

Materiality and the reporting boundary

Implats Annual Integrated Report 2018 | 1

OUR OPERATIONS ARE VERY DIFFERENT AND ARE THEREFORE EVALUATED INTERNALLY ON AN INDIVIDUAL BASIS TO UNDERSTAND AND MANAGE THE GROUP. WHERE APPLICABLE, INFORMATION HAS BEEN GIVEN ON A PER OPERATION BASIS TO ADDRESS INDIVIDUAL OPERATIONS' STAKEHOLDER MATERIAL MATTERS.

In line with good reporting practice, the content of our integrated and sustainable development reports is based on a materiality assessment. For the purposes of this report, items have only been taken into account and reported on, if the effects of these items have materially impacted strategy, the business model, capitals, governance, performance and prospects of the Group and its stakeholders. This is in accordance with the international framework and the materiality background paper for integrated reporting.

This annual integrated report, compiled for Impala Platinum Holdings Limited (Implats), its subsidiaries and associates, provides information for the financial year ended 30 June 2018 and prospects thereafter.

Implats has a listing on the JSE Limited (JSE) in South Africa, the Frankfurt Stock Exchange (2022 US\$ convertible bonds) and a level 1 American Depositary Receipt programme in the United States of America. The Implats reporting boundary for this report, relating to financial and other information, includes five mining operations, Afplats and Impala Refining Services (IRS), a toll-refining business, situated in Springs. The mining operations consist of Impala, Zimplats and Marula, all subsidiaries, respectively operating in the western limb of the Bushveld Complex, the eastern limb of the Bushveld Complex and the Great Dyke in Zimbabwe.

In addition, Implats has significant investments in Mimosa (Southern Midlands Province, Zimbabwe) and Two Rivers (eastern limb Bushveld Complex). These associate investments are equity accounted in the AFS. Historically, the Group safety statistics and non-financial information included 100% of Mimosa's safety performance at the time while Mimosa was consolidated. **In this integrated report we have now aligned Group safety reporting with the current accounting methodology.** The associates will be excluded from all Group numbers financially and otherwise except in the operational sections where 100% of the associate information is reported and the remuneration report where FY2017 targets and performance against these KPIs included Mimosa in the previous year. The operational sections for Mimosa and Two Rivers enable stakeholders to evaluate these two companies on a standalone basis in conjunction with the segmental information in the financials or the detailed "Segmental information" previously

contained in the investor section, now published separately on the Implats website, which provides further information to evaluate operations individually.

Materiality determination and subsequently the reporting boundary, is informed by key stakeholder material matters, including non-financial items beyond the scope of reporting on financial entities, if these items have a significant effect on the Group's ability to create and sustain value over time.

Stakeholder material matters. Implats responses and information to assess the **quality of our relationships** for the Group are set out on pages 56 to 61. Group risks, disaggregated to each of the **committees charged with governance** in our management structure have been discussed on pages 12 onwards. The **risk processes impacting performance** and the setting of KPIs have been dealt with on pages 25 onwards.

We create value through our business model (refer page 49), which employs inputs from our capitals and transforms them through the business activities and interactions we engage in, to produce outputs and outcomes that create or maintain value, for Implats, our stakeholders, broader society and the environment. Refer also to our **business case** value proposition on page 66 and the CEO's review for additional information on how we create value. The **financial impacts** of the Rustenburg strategic review implementation in the business case has been included in the outlook for the CFO review on page 88.

B-BBEE reporting to the B-BBEE commission has been dealt with in the Sustainable Development report. Furthermore, we have added (on page 75) disclosure on Implats' contribution to the United Nations Sustainable Development Goals (UNSDGs) through its outcomes. Comprehensive disclosure on the UNSDGs is further contained in the Sustainable Development report.

In this report, production is reported in terms of platinum and platinum group metals (PGMs), which are platinum, palladium, rhodium, ruthenium and iridium as well as gold; when included these are referred to as 6E (4E excludes ruthenium and iridium). Both historical and forward-looking information is provided.

We welcome your feedback to make sure we are covering the things that matter to you.



Go to www.implats.co.za or email investor@implats.co.za for the feedback form, or scan the code above with your smart device.

Materiality determination process

