

IMPALA PLATINUM HOLDINGS LIMITED
(Incorporated in the Republic of South Africa)
(Registration number 1957/001979/06)
JSE share code: IMP
ISIN: ZAE000083648
ADR code: IMPUY
("Implats" or the "Group")

IMPLATS ENTERS SECTION 189 CONSULTATIONS AT ITS SOUTH AFRICAN OPERATIONS

Impala Platinum Holdings Limited (Implats) advises stakeholders that it has issued a notice to relevant employee representative groups, government authorities and other stakeholders, indicating that it has initiated a Section 189(3) consultation process at its South African operations, in terms of the Labour Relations Act, 66 of 1995 (LRA), which may lead to staff reductions.

Nico Muller, Implats Chief Executive Officer, commented, "Platinum group metal (PGM) pricing has declined sharply since the start of 2023, which together with persistent inflationary pressures on input costs has resulted in significant pressure on profitability and cashflow across the entire PGM sector, our operations included. Global macroeconomic uncertainty and rising geopolitical tensions present additional downside risks to industry sustainability. As a result of these pressures, the Group has assessed and revised its business planning parameters and contemplated various measures to optimise operational efficiencies and resources.

"Cost-saving, capital-deferment and voluntary labour-reduction initiatives to date have not sufficiently offset the impact of persistently lower prices. This has significantly undermined Implats' financial position, which in turn threatens future job security for the entire workforce. Implats management therefore considers it necessary to commence the Section 189(3) process.

"It must be emphasised that Implats is committed to a fair and transparent consultation process. No final decision has been taken regarding the proposed restructuring, and no final decision will be taken prior to full and proper consultation with affected employees, and their representatives, in compliance with the LRA. During the consultation process, all viable alternatives suggested to job losses will be considered."

The objective of Implats' operational and expenditure response to prevailing PGM price weakness is to ensure each that each of its business units contributes sustainably and profitably through the fluctuations of PGM cycles, to ensure the long-term viability of the business and its significant commitments to its key stakeholders.

The proposed restructuring could potentially affect approximately 3 900 positions, equating to a 9% reduction in labour across the Group's Impala Rustenburg, Impala Bafokeng and Marula operations, as well as at the corporate office which is targeting a 30% reduction in Head Office costs.

In terms of section 52 of the Mineral and Petroleum Resources Act, 28 of 2002 (MPRDA), Implats has also issued a notice, as required, to the Minerals and Mining Development Board and engaged with the Minister of Minerals and Energy on the restructuring.

The Group has conducted high-level engagements with its key stakeholders, in line with our stated commitment to constructive collaboration and proactive communication. Implats remains committed to implementing the restructuring in consultation with its social partners, while honouring its socioeconomic commitments, with respect and sensitivity to the livelihoods impacted.

Ends

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