



IMPLATS
EXCELLENCE IN PGMs

Creating a better future

Communication on progress
on the UN Global Compact

2021

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The United Nations (UN) Global Compact is a voluntary global initiative that addresses human rights, labour, environmental and corruption issues through a commitment to 10 principles derived from authoritative sources of international law, such as the Universal Declaration of Human Rights, the core declarations of the International Labour Organisation, the Rio Declaration on Environment and Development, and the United Nations Convention against corruption. Implats became a signatory to the UN Global Compact in July 2008.

The following table provides a brief overview of our implementation of the 10 principles. More detailed information is available throughout our Environmental, Social and Governance Report (ESG) 2021.

Global Compact Principle	Brief COP statement	Reference in Implats' ESG report
<p>1. Businesses should support and respect the protection of international human rights within their sphere of influence.</p>	<p>Our commitment to human rights is described in our human rights policy (https://www.implats.co.za/pdf/sustainable-key-development-documents/human-rights-policy-statement.pdf), which commits us to fully comply with applicable legislation in the regions in which we operate, as well as to implementing the human rights principles in the United Nations Global Compact. Employees are trained on human rights as part of our compulsory induction process. Specific provision is made for human rights-related issues in our formal agreements with employee union representatives. All our contractors are expected to abide by our human rights policy, practices, standards and the laws of the countries in which we operate. An independently managed and channel is available to anonymously report any unfair practices and violations of human rights. We have also established a responsible sourcing policy (https://www.implats.co.za/pdf/sustainable-key-development-documents/platinum-and-palladium-responsible-sourcing-policy-20200703.pdf) to ensure that our suppliers of platinum and palladium do not, among other things, infringe on human rights in their operations. We continue to align our security practices with the voluntary principles on security and human rights. There were no allegations related to the abuse of human rights in the year under review. In 2022 we will conduct a human rights due diligence at all our operations, aligned with the requirements of the UNGPs. This exercise aims to identify potential issues and where they could occur, and to identify areas for improvement in respective parts of the business, to address gaps and risks identified.</p>	<p>A general overview of our approach to human rights is provided in our review on respecting human rights on page 24 of our ESG report 2021 (https://www.implats.co.za/pdf/annual-reports/annual-integrated-report/2021/esg-report-2021.pdf).</p>
<p>2. Businesses should make sure their own corporations are not complicit in human rights abuses.</p>	<p>We strive to uphold this principle through our focus on ensuring compliance with all applicable legislation and by encouraging the implementation of the Company human rights policy and code of ethics (https://www.implats.co.za/pdf/sustainable-key-development-documents/2021/implats-group-code-of-ethics-2021.pdf). We recognise areas where the potential for complicity in human rights abuses may arise, particularly among those vested with managing security and public order issues. To mitigate this risk, we are implementing the voluntary principles on security and human rights. We will be using this framework to guide and train our security contingent.</p>	<p>A general overview of our approach to human rights is provided in our review on respecting human rights on page 24 of our ESG report 2021 (https://www.implats.co.za/pdf/annual-reports/annual-integrated-report/2021/esg-report-2021.pdf).</p>

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<p>3. Businesses should uphold freedom of association and the effective recognition of the right to collective bargaining.</p>	<p>We recognise the right of employees to collective bargaining and freedom of association in accordance with all relevant local labour legislation and we strive to provide an environment that fosters open, honest and effective relations between management, employees and elected union representatives. We monitor labour relations in our operations; monthly labour relations reports are submitted from our operations to the executive committee and escalated to the board when necessary.</p>	<p>Details on our labour relations activities are provided in our review of employee relations on pages 92 and 93 of our ESG report 2021 (https://www.implats.co.za/pdf/annual-reports/annual-integrated-report/2021/esg-report-2021.pdf).</p>
<p>4. Businesses should uphold the elimination of all forms of forced and compulsory labour.</p>	<p>All our labour is sourced from the open labour market, and all employees are provided with contracts in accordance with local labour legislation; they are free to resign at any time in accordance with legal processes.</p>	<p>Details on our labour relations activities are provided in our review of employee relations on pages 92 and 93 of our ESG report 2021 (https://www.implats.co.za/pdf/annual-reports/annual-integrated-report/2021/esg-report-2021.pdf).</p>
<p>5. Businesses should uphold the effective abolition of child labour.</p>	<p>Implats does not make use of child labour in any of its operations. We monitor and ensure our compliance with the labour legislation in the countries within which we operate. We have not detected any significant risks pertaining to the use of child labour.</p>	<p>A general overview of our approach to human rights is provided in our review on respecting human rights on page 24 of our ESG report 2021. The age groups of all employees engaged and those that left our organisation in 2021 are given on pages 128 and 129 (https://www.implats.co.za/pdf/annual-reports/annual-integrated-report/2021/esg-report-2021.pdf).</p>
<p>6. Businesses should uphold the elimination of discrimination in respect of employment and occupation.</p>	<p>We strive to eliminate discrimination in all forms throughout our workforce and are committed to promoting employment equity and diversity. Our performance with respect to workforce diversity and inclusion is outlined in more detail in our ESG report.</p>	<p>A review of our employment equity performance and our initiatives on this issue is provided, diversity, equity and inclusion section on pages 89 to 91 of our ESG report 2021 and on pages 123 to 127 (https://www.implats.co.za/pdf/annual-reports/annual-integrated-report/2021/esg-report-2021.pdf).</p>
<p>7. Businesses should support a precautionary approach to environmental challenges.</p>	<p>Our environmental policy (https://www.implats.co.za/pdf/sustainable-key-development-documents/implats-environmental-policy-statement-final-feb-2019.pdf) commits the Group to running our exploration, mining, processing and refining operations in an environmentally responsible manner and to ensuring the wellbeing of our stakeholders. We integrate environmental management into all aspects of the business with the aim of achieving world-class environmental performance in a sustainable manner. This contribution is further enhanced by the role that PGM metals play in the move to a greener economy. The extent to which we have adopted a precautionary approach to managing environmental challenges is reviewed in our sustainability report.</p>	<p>A review of our environmental performance is provided on pages 30 to 59 of our ESG report 2021 and on pages 135 to 137 (https://www.implats.co.za/pdf/annual-reports/annual-integrated-report/2021/esg-report-2021.pdf).</p>

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<p>8. Businesses should undertake initiatives to promote greater environmental responsibility.</p>	<p>Initiatives aimed at promoting environmental responsibility are outlined in our annual ESG report. These include programmes relating to: optimising energy usage, promoting sustainable water use; reducing our atmospheric emissions; responding to risks and opportunities brought about by climate change; ensuring effective land management and promoting biodiversity, minimising our waste streams; managing our tailings facilities; and striving to reduce environmental incidents.</p>	<p>A review of our environmental performance is provided on pages 30 to 59 of our ESG report 2021 and on pages 135 to 137 (https://www.implats.co.za/pdf/annual-reports/annual-integrated-report/2021/esg-report-2021.pdf).</p>
<p>9. Businesses should encourage the development and diffusion of environmentally friendly technologies.</p>	<p>Implats has invested in targeted fuel cell development in South Africa in collaboration with government and academic institutions to help promote local technology development as well as develop local skills and fuel cell manufacturing and deployment. The Group is also developing a decarbonisation and energy strategy. Our current focus is on developing opportunities to replace diesel with hydro-fuel technology and using solar photovoltaic (PV) cells to generate electricity. We are also pursuing various initiatives to minimise our water usage and waste generation.</p>	<p>A review of our environmental performance is provided on pages 30 to 59 of our ESG report 2021 and on pages 135 to 137 (https://www.implats.co.za/pdf/annual-reports/annual-integrated-report/2021/esg-report-2021.pdf).</p>
<p>10. Businesses should work against corruption in all its forms, including extortion and bribery.</p>	<p>Implats has a zero-tolerance stance on fraud and corruption. We require our employees, business partners, contractors and associates to conduct themselves in accordance with the Implats code of ethics and our fraud policy (https://www.implats.co.za/pdf/sustainable-key-development-documents/fraud-and-corruption-policy-new.pdf).</p> <p>Our ethics policy outlines conflicts of interest, the prevention of dissemination of Company information, the acceptance of donations and gifts, and the protection of the intellectual property and patent rights of the Company. The policy outlines the disciplinary action (including dismissal or prosecution) that will be taken in the event of any contravention. An independently managed “whistle-blowing” toll-free helpline is in place to facilitate the confidential reporting of alleged fraud and corruption.</p>	<p>A general overview of our approach to addressing corruption is provided in our review on upholding ethics and integrity on pages 115 and 116 of our ESG report 2021 (https://www.implats.co.za/pdf/annual-reports/annual-integrated-report/2021/esg-report-2021.pdf).</p>



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