

RESPONDING TO THE PRESIDENT’S FRAMEWORK AGREEMENT (PFA)

The Framework Agreement	Context and commitments in signing the PFA, Implats commits to:	Our contribution in 2019
<p>Building a relationship among stakeholders based on trust and respect</p>	<ul style="list-style-type: none"> • Acting in a fair and impartial manner in dealing with unions and acting swiftly where these principles are violated. Working with government and labour to identify and address factors behind workplace conflict • Improve internal security measures and consistently implement them at the workplace • Negotiate in the workplace and industry in ways that support long-term development and constructive peaceful labour relations 	<p>We continued to engage with labour representatives and various government departments directly and through working with the Minerals Council of South Africa (formerly the Chamber of Mines) to find sustainable solutions to industrial relations challenges in the country. Operations work closely with security to prevent intimidation and to ensure ethical behaviour. Future forums, as well as employee relations’ structures assist in resolving issues. In the year under review, there were no disruptions to operations due to industrial action.</p>
<p>Strengthening labour relations</p>	<ul style="list-style-type: none"> • Respect the rule of law and the legal framework in labour relations matters. • When taking decisions, to take account of both the broader context in South Africa (in particular the need to reduce poverty, inequality and unemployment), as well as the interests of investors • Respect agreements and legal obligations • Contribute to creating cordial relations between unions in the sector • Follow proper labour relations procedures • Work with labour to fast track resolution of disputes • The development of a pre-negotiations framework • Recognise and respect cultural diversity in the workplace 	<p>The employee relations climate at our South African operations remains constructive and cordial. We have continued to implement initiatives to strengthen our relationships with union leadership and their elected representatives. Wage negotiations with the majority union began in earnest in June 2019, underpinned by our successful and peaceful wage negotiations at Impala Springs in 2018 and completion of the first phase of the rationalisation exercise at Impala Rustenburg.</p>

RESPONDING TO THE PRESIDENT’S FRAMEWORK AGREEMENT (PFA) CONTINUED

The Framework Agreement	Context and commitments in signing the PFA, Implats commits to:	Our contribution in 2019
<p>Ensure the rule of law, peace and stability</p>	<ul style="list-style-type: none"> • Properly adhere to laws, regulations and charters governing the sector and consistently apply their policies and respect agreements • Take measures to protect staff members from violence and intimidation and to ensure that security personnel act in accordance with the law at all times • Avoid acting in a manner that provokes or raises tensions in the workplace • Participate in the mine • Crime Combating Forum (MCCF) • Take all legal steps against unprotected labour actions <p>Work with government and labour in developing protocols for security and law enforcement Where possible, inform police of all planned and unplanned strikes and protests</p>	<p>We remain committed to adopting the Voluntary Principles on Security and Human Rights (VPSHR) as defined by the United Nations at our operations.</p> <p>We remain committed to ensuring the rule of law and continue to work closely with the South African Police Service and MCCF.</p> <p>There were no reports of weapons carrying, or serious violence and intimidation in the period under review.</p> <p>Employees who commit criminal activities on mine premises are handed over to South African Police services by our security division.</p>
<p>Improve living conditions</p>	<ul style="list-style-type: none"> • Accelerating the implementation of human settlement interventions • Assisting with resources and technical support for upgrading human settlements around mining towns within the context of regulatory requirements and additional voluntary contributions 	<p>A total of R200 million was expended on employee housing in 2019 (2018: R270 million).</p> <p>The Company's investment in the accommodation and living conditions of employees is a pillar of our contribution to the well-being of our host communities and an area where we are recognised as leaders across the sector.</p> <p>We continue to work with government, developers and the Royal Bafokeng Nation on housing projects, which extend into other community projects, including roads, electricity, water, health, sewerage and schools.</p> <p>To date we have built more than 3 400 houses for our employees and community members. Our Platinum Village and Sunrise View schools, built in partnership with the North West Department of Education and the Impala Bafokeng Trust, support over 2 800 learners.</p>
<p>Assist workers with financial literacy and financial planning</p>	<ul style="list-style-type: none"> • Empower employees to be able to adequately manage their financial affairs • Find sustainable solutions to employee indebtedness and guard against unscrupulous micro lenders • Inform individual employees upon receipt of emolument garnishee orders 	<p>The Company's wellness committees continue to focus on issues that negatively impact on employees' financial wellness and revise appropriate initiatives on an ongoing basis.</p> <p>Financial literacy is addressed as part of the Implats team mobilisation and ex leave induction training. The impacts of our financial wellness initiatives are summarised on page 42 of our sustainable development (SD) report.</p>

RESPONDING TO THE PRESIDENT’S FRAMEWORK AGREEMENT (PFA) CONTINUED

The Framework Agreement	Context and commitments in signing the PFA, Implats commits to:	Our contribution in 2019
<p>Reaching optimal levels of transformation</p>	<ul style="list-style-type: none"> • Accelerate progress in transformation, including the areas of ownership, procurement, employment, beneficiation, human resource development, as well as health and safety in line with the targets set out in the Mining Charter • Review its long-term strategy and support initiatives for restructuring and reskilling to achieve competitiveness, sustainable growth and transformation 	<p>Implats has continued to focus on advancing transformation. Our efforts to promote diversity and transformation are reported on pages 49 to 56 of the 2019 SD report.</p>
<p>Transform the migrant labour system</p>	<ul style="list-style-type: none"> • Improve socio-economic conditions in labour sending areas • Enforce and implement all elements and commitments of the Mining Charter • Ensure integration and implementation of Social Labour Plans (SLPs) and Integrated Development Plans (IDPs) in labour sending areas and mining areas 	<p>SLP plans are developed through an engagement process with stakeholders and are aligned with the municipalities' IDPs. We have continued to deliver on our commitments and engage regularly with key stakeholders in our areas of operation – see pages 65 to 70 of the 2019 SD report.</p>
<p>Resolve labour disputes as speedily as possible in the best interest of members and South Africa</p>	<ul style="list-style-type: none"> • Negotiate in the workplace and industry in ways that support long-term development and constructive peaceful labour relations 	<p>We work closely with unions to resolve all internal disputes through dispute resolution mechanisms and within the auspices of the Commission for Conciliation Mediation and Arbitration (CCMA). Task teams, including HR managers and union representatives, continue to address issues raised in wage agreements. We continue to make good progress in the following key areas: employee health and well-being; industrial relations; and housing and living conditions. See pages 39 to 70 of the 2019 SD report.</p>