

ZIMPLATS HOLDINGS LIMITED
GROUP APPROVAL FRAMEWORK – NOVEMBER 2020

INTRODUCTION

The approval framework is the source of reference for Zimplats management specifying who has the authority to commit the company. Included herein are the specific business processes that create rights and liabilities for Zimplats to 3rd parties.

OBJECTIVES OF THE APPROVAL FRAMEWORK

The objectives of this document are:

- To delegate levels of authority to Zimplats management down to the CEO's direct reports.
- To provide a directive for minimizing or eliminating possible risk exposure to Zimplats resulting from the actions of Zimplats officials.
- To ensure that Zimplats officials know what their specific authorization limits are.

SCOPE

The authority to commit the organisation disseminates along broad functionality lines as follows:

- The boards of Zimplats Holdings Limited and its subsidiary, Zimbabwe Platinum Mines (Private) Limited.
- The CEO and Exco, to which the Boards delegate authority.
- Management committees according to the authority delegated to them.

Authorization of any item not in the ordinary course of Zimplats' business requires the CEO's authority.

This document is the official approval framework for the Zimplats Group and will override all other approval frameworks.

NOTES

- Final approval may only be requested where the support, by agreement or consultation of interested parties, has been obtained.
- Where appropriate, interested persons or bodies must be informed after approval has been given.
- Responsible Executive refers to the CEO's direct reports.
- Bold print indicates final approval.

| | | |
|-------------------------|---|--|
| • Key Words | Approve Agree Recommend Inform | final approval before submitting for approval before submitting for approval after approval |
| • Board of Directors | Zimplats Holdings Limited Zimbabwe Platinum Mines (Private) Limited | BOARD BOARD |
| • Board Committees | Safety, Health, Environment and Community Audit and Risk Remuneration Implats Capital Allocation and Investments Committee Annual General Meeting | SHEC AUD REM CAIC AGM |
| • Management Committees | Implats Group Executive Committee Zimplats Executive Committee Project Steering Committee Capital Steering Committee Procurement Committee Tender Adjudication Committee Growth and Opportunities Committee ICT Steering Committee | GROUP EXCO EXCO PS CS PROC TAC GROWCO ICT |

| | BOARD | BOARD COMMITTEES | CEO | EXCO | MANAGEMENT COMMITTEES | RESPONSIBLE EXECUTIVE |
|--|-------------------|------------------|-------|------------------------------------|-----------------------|-----------------------|
| STRATEGY | | | | | | |
| Annual Strategic Plan | Approve | | Agree | Recommend | | |
| BUSINESS PLAN | | | | | | |
| Annual Business Plan and Budget Quarterly Forecast Changes | Approve Inform | | Agree | Recommend Approve | | Recommend |
| CAPEX PROJECTS | | | | | | |
| • Policies and Procedures | | | | | | |
| - Project policy | Inform | | | Approve | PS – Recommend | |
| - Project code of practice and project procedures | | | | Inform | PS – Approve | |
| • Expansion projects | | | | | | |
| - Application | Approve | CAIC - Recommend | Agree | Exco – Agree Group Exco - Agree | PS – Recommend | |
| - Scope Changes | | | | | | |
| - Budget increase | Approve | CAIC - Recommend | Agree | Exco – Agree Group Exco - Agree | PS – Recommend | |
| - Time extension | Approve | CAIC - Recommend | Agree | Exco – Agree Group Exco - Agree | PS – Recommend | |
| - Contingency funded | | | | Inform | PS – Approve | |
| - Vote Closure | Approve | CAIC - Recommend | Agree | Exco – Agree Group Exco - Agree | PS – Recommend | |
| • Projects greater than \$7.5m and in the Business Plan or projects greater than \$3.m but <u>NOT</u> in the Business Plan | | | | | | |
| - Application | Approve | CAIC - Recommend | Agree | Exco – Agree Group Exco - Agree | CS - Recommend | |
| - Scope Changes | | | | | | |
| - Budget increase | Approve | CAIC - Recommend | Agree | Exco – Agree Group Exco – Agree | CS - Recommend | |

| | BOARD | BOARD COMMITTEES | CEO | EXCO | MANAGEMENT COMMITTEES | RESPONSIBLE EXECUTIVE |
|--|---------|------------------|---------|--------------------------------------|-----------------------|-----------------------|
| - Time extension | Approve | CAIC - Recommend | Agree | Exco – Agree Group Exco - Agree | CS - Recommend | |
| - Contingency funded | | | | Inform | CS – Approve | Recommend |
| - Vote Closure | Approve | CAIC - Recommend | Agree | Agree | CS - Recommend | |
| • Projects between \$5m and \$7.5m and in the Business Plan or projects between \$1m and \$3.75m but <u>NOT</u> in the Business Plan | | | | | | |
| - Application | Inform* | | Agree | Exco – Agree Group Exco - Approve | CS - Recommend | |
| - Scope changes | | | | | | |
| - Budget increase | Inform* | | Agree | Exco – Agree Group Exco - Approve | CS - Recommend | |
| - Time extension | Inform* | | Agree | Exco – Agree Group Exco - Approve | CS - Recommend | |
| - Contingency funded | | | | Inform | CS - Approve | |
| - Vote closure | Inform* | | Agree | Exco – Agree Group Exco - Approve | CS - Recommend | |
| • Projects between \$1m and \$5m and in the Business Plan or projects less than \$1m but <u>NOT</u> included in the Business Plan | | | | | | |
| - Application | Inform* | | Approve | Agree | CS - Recommend | |
| - Scope Changes | | | | | | |
| - Budget increase | Inform* | | Approve | Agree | CS - Recommend | |

* Capital Expenditure Board Paper

| | BOARD | BOARD COMMITTEES | CEO | EXCO | MANAGEMENT COMMITTEES | RESPONSIBLE EXECUTIVE |
|---|-----------------------|------------------|---------|--------------------------------|-----------------------|-----------------------|
| CAPITAL EXPENDITURE - continued | | | | | | |
| - Time extension | Inform* | | Approve | Agree | CS - Recommend | |
| - Contingency funded | | | | Inform | CS - Approve | |
| - Vote Closure | Inform* | | Approve | Agree | CS - Recommend | |
| • Projects less than \$1m and in the Business Plan | | | | | | |
| - Application | Inform (over \$0.5m)* | | | Inform | CS – Approve | Recommend |
| - Scope Changes | | | | | | |
| - Budget increase | | | | Inform | CS – Approve | Recommend |
| - Time extension | | | | Inform | CS – Approve | Recommend |
| - Contingency funded | | | | Inform | CS – Approve | Recommend |
| - Vote Closure | Inform (over \$0.5m)* | | | Inform | CS – Approve | Recommend |
| REGIONAL STRATEGY INVESTMENTS/PROJECTS - Investments or new projects under the regional strategy (other than pure PGM play operational excellence investments or projects) | | | | | | |
| • Desktop study | Approve | CAIC - Recommend | Agree | Exco-Agree Group Exco-Agree | GrowCo Recommend | |
| • Due diligence study | Approve | CAIC - Recommend | Agree | Exco-Agree Group Exco-Agree | GrowCo Recommend | |
| • Pre-Feasibility Study | Approve | CAIC - Recommend | Agree | Exco-Agree Group Exco-Agree | GrowCo Recommend | |
| • Bankable Feasibility Study | Approve | CAIC - Recommend | Agree | Exco-Agree Group Exco-Agree | GrowCo Recommend | |
| • Commercial and funding arrangements | Approve | CAIC - Recommend | Agree | Exco-Agree Group Exco-Agree | GrowCo Recommend | |
| • Investment | Approve | CAIC - Recommend | Agree | Exco-Agree Group Exco-Agree | GrowCo Recommend | |

| | BOARD | BOARD COMMITTEES | CEO | EXCO | MANAGEMENT COMMITTEES | RESPONSIBLE EXECUTIVE |
|---|--------------------|------------------|-----------|--------------------------------------|------------------------------|-----------------------|
| - Lateral diversification | Approve | | Recommend | Agree Group Exco- Agree | GrowCo - Recommend | |
| - Expansion | Approve | | Recommend | Agree Group Exco- Agree | GrowCo - Recommend | |
| - Beneficiation | Approve | | Recommend | Agree | GrowCo - Recommend | |
| - Related diversification | Approve | | Recommend | Agree Group Exco- Agree | GrowCo - Recommend | |
| CONTRACTUAL ARRANGEMENTS | | | | | | |
| • Policies and Procedures | | | | | | |
| - Procurement policy | | | Approve | Agree | PROC Recommend | |
| - Procurement procedures | | | | Approve | PROC Recommend | |
| • Standard Terms and Conditions of Contracts | | | | Approve | PROC Recommend | |
| • Deviations from Standard Terms and Conditions | | | | Approve | PROC Recommend | |
| • Procurement Contracts, Purchase Orders and Commodity Contracts | | | | | | |
| - \$1m and above | Inform (over \$1m) | | | Inform | PROC Approve | |
| - Less than \$1m | | | | Inform | TAC Recommend | Approve |
| • Amendments to Procurement Contracts, Purchase Orders and Commodity Contracts exceeding 20% of original value and/or greater than \$1m | Inform (over \$1m) | | | Inform | PROC Approve | |
| • Indigenous and Local Procurement | | | | | | |
| - Premium up to 5% but \$ value of premium is <\$100,000 | | | | Inform | PROC Approve | |
| - Premium up to 5% but \$ value of premium is >\$100,000 | | | | Inform | PROC Approve | |
| - Premium > 5% regardless of \$ value of premium | Inform | | Approve | Agree | PROC Recommend | |

| | BOARD | BOARD COMMITTEES | CEO | EXCO | MANAGEMENT COMMITTEES | RESPONSIBLE EXECUTIVE |
|---|------------------|----------------------|----------------|---------------|-----------------------|-----------------------|
| CONTRACTUAL ARRANGEMENTS – continued | | | | | | |
| • Commitment, Acquisition and Disposal of Fixed Assets and Investments | | | | | | |
| - Greater than \$5m | Approve | | Recommend | | | |
| - Between \$5m and \$1m | Inform | | Approve | Agree | | CFO Recommend |
| - Less than \$1m | | | | Inform | | CFO Approve |
| • Lease Agreements and Hire Contracts | | | | | | |
| - Greater than \$1m pa | Inform over \$1m | | Approve | Inform | PROC Approve | Recommend |
| - Up to \$1m pa | | | | Inform | TAC Recommend | CFO Approve |
| • Lease, Purchase and Disposal of Mineral and Surface Rights | Approve | | Agree | Inform | | CFO Recommend |
| • New and Amendments to Off-take Agreement with IRS | Approve | | Agree | Inform | | Recommend |
| • All Other Agreements with Strategic Implications | Approve | | Agree | Inform | | Recommend |
| FINANCE | | | | | | |
| • Policies | | | | | | |
| - Accounting policy and changes or significant deviations | Inform | AUD – Approve | Agree | Agree | | Recommend |
| - Dividend policy and dividend declaration | Approve | AUD – Agree | Agree | Agree | | Recommend |
| - Financing policy and structure of operating companies | Approve | | Agree | Agree | | Recommend |
| - Borrowing policy, limits and borrowing outside company's limit | Approve | | Agree | Agree | | Recommend |
| - Foreign exchange policy/Banking policy/Insurance matters | Inform | AUD – Approve | Agree | Agree | | Recommend |
| - Implementation of strategies | | | | Inform | | Approve |
| • Furnishing of Guarantees, Replacement Guarantees and Letters of Undertaking | | | | | | |
| - Greater than \$5m | Approve | | Agree | Inform | | CFO Recommend |
| - Less than \$5m | Inform | | | Inform | | CFO Approve |
| • Financial Lease and Loans (housing, machinery and equipment) | | | | | | |

| | BOARD | BOARD COMMITTEES | CEO | EXCO | MANAGEMENT COMMITTEES | RESPONSIBLE EXECUTIVE |
|---|--------------------|-------------------------------------|------------------|--------|-----------------------|-----------------------|
| - Greater than \$5m over life of contract | Approve | AUD – agree & Recommend | Agree | Inform | | CFO Recommend |
| - Between \$5m and \$1m over life of contract | Inform | | Approve | Inform | | CFO Recommend |
| - Less than \$1m over life of contract | | | Inform | | | CFO Approve |
| • New Issues of Shares and Debentures | Approve | AUD - Agree | Agree | Agree | | CFO Recommend |
| • Payments | | | | | | |
| - Audit Fees | AGM Approve | AUD – Recommend | Inform | | | CFO Recommend |
| - Royalties | | | Inform | | | CFO Approve |
| HUMAN RESOURCES | | | | | | |
| • Management Succession Planning | | | | | | |
| - CEO | Inform | REM – Approve | Recommend | | | |
| - CEO Direct Reports | Inform | REM Approve | Recommend | | | |
| • Remuneration | | | | | | |
| - Code of Ethics | Inform | REM – Approve | Agree | Agree | | Recommend |
| - Policies | Inform | REM - Approve | Agree | Agree | | Recommend |
| - Non-Executive Directors Fees | | | | | | |
| - Upper limit of fees | AGM Approve | REM – inform (exec directors agree) | Recommend | | | |
| - Adjustment within upper limit | Approve | REM – Recommend | Recommend | | | |
| - Annual overall percentage increase | | | | | | |
| - Annual overall percentage increase (Non-NEC graded employees) | Inform | REM – Approve | Recommend | | | |
| - Annual overall percentage increase (NEC graded employees) | Inform | REM – Inform | Approve | Agree | | Recommend |
| - Remuneration Structures | | | | | | |
| - CEO | Inform | REM – Approve | | | | |
| - CEO Direct Reports | Inform | REM – Approve | Recommend | | | |
| - Senior staff or appointment with image implications | Inform | REM Approve | Recommend | Inform | | |

| | BOARD | BOARD COMMITTEES | CEO | EXCO | MANAGEMENT COMMITTEES | RESPONSIBLE EXECUTIVE |
|---|---------------------------------|----------------------|----------------|--------|-----------------------|-----------------------|
| - Conditions of Employment | | REM - Approve | Recommend | | | |
| - Special issues | | REM - Approve | Recommend | | | |
| • Appointments and Dismissals | | | | | | |
| - CEO Direct Reports | Inform | REM – Inform | Approve | | | |
| - E band | | REM -Inform | Approve | | | Recommend |
| - D Higher | | | Inform | | | Approve |
| • HR Development | | | | | | |
| - Philosophy | | REM – Inform | Approve | Agree | | Recommend |
| - Advanced Management Training | | REM – Inform | Approve | Agree | | Recommend |
| • Industrial Relations | | | | | | |
| - Industrial Relations policy | Inform | REM - Inform | Approve | Agree | | Recommend |
| - Major decisions affecting group image | Inform | REM - Inform | Approve | Agree | | Recommend |
| • Share Schemes (introduction of and major changes of rules and aggregate of each allocation) | Inform | REM – Approve | Recommend | | | |
| • Performance Bonus | | | | | | |
| - Overall percentage | Inform | REM – Approve | Recommend | | | |
| ADMINISTRATION | | | | | | |
| • Opening Bank Accounts/Cash Management | | AUD – Inform | | Inform | | Approve |
| • Appointment and Dismissal of Auditors | AGM Approve | AUD – Recommend | | | | |
| • Approval Framework | Approve | AUD – Agree | | Agree | | Recommend |
| • Communications/Press Releases | Inform | | Approve | | | Recommend |
| • Overseas Travel | | | | | | |
| - CEO | Approve (Implats CEO) | | | | | |
| - CEO Direct Reports | | | Approve | | | |
| E Lower and below | | | | Inform | | Approve |

| | BOARD | BOARD COMMITTEES | CEO | EXCO | MANAGEMENT COMMITTEES | RESPONSIBLE EXECUTIVE |
|---|----------------|------------------------------|-------|----------------|-----------------------|-----------------------|
| ADMINISTRATION – continued | | | | | | |
| • Business Ethics, Corporate Governance and establishment of Group Norms and Rule | Inform | AUD – Inform REM - Inform | | Approve | | Recommend |
| • Reports | | | | | | |
| - Monthly CEO's Report | Copies | | | Copies | | |
| - Financial Reports | Quarterly | | | Quarterly | | |
| - Audit Committee minutes | Inform | AUD – Copies | | | | |
| - Audit Reports and Management Reaction | Inform | AUD – Copies | | | | |
| - Remuneration Committee minutes | Inform | REM – Copies | | | | |
| - Safety, Health and Environmental Audit Committee minutes | Inform | SHEC – Copies | | | | |
| - EXCO minutes | On request | | | Copies | | |
| • Compliance risk | | Approve | | | | Recommend |
| - Accepting unmitigated regulatory non-compliance | | | | | | |
| • Litigation | | | | | | |
| - With image or major financial implications (5% of PBT or \$5m whichever is lower) | Approve | AUD – Inform | Agree | | | Recommend |
| - Other | Inform | AUD - Inform | | Inform | | Approve |
| • Labour disputes with reputational or major financial implications | Approve | | Agree | Inform | | Recommend |
| STANDING COMMITTEES | | | | | | |
| • Remuneration Committee | | | | | | |
| - Terms of Reference, policy, strategy | Approve | REM – Agree | | Recommend | | |
| - Implementation of strategies | | REM – Inform | | Approve | | Recommend |
| • Safety, Health, Environment and Community | | | | | | |
| - Terms of Reference, policy, strategy | Approve | SHEC – Agree | | Recommend | | |
| - Implementation of strategies | | SHEC – Inform | | Approve | | Recommend |

| | BOARD | BOARD COMMITTEES | CEO | EXCO | MANAGEMENT COMMITTEES | RESPONSIBLE EXECUTIVE |
|---|----------------|----------------------|----------------|----------------|-----------------------|-----------------------|
| STANDING COMMITTEES - continued | | | | | | |
| • Audit & Risk Committee | | | | | | |
| - Terms of Reference, policy | Approve | AUD - Agree | | Recommend | | |
| • Business Improvements and Information Systems | | | | | | |
| - Policies | Inform | AUD - Approve | Inform | Agree | ICT Recommend | |
| - Planning | Inform | AUD- inform | Inform | Approve | ICT Recommend | |
| - Setting standards and procedures | Inform | AUD - inform | Inform | Approve | ICT Recommend | |
| • Investor Relations | | | | | | |
| - Implementation of strategies | Inform | | Approve | Inform | | Recommend |
| • Statutory reporting | Approve | AUD-Agree | | Agree | | Recommend |
| • Stock exchange reporting | Approve | AUD-Agree | | Agree | | Recommend |