

OUR MATERIAL MATTERS

Material matters are factors with the potential to substantially impact our performance and ability to create or preserve value in the short, medium and long term. Identifying these material matters forms an integral part of our strategic planning activities.

HOW WE DEFINE OUR MATERIAL MATTERS

In March 2021, we conducted an in-depth and externally facilitated materiality assessment as part of our process in determining the matters most material to the Group. Our materiality process is set out below.



We classified our material matters according to our spheres of influence, which reflect our increasing ability to drive value creation.

OUR OPERATING ENVIRONMENT

Our operating environment encompasses significant issues which have the potential to substantially impact our performance or ability to create or preserve value. As these items are almost entirely outside our control, they are not included in our list of material matters.

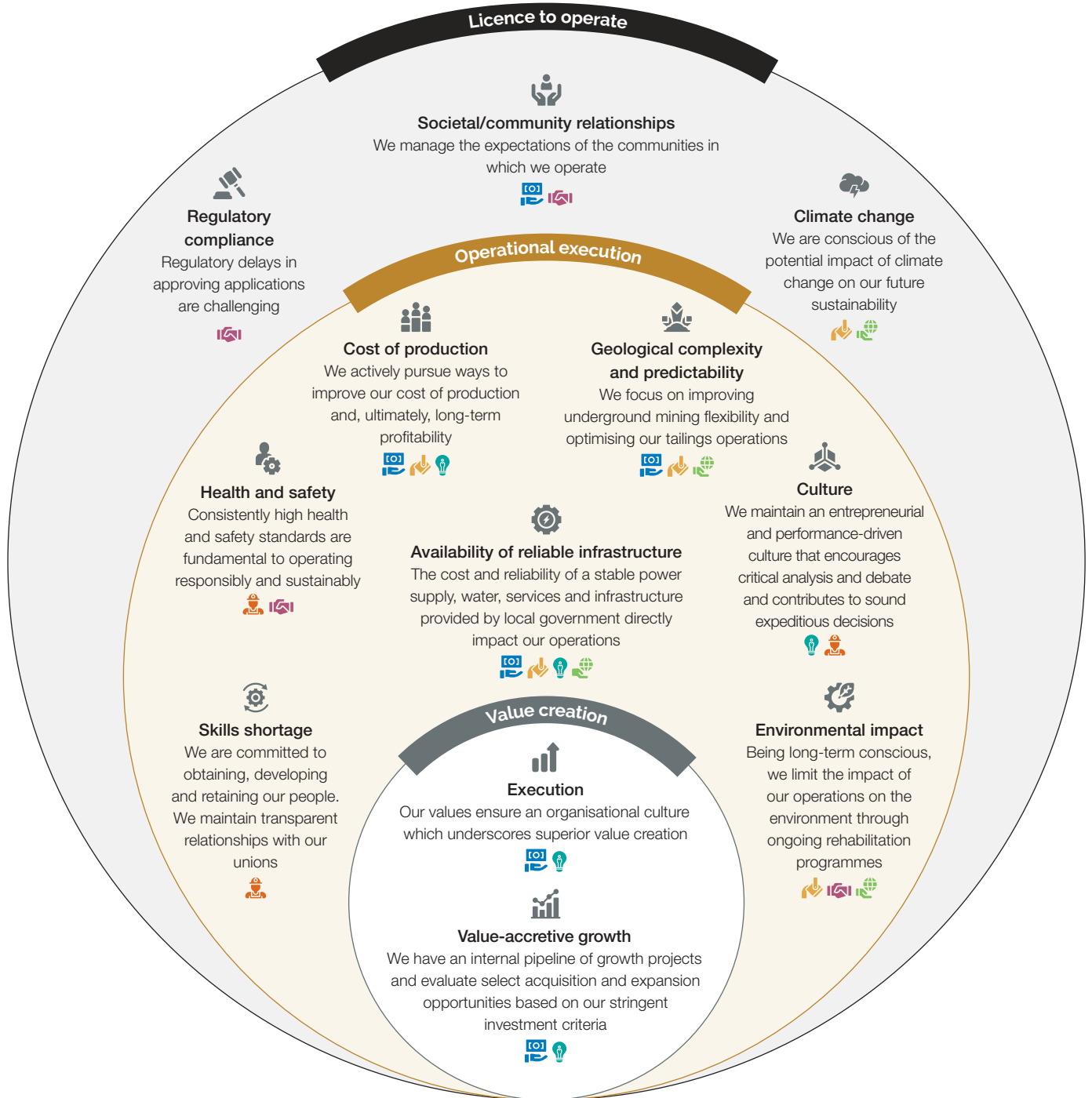
| | |
|---|---|
| COVID-19 pandemic | In the past year, our operating environment was overshadowed by the COVID-19 pandemic, a human crisis of historic scale and complexity |
| Gold price | The US\$ gold price has a direct impact on our profitability and capital allocation decisions |
| US\$/ZAR exchange rate | The rand is our functional currency and the US\$/ZAR exchange rate therefore directly influences our revenue and profitability |
| Fragile South African economy | The fragile South African economy and its ability and speed of recovery from the pandemic's impact and societal stability |
| Organised crime and corruption | We have witnessed intensifying pressure on procurement functions to enrich criminal elements. Thwarting illegal mining has substantially increased security costs |
| Activism, special interest groups and regulatory uncertainty | Undue pressure has been exerted on certain organisations by unforeseen parties. We focus on being responsible corporate citizens |

For a discussion on our operating environment, including more information on these items, which we do not consider material matters in this report, refer to **page 34**.

Refer to **page 36** for more detail on the measures introduced by the South African government to counter the COVID-19 pandemic and the actions we took in response thereto.



OUR MATERIAL MATTERS AND THE CAPITALS THEY AFFECT



We address our material matters, where we have varying degrees of influence, under each of the capitals on **pages 40 to 75**, where additional information is provided on our:

- 2021 achievements
- the importance of the selected targets
- short- to medium-term focus
- targets for 2021
- related risks
- long-term objectives.