

Implats UN Global Compact

IMPLATS' 2018 COMMUNICATION ON PROGRESS ON THE UN GLOBAL COMPACT

The United Nations Global Compact is a voluntary global initiative that addresses human rights, labour, environmental and corruption issues through a commitment to ten 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 ten principles. More detailed information is available throughout our sustainable development report.

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GLOBAL COMPACT PRINCIPLE	BRIEF COP STATEMENT	REFERENCE IN IMPLATS' SUSTAINABILITY REPORT
Businesses should support and respect the protection of international human rights within their sphere of influence	<p>Our commitment to human rights is described in the Company's code of ethics and our values. Our human rights policy, which was approved in 2013, commits us to striving for full compliance 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.</p> <p>Employees are trained on the code of ethics through our intranet and all new employees are trained as part of the induction process. Specific provision is made for human rights-related issues in our formal agreements with employee union representatives. While our contractor agreements do not specifically contain human rights clauses, contractors are expected to abide by our Company policies, practices, standards and the law of the countries in which they are operating.</p> <p>We track implementation of human rights issues through monthly reports. Procedures are in place to ensure that channels are available to deal with unfair practices. One case of discrimination was reported in the year under review. Upon investigation, the allegations were determined to be unfounded.</p>	A general overview of our approach to human rights is provided in our review on <i>Respecting Human Rights</i> on page 19 of our 2018 sustainable development report (SDR).
Businesses should make sure their own corporations are not complicit in human rights abuses	<p>We strive to uphold this principle through our focus on ensuring compliance with all applicable legislation and by encouraging implementation of the Company code of ethics.</p> <p>We recognise the increased importance of adopting proactive measures to identify and address areas where the potential for complicity in human rights abuses may arise. Managing this risk will require greater focus on developing and implementing human rights awareness-raising, communication, monitoring and assurance systems, particularly among those vested with managing security and public order issues.</p> <p>To mitigate this risk, we have committed to and are implementing the Voluntary Principles on Security and Human Rights. The principles focus on three spheres of security management: risk assessment, interactions with the South African Police Service, and interactions with private security. We will be using this framework to guide and train our security contingent.</p>	A general overview of our approach to human rights is provided in our review on <i>Respecting Human Rights</i> on page 19 of the 2018 SDR.

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Businesses should uphold freedom of association and the effective recognition of the right to collective bargaining	<p>As outlined in our 2018 SDR, 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.</p> <p>Currently, 83% of our permanent employees in South Africa and 92% of our employees in Zimbabwe are covered by collective bargaining agreements. We monitor labour relations in our operations; monthly labour relations reports are submitted from our operations to the EXCOM.</p>	Details on our labour relations activities are provided in our review on <i>Investing in employee relations</i> on pages 45 and 46 of the 2018 SDR.
Businesses should uphold the elimination of all forms of forced and compulsory labour	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.	Details on our labour relations activities are provided in our review on <i>Investing in employee relations</i> on pages 45 to 47 of the 2018 SDR.
Businesses should uphold the effective abolition of child labour	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 two countries within which we operate. We have not detected any significant risks of child labour being used.	A general overview of our approach to human rights is provided in our review on <i>Respecting Human Rights</i> on page 19 of the 2018 SDR.
Businesses should uphold the elimination of discrimination in respect of employment and occupation	<p>We strive to eliminate discrimination in all forms throughout our workforce and are committed to promoting employment equity and diversity. In Zimplats indigenous people representation is 99.9%; women accounted for 33% of all surface engagements this year, consistent with the previous three years.</p> <p>We have made valuable progress in promoting diversity across most levels of management throughout the Group. We have maintained a strong focus on employing women in core positions throughout the Group, and we are well positioned relative to our competitors.</p> <p>Our performance and prospects on employment equity and indigenisation are outlined in more detail in our 2018 SDR.</p>	A review of our employment equity performance and our initiatives on this issue is provided in <i>Promoting diversity and transformation</i> on pages 49 to 51 of the 2018 SDR.

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Businesses should support a precautionary approach to environmental challenges	<p>As a company involved in the exploration, extraction and processing of mineral resources, we inevitably have an impact on the natural environment. We believe, however, that through our responsible environmental management practices, and through the nature of our resulting investments in social and human capital, we have a net positive impact on society. This contribution is further enhanced by the role that PGM metals play in the move to a greener economy.</p> <p>The extent to which we have adopted a precautionary approach to managing environmental challenges is reviewed in our 2018 SDR.</p>	Our approach to promoting environmental stewardship is described in <i>Conserving natural resources and mitigating impacts</i> on pages 72 to 83 of the 2018 SDR.
Businesses should undertake initiatives to promote greater environmental responsibility	<p>As outlined in more detail in our 2018 SDR, we have adopted numerous initiatives aimed at promoting environmental responsibility. These include programmes relating to:</p> <ul style="list-style-type: none"> > 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 > Managing our waste streams > Striving to reduce environmental incidents 	Our approach to promoting environmental stewardship is described in <i>Conserving natural resources and mitigating impacts</i> on pages 72 to 83 of the 2018 SDR.
Businesses should encourage the development and diffusion of environmentally friendly technologies	<p>As outlined in our 2018 SDR, the Group has implemented various energy conservation initiatives. These include:</p> <ul style="list-style-type: none"> > Installing underground energy efficient lighting > Optimising the use of underground compressed air systems > Installing power factor correction equipment at Impala Rustenburg and Mimosa > Improving diesel performance management 	Our work in developing environmentally friendly technologies is described in <i>Conserving natural resources and mitigating impacts</i> on page 76 of the 2018 SDR.
Businesses should work against corruption in all its forms, including extortion and bribery	<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.</p> <p>Our fraud policy outlines:</p> <ul style="list-style-type: none"> > Conflicts of interest > The prevention of dissemination of Company information > The acceptance of donations and gifts > The protection of the intellectual property and patent rights of the Company <p>The policy outlines the disciplinary action (including dismissal or prosecution) that will be taken in the event of any contravention. An independently managed “whistleblowing” toll-free helpline is in place to facilitate the confidential reporting of alleged fraud and corruption.</p>	A general overview of our approach to addressing corruption is provided in our review on <i>Promoting ethics and good governance</i> on page 18 of the 2018 SDR.