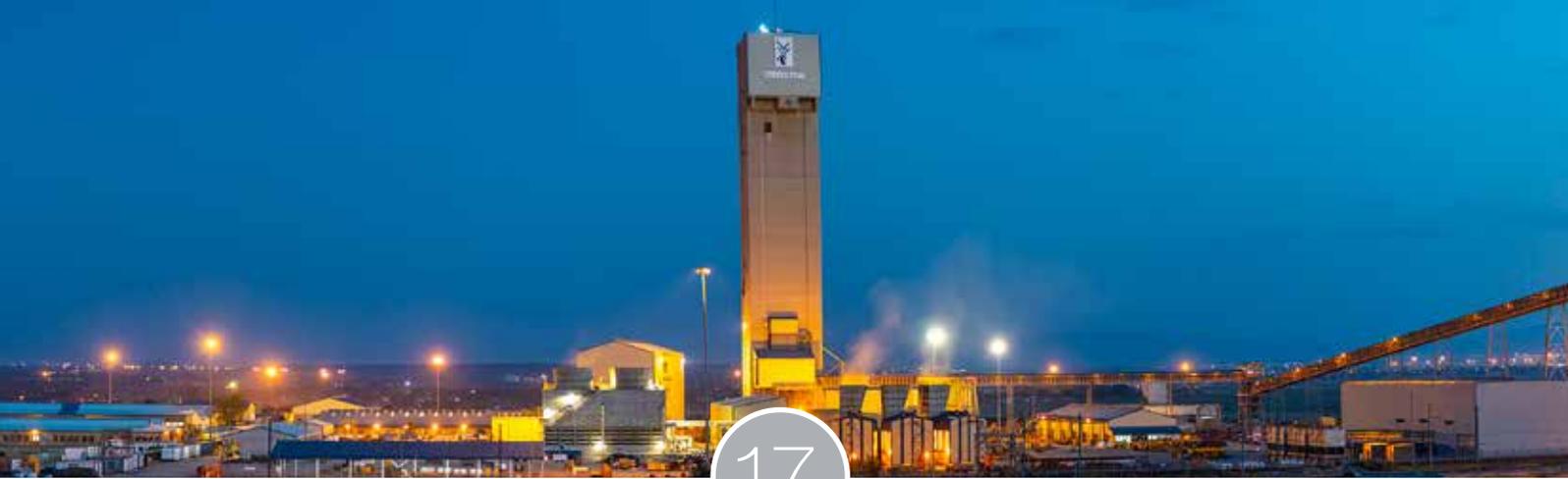
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- Suppliers/contractors are expected to provide adequate levels of support, as appropriate, to the nature of the provided goods or services and/or in terms of the mutually agreed service levels
- The Companies hold their suppliers/contractors fully accountable to deliver and perform in accordance with their obligations, and the commitments made in respect of all contracts and purchase orders. The responsibilities include, but are not limited to:
  - Adequate training of employees
  - On-time delivery in full
  - Quality standards
  - Lead times and supply responsiveness
  - Inventory levels and optimisation thereof
  - Accurate contract and order administration and invoicing
  - Compliance to the relevant legislation relating to Value Added Tax (“VAT”) when submitting an invoice
- All goods-related tax invoices must be e-mailed (original PDF document) to the following e-mail address: [ap\\_rustenburg@implats.co.za](mailto:ap_rustenburg@implats.co.za)
- All service-related tax invoices must be handed in at the relevant Accounts Payable offices
- Creditor statements must be electronically submitted to the Accounts Payable Department before the 10th of each month
- Tax invoices must contain VAT numbers where companies possess the same and must state the VAT portion separately from the non-VAT portion.

## SUPPLIER/CONTRACTOR NEW REGISTRATION AND ANNUAL MAINTENANCE REQUIREMENTS:

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- The Companies have invested in a digitally enabled Procurement Department and all suppliers/contractors are required to register on the SAP Ariba vendor portal to engage in future business transactions
- The Companies reserve the right to validate and verify any information and certificates provided, as well as perform any fraud checks which may be necessary with the use of a third-party service provider
- Suppliers/contractors are required to grant the Companies consent to process their personal information, in terms of the Protection of Personal Information Act No. 4 of 2013 (as amended) during the supplier/contractor onboarding process and by submitting the online supplier/contractor profile questionnaire
- Suppliers/contractors are required to read and acknowledge the Companies' Code of Ethics as well as the Fraud, Corruption and Whistleblowing Policy, as well as other relevant policies, as prescribed. The consent is ongoing throughout the relationship with the Companies
- Suppliers/contractors must have a valid SANAS B-BBEE Certificate or a sworn affidavit
- Suppliers/contractors will also be required to submit supplementary information during the registration process to align with the content of this Code
- It is mandatory for suppliers/contractors to enhance, change and update their company information on the SAP Ariba portal at least annually, and/or whenever:
  - compliance certificates have expired
  - there are changes in the registration number of the legal entity, bank accounts, VAT registration numbers or any other material changes whatsoever
  - they receive ad hoc requests from the Companies or their appointed third-party verification service provider.



17

## SITE ACCESS REQUIREMENTS

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- Suppliers/contractors are required to undergo a contractor engagement process before commencing work where applicable. The engagement process will typically include but is not limited to:
  - Safety induction
  - Medical examination
  - TEBA registration
  - Participation in risk assessments
  - Verification of qualifications of the supplier’s/contractor’s employees before coming onto site
  - Exit medical examinations
- Suppliers/contractors are advised that the requirements for site access will differ from site to site, and they will, therefore, be required to consult with the relevant stakeholders at the site.

18

## COMPLIANCE WITH THIS CODE

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In monitoring adherence to this Code, the Companies reserve the right to conduct compliance audits from time to time, upon reasonable notice. Should any supplier/contractor not comply with all the requirements of this Code from the outset, the Companies expect such suppliers/contractors to demonstrate commitment and remain accountable to ongoing improvement initiatives over a reasonable time.

19

## GOVERNANCE FRAMEWORK REFERENCES

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The supplier/contractor is required to comply with all laws, regulations, standards, codes and overarching policies upon which this Code is based, and which the Companies expect their suppliers/contractors to take full cognisance of, as it concerns any supply relationship with the Companies, and as it pertains to their compliance with applicable statutory, regulatory and other requirements, including, but not limited to any action or inaction which reasonably may cause reputational damage to the Companies.

### **CONTACT DETAILS**

For further information visit Implats' corporate website:

**[www.implats.co.za](http://www.implats.co.za)**

### **HEAD OFFICE**

2 Fricker Road, Illovo, 2196  
Private Bag X18, Northlands, 2116

Tel: +27 (11) 731 9000

E-mail: [investor@implats.co.za](mailto:investor@implats.co.za)

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