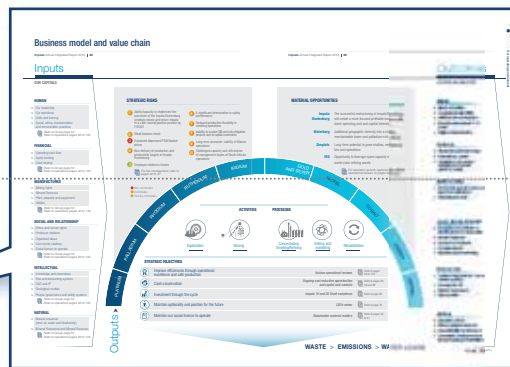


Business model and value chain

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Our capitals



CAPITALS

Human	Financial	Manufactured
<ul style="list-style-type: none"> > Our leadership > Our workforce > Skills and training > Social, ethics, transformation and remuneration practices 	<ul style="list-style-type: none"> > Operating cash flow > Equity funding > Debt funding 	<ul style="list-style-type: none"> > Mining rights > Mineral Resources and Mineral Reserves > Plant, property and equipment > Utilities

INPUTS AND TRADE-OFFS

<ul style="list-style-type: none"> > Value is generated through the well-being, expertise and motivation of our employees, contractors and service providers > 50 512 employees including contractors > Regrettably, we have reduced headcount at Impala to ensure sustainability > R504 million (2017: R572 million) skills development expenditure > Good progress in promoting equitable transformation at all levels 	<ul style="list-style-type: none"> > R1.0 billion operating cash out flow > PGM prices have a significant impact on revenue generation and profitability > High fixed-cost associated with deep level mining (Rustenburg) due to infrastructure and labour intensity > Strict capital allocation and investment aimed at diversification ensures optionality and positions the business for the future > Secured approved terms to enter into forward sale transaction to release up to R2.0 billion of the approximately R4.2 billion excess pipeline stock during FY2019. The forward sale relates to excess inventory that will only be refined in FY2020, effectively monetising the Group's entire excess stock pipeline in FY2019. > The remaining quantum of undrawn debt facilities is R2.5 billion available until 2021 > R829 million Zimplats dividend declared after year-end to support liquidity/restructuring efforts 	<ul style="list-style-type: none"> > Reduced Attributable Mineral Resource of 133.8Moz of platinum (2017: 191.6Moz) > Operating model (ongoing development/harvest) impacts Mineral Reserves and, ultimately, life-of-mine > Capital expenditure – R4.6 billion (2017: R3.4 billion). In the current year, R1.4 billion was spent on the two development shafts, 16 and 20, at Impala Rustenburg and R1.7 billion, US\$135 million was spent at Zimplats, mainly on the Mupani and Bimha development > Energy consumed – 16 million GJ (2017: 17 million GJ)
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OUTPUTS:	PLATINUM	PALLADIUM	RHODIUM	RUTHENIUM
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OUTCOMES

<ul style="list-style-type: none"> > Injuries and fatalities – LTIFR: 6.01 (2017: 6.35) > Employee wellness – 149 (2017: 196) new TB cases, 5 771 (2017: 5 002) employees on ART > Skilled leaders and employees – 2 200 (2017: 980) employees and contractors impacted by restructuring > Economic empowerment of our people – R11.8 billion (2017: R11.7 billion) in salaries > Equity and transformation: Achieved 	<ul style="list-style-type: none"> > Shareholder and investor returns – no dividend declared since 2013 > Headline loss – R1 228 million (2017: R983 million) > Contribution to tax revenues and economic growth – R3.6 billion (2017: R3.4 billion) 	<ul style="list-style-type: none"> > Products that generate revenue R35.9 billion (2017: R36.8 billion) > Products that improve the environment – PGMs used to control emissions from combustion engines, mostly in the automotive industry > Mineral Reserves – negatively impacted by strategic review of Impala and economic valuation of individual shafts and tailcutting, while positively affected by the addition of some Upper Ores at Zimplats and the Kalkfontein RE portion
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RESPONSE

<ul style="list-style-type: none"> 📄 SD report, refer to pages 28 to 49 📄 Individual operations, refer to pages 90 to 139 	<p>Various measures to raise and preserve cash including:</p> <ul style="list-style-type: none"> > Curtailment of capital expenditure > Cost optimisation > Forward sale of excess inventory to create liquidity <p>📄 Value added statement, refer to page 75</p> <p>📄 Individual operations, refer to pages 90 to 139</p>	<ul style="list-style-type: none"> 📄 CEO's review, refer to page 76 📄 Individual operations, refer to pages 90 to 139
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OUR STRATEGY SEEKS TO SUSTAIN OPTIMAL LEVELS OF SAFE PRODUCTION AT THE BEST POSSIBLE COST.

Social and relationship	Intellectual	Natural			
<ul style="list-style-type: none"> > Ethics and human rights > Employee relations > Organised labour > Community relations > Social licence to operate 	<ul style="list-style-type: none"> > Knowledge and procedures > Risk and accounting systems > R&D and IP > Geological models > People, governance and safety systems 	<ul style="list-style-type: none"> > Natural resources (land, air, water and biodiversity) > Mineral Resources and Mineral Reserves 			
<ul style="list-style-type: none"> > Respect human rights and maintain zero tolerance to unethical behaviour > Invest significantly in maintaining stable and constructive relationships > 83% of SA workforce and 92% of Zimbabwean workforce are covered by collective bargaining agreements > R214 million (2017: R136 million) invested in socio-economic development benefiting 21 000 people in South Africa and 73 000 people in Zimbabwe > Commitment to comply with and meet the objectives of the MPRDA, the 2010 Mining Charter, the President's Framework Agreement for a Sustainable Mining Industry, the Leaders' declaration on the mining industry commitment to save jobs and ameliorate the impact of job losses and the NDP 	<ul style="list-style-type: none"> > Effective and efficient performance depends on effective management systems and a conducive people culture > Best in sector purity (refining capability) for platinum and palladium 	<ul style="list-style-type: none"> > Mining activities unavoidably erode the natural environment – we strive to mitigate these effects through responsible stewardship of our natural resources > Attributable Mineral Resource of 133.8Moz of platinum 			
IRIDIUM	GOLD AND SILVER	NICKEL	COBALT	COPPER	CHROME

<ul style="list-style-type: none"> > People influx and constraints on infrastructure and social amenities > Informal settlements > Labour and social unrest – proactive engagement with community representatives and government officials > Education, health and housing – continue with community development initiatives such as Platinum Village 	<ul style="list-style-type: none"> > Continuous improvement – safe and efficient operations > Development of IP > Business improvement > New executive and board appointments in current period 	<ul style="list-style-type: none"> > Pollution (air, water, land) and climate change > Water withdrawn: 23 530MI (2017: 23 530MI) > Energy consumption: 16 million GJ (2017: 17 million GJ) > Reduced land availability and increased land disturbance > Conservation of natural resources through recycling, rehabilitation
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<ul style="list-style-type: none">  SD report, refer to pages 37 to 51 	<ul style="list-style-type: none">  Mineral Resource and Mineral Reserve statement pages 6 to 7 	<ul style="list-style-type: none">  SD report, refer to pages 52 to 62
<ul style="list-style-type: none">  Individual operations, refer to pages 90 to 139 	<ul style="list-style-type: none">  Information and technology page 40 	<ul style="list-style-type: none">  Mineral Resource and Mineral Reserve statement page 26 onwards
	<ul style="list-style-type: none">  Individual operations, refer to pages 90 to 139 	<ul style="list-style-type: none">  Individual operations, refer to pages 90 to 139