2021 GROUP ANNUAL FINANCIAL REPORT

we are one
Sibanye Stillwater

COMMITMENT ACCOUNTABILITY RESPECT ENABLING SAFETY

GROUP ANNUAL FINANCIAL REPORT

Sibanye-Stillwater is a multinational mining and metals Group with a diverse portfolio of mining and processing operations and projects and investments across five continents. The Group is also one of the foremost global PGM autocatalytic recyclers and has interests in leading mine tailings retreatment operations.

About our full suite of reports

The 2021 Suite of reports describes Sibanye-Stillwater's progress in delivering on our strategy, purpose and vision. It shows how we create and preserve value for our stakeholders over the short, medium and long term, across the six capitals: human, financial, intellectual, natural, manufactured, social and relationship, noting that value creation in some areas can lead to value erosion in others. The Integrated report, the primary report in the suite, covers our financial, operational, environmental, social and governance performance.

In compiling the Suite of reports, we considered the following (but not limited to) frameworks, standards, and guidelines:

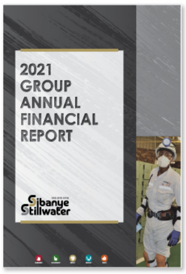
- Value Reporting Foundation: International Integrated Reporting Framework <IR>
- Global Reporting Initiative (GRI) Standards
- King Report on Corporate Governance for South Africa, 2016 (King IV)
- International Council on Mining and Metals (ICMM) assurance and validation procedure
- Listed Company Requirements for the Johannesburg Stock Exchange (JSE) and the New York Stock Exchange (NYSE)
- South Africa's Companies Act 71 of 2008 as amended
- United Nations Global Compact (UNGC) Principles and the Sustainable Development Goals (SDGs)
- South Africa's Mining Charter III and social and labour plans (SLPs)
- International Financial Reporting Standards (IFRS)
- Value Reporting Foundation: Sustainability Accounting Standards Board (SASB) Metals and Mining Standard
- World Gold Council (WGC)'s Responsible Gold Mining Principles (RGMPs)
- Task Force on Climate-Related Financial Disclosures (TCFD)

OUR 2021 REPORTS

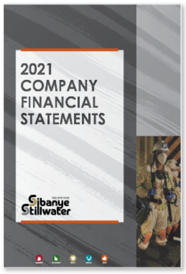
These reports cover the financial year from 1 January to 31 December 2021*

INTEGRATED REPORT

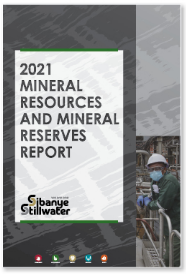
SUMMARISED REPORT AND NOTICE OF ANNUAL GENERAL MEETING



GROUP ANNUAL FINANCIAL REPORT



COMPANY FINANCIAL STATEMENTS



MINERAL RESOURCES AND MINERAL RESERVES REPORT

About our cover designs:
Inspired by the earth's strata and the characteristics of layered rocks at different depths; an abstract interpretation of the 'alchemical' transformation of raw materials into useful commodities. The covers also include images of employees, the people who embody our purpose and vision.

All of our 2021 reports, together with supporting documents, are available on our website at: ***www.sibanyestillwater.com/newsinvestors/reports/annual***

SUPPORTING FACT SHEETS AND SUPPLEMENTARY INFORMATION AVAILABLE ONLINE:

- **Progressing the UN's SDGs**
- **Environmental incidents in 2021**
- **Biodiversity management**
- **Social and Labour Plans: Summary of projects in South Africa**
- **Care for iMali: Taking care of personal finance**
- **GRI content index**
- **Tailings management**
- **Combating illegal mining**
- **ICMM self-assessment**
- **Working together: The Good Neighbor Agreement**
- **Definitions for sustainability/ESG indicators**
- **King IV disclosure**
- **Climate change related disclosure: TCFD recommendations**

* *Inclusive of information of year to date 22 April 2022 and forward- looking guidance*

Forward-looking statements

The information in this report may contain forward-looking statements within the meaning of the "safe harbour" provisions of the United States Private Securities Litigation Reform Act of 1995. These forward-looking statements, including, among others, those relating to Sibanye Stillwater Limited's ("Sibanye-Stillwater" or the "Group") financial positions, business strategies, plans and objectives of management for future operations, are necessarily estimates reflecting the best judgment of the senior management and directors of Sibanye-Stillwater and involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. As a consequence, these forward-looking statements should be considered in light of various important factors, including those set forth in this report.

All statements other than statements of historical facts included in this report may be forward-looking statements. Forward-looking statements also often use words such as "will", ""would", "expect", "forecast", "potential", "may", "could" "believe", "aim", "anticipate", "target", "estimate" and words of similar meaning. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances and should be considered in light of various important factors, including those set forth in this disclaimer. Readers are cautioned not to place undue reliance on such statements.

The important factors that could cause Sibanye-Stillwater's actual results, performance or achievements to differ materially from estimates or projections contained in the forward-looking statements include, without limitation, Sibanye-Stillwater's future financial position, plans, strategies, objectives, capital expenditures, projected costs and anticipated cost savings, financing plans, debt position and ability to reduce debt leverage; economic, business, political and social conditions in South Africa, Zimbabwe, the United States and elsewhere; plans and objectives of management for future operations; Sibanye-Stillwater's ability to obtain the benefits of any streaming arrangements or pipeline financing; the ability of Sibanye-Stillwater to comply with loan and other covenants and restrictions and difficulties in obtaining additional financing or refinancing; Sibanye-Stillwater's ability to service its bond instruments (including high yield bonds and convertible bonds, if any); changes in assumptions underlying Sibanye-Stillwater's estimation of its current mineral reserves; any failure of a tailings storage facility; the ability to achieve anticipated efficiencies and other cost savings in connection with, and the ability to successfully integrate, past, ongoing and future acquisitions, as well as at existing operations; the ability of Sibanye-Stillwater to complete any ongoing or future acquisitions; the success of Sibanye-Stillwater's business strategy and exploration and development activities, including any proposed, anticipated or planned expansions into the battery metals or adjacent sectors and estimations or expectations of enterprise value; the ability of Sibanye-Stillwater to comply with requirements that it operate in ways that provide progressive benefits to affected communities; changes in the market price of gold, PGMs, battery metals (e.g., nickel, lithium, copper and zinc) and the cost of power, petroleum fuels, and oil, among other commodities and supply requirements; the occurrence of hazards associated with underground and surface mining; any further downgrade of South Africa's credit rating; a challenge regarding the title to any of Sibanye-Stillwater's properties by claimants to land under restitution and other legislation; Sibanye-Stillwater's ability to implement its strategy and any changes thereto; the occurrence of labour disputes, disruptions and industrial actions; the availability, terms and deployment of capital or credit; changes in the imposition of industry standards, regulatory costs and relevant government regulations, particularly environmental, sustainability, tax, health and safety regulations and new legislation affecting water, mining, mineral rights and business ownership, including any interpretation thereof which may be subject to dispute; the outcome and consequence of any potential or pending litigation or regulatory proceedings, including in relation to any environmental, health or safety issues; failure to meet ethical standards, including actual or alleged instances of fraud, bribery or corruption; the effect of climate change on Sibanye-Stillwater's business; the concentration of all final refining activity and a large portion of Sibanye-Stillwater's PGM sales from mine production in the United States with one entity; the identification of a material weakness in disclosure and internal controls over financial reporting; the effect of US tax reform legislation on Sibanye-Stillwater and its subsidiaries; the effect of South African Exchange Control Regulations on Sibanye-Stillwater's financial flexibility; operating in new geographies and regulatory environments where Sibanye-Stillwater has no previous experience; power disruptions, constraints and cost increases; supply chain disruptions and shortages and increases in the price of production inputs; the regional concentration of Sibanye-Stillwater's operations; fluctuations in exchange rates, currency devaluations, inflation and other macro-economic monetary policies; the occurrence of temporary stoppages or precautionary suspension of operations at its mines for safety or environmental incidents (including natural disasters) and unplanned maintenance; Sibanye-Stillwater's ability to hire and retain senior management or sufficient technically skilled employees, as well as its ability to achieve sufficient representation of historically disadvantaged South Africans in its management positions; failure of Sibanye-Stillwater's information technology, communications and security systems; the adequacy of Sibanye-Stillwater's insurance coverage; social unrest, sickness or natural or man-made disaster at informal settlements in the vicinity of some of Sibanye-Stillwater's South African-based operations; and the impact of HIV, tuberculosis and the spread of other contagious diseases, such as the coronavirus disease (COVID-19).

Further details of potential risks and uncertainties affecting Sibanye-Stillwater are described in Sibanye-Stillwater's filings with the Johannesburg Stock Exchange and the United States Securities and Exchange Commission, including the Integrated Annual Report 2021 and the annual report on Form 20-F filed with the United States Securities and Exchange Commission on 22 April 2022 (SEC File no. 333-234096).

These forward-looking statements speak only as of the date of the content. Sibanye-Stillwater expressly disclaims any obligation or undertaking to update or revise any forward-looking statement (except to the extent legally required). These forward-looking statements have not been reviewed or reported on by the Group's external auditors.

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OVERVIEW

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ACCOUNTABILITY

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CONSOLIDATED FINANCIAL STATEMENTS

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ANCILLARY INFORMATION

The audited consolidated financial statements for the year ended 31 December 2021 have been prepared by Sibanye-Stillwater's group financial reporting team headed by Jacques le Roux. This process was supervised by the Group's CFO, Charl Keyter and authorised for issue by Sibanye-Stillwater's Board of Directors on 22 April 2022.

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Four-year financial performance

		2021	2020	2019	2018
Group operating statistics					
US PGM operations[1]					
Production					
Ore milled	'000t	**1,469**	1,487	1,411	1,339
Platinum produced	'000oz	**129**	135	133	134
Palladium produced	'000oz	**441**	468	460	459
PGM produced	'000 2Eoz	**570**	603	594	593
PGM sold	'000 2Eoz	**548**	594	578	594
PGM recycled	'000 3Eoz	**755**	840	853	687
Price and costs					
Average basket price	R/2Eoz	**31,021**	31,373	20,287	13,337
	US$/2Eoz	**2,097**	1,906	1,403	1,007
Operating cost[2]	R/t	**5,174**	5,203	4,200	3,353
	US$/t	**350**	316	290	253
	R/2Eoz	**13,324**	12,829	9,978	7,576
	US$/2Eoz	**901**	779	690	572
Adjusted EBITDA[3]	Rm	**12,256**	13,083	7,291	4,152
Adjusted EBITDA margin[4]	%	**21**	29	27	26
All-in sustaining cost[5]	R/2Eoz	**14,851**	14,385	11,337	8,994
	US$/2Eoz	**1,004**	874	784	677
All-in sustaining cost margin[6]	%	**54**	56	45	37
All-in cost[5]	R/2Eoz	**19,078**	18,339	14,763	11,651
	US$/2Eoz	**1,290**	1,114	1,021	880
All-in cost margin[6]	%	**41**	44	29	18
Capital expenditure					
Total capital expenditure	Rm	**4,556**	4,419	3,393	2,833
SA PGM operations[7]					
Production					
Ore milled	'000t	**38,307**	32,416	31,624	25,841
Platinum produced	'000oz	**1,123**	939	948	685
Palladium produced	'000oz	**566**	471	489	364
PGM produced	'000 4Eoz	**1,836**	1,526	1,608	1,176
PGM sold including PoC	'000 4Eoz	**1,886**	1,576	1,306	1,176
Price and costs[8]					
Average basket price	R/4Eoz	**47,066**	36,651	19,994	13,838
	US$/4Eoz	**3,182**	2,227	1,383	1,045
Operating cost[2]	R/t	**781**	816	724	474
	US$/t	**53**	50	50	36
	R/4Eoz	**16,780**	18,019	14,699	11,019
	US$/4Eoz	**1,135**	1,095	1,017	832
Adjusted EBITDA[3]	Rm	**51,608**	29,074	8,796	2,882
Adjusted EBITDA margin[4]	%	**61**	53	32	19
All-in sustaining cost[5]	R/4Eoz	**16,982**	17,792	14,857	10,417
	US$/4Eoz	**1,148**	1,081	1,027	787
All-in sustaining cost margin[6]	%	**58**	46	20	28
All-in cost[5]	R/4Eoz	**17,108**	17,830	14,875	10,472
	US$/4Eoz	**1,157**	1,083	1,029	791
All-in cost margin[6]	%	**58**	46	20	27
Capital expenditure					
Total capital expenditure	Rm	**3,799**	2,197	2,248	1,000

Four-year financial performance *continued*

		2021	2020	2019	2018
SA gold operations					
Production					
Ore milled	'000t	**44,402**	41,226	41,498	27,199
Gold produced	kg	**33,372**	30,561	29,009	36,600
	'000oz	**1,073**	983	933	1,177
Gold sold	kg	**33,374**	30,136	28,743	36,489
	'000oz	**1,073**	969	924	1,173
Price and costs					
Gold price	R/kg	**849,703**	924,764	648,662	535,929
	US$/oz	**1,787**	1,747	1,395	1,259
Operating cost[2]	R/t	**503**	470	446	648
	US$/t	**34**	29	31	49
	R/kg	**669,723**	634,596	637,681	490,209
	US$/oz	**1,408**	1,199	1,372	1,151
Adjusted EBITDA[3]	Rm	**5,113**	7,771	(970)	1,362
Adjusted EBITDA margin[4]	%	**18**	28	(5)	7
All-in sustaining cost[5]	R/kg	**803,260**	743,967	717,966	557,530
	US$/oz	**1,689**	1,406	1,544	1,309
All-in sustaining cost margin[6]	%	**5**	20	(11)	(4)
All-in cost[5]	R/kg	**821,358**	756,351	735,842	583,409
	US$/oz	**1,727**	1,429	1,583	1,370
All-in cost margin[6]	%	**3**	18	(13)	(9)
Capital expenditure					
Total capital expenditure	Rm	**4,380**	2,997	2,066	3,248

1 *The US PGM operations' underground production is converted to metric tonnes and kilograms, and performance is translated into SA rand. In addition to the US PGM operations' underground production, the operation processes recycling material which is excluded from the 2E PGM production, average basket price, operating cost, total capital expenditure,, All-in sustaining cost and All-in cost statistics shown. PGM recycling represents palladium, platinum, and rhodium ounces fed to the furnace*

2 *Operating cost is the average cost of production, and operating cost per tonne is calculated by dividing the cost of sales, before amortisation and depreciation and change in inventory in a period by the tonnes milled in the same period, and operating cost per kilogram and ounce is calculated by dividing the cost of sales, before amortisation and depreciation and change in inventory in a period by the gold or platinum group metals (PGM) produced in the same period*

3 *The Group reports adjusted earnings before interest, taxes, depreciation and amortisation (EBITDA) based on the formula included in the facility agreements for compliance with the debt covenant formula. Adjusted EBITDA may not be comparable to similarly titled measures of other companies. Adjusted EBITDA is not a measure of performance under IFRS and should be considered in addition to, and not as a substitute for, other measures of financial performance and liquidity. For a reconciliation of profit/(loss) before royalties and tax to adjusted EBITDA, see –Consolidated financial statements–Notes to the consolidated financial statements– Note 28.10 Capital management*

4 *Adjusted EBITDA margin is calculated by dividing adjusted EBITDA by revenue*

5 *Sibanye-Stillwater presents the financial measures "All-in sustaining costs", "All-in costs", "All-in sustaining cost per kilogram", "All-in sustaining cost per ounce", "All- in cost per kilogram" and "All-in cost per ounce", which were introduced during the year ended 31 December 2013 by the World Gold Council (the Council). Despite not being a member of the Council at the time, Sibanye-Stillwater adopted the principles prescribed by the Council. The Council is a non-profit association of the world's leading gold mining companies established in 1987 to promote the use of gold from industry, consumers and investors and is not a regulatory organisation. The Council has worked with its member companies to develop a metric that expands on International Financial Reporting Standards (IFRS) measures such as cost of goods sold and currently accepted non-IFRS measures to provide relevant information to investors, governments, local communities and other stakeholders in understanding the economics of gold mining operations related to expenditures, operating performance and the ability to generate cash flow from operations. This is especially true with reference to capital expenditure associated with developing and maintaining gold mines, which has increased significantly in recent years and is reflected in this metric*

All-in sustaining costs, All-in costs, All-in sustaining cost per kilogram, All-in sustaining cost per ounce, All-in cost per kilogram and All-in cost per ounce metrics are intended to provide additional information only, do not have any standardised meaning prescribed by IFRS and should not be considered in isolation or as alternatives to cost of sales, profit before tax, profit for the year, cash from operating activities or any other measure of financial performance presented in accordance with IFRS. All-in sustaining costs, All-in costs, All-in sustaining cost per kilogram, All-in sustaining cost per ounce, All-in cost per kilogram and All-in cost per ounce as presented in this document may not be comparable to other similarly titled measures of performance of other companies. Other companies may calculate these measures differently as a result of differences in the underlying accounting principles, policies applied and accounting frameworks such as in US GAAP. Differences may also arise related to definitional differences of sustaining versus development capital activities based upon each company's internal policies

All-in costs excludes income tax, costs associated with merger and acquisition activities, working capital, impairments, financing costs, one-time severance charges and items needed to normalise earnings

All-in costs is made up of All-in sustaining costs, being the cost to sustain current operations, given as a sub-total in the All-in costs calculation, together with corporate and major capital expenditure associated with growth

For a reconciliation of cost of sales, before amortisation and depreciation to All-in costs, see –Overview–Management's discussion and analysis of the financial statements–2021 financial performance compared with 2020–Cost of sales–All-in costs

6 *All-in sustaining cost margin is defined as revenue minus All-in sustaining costs divided by revenue. All-in cost margin is defined as revenue minus All-in costs divided by revenue*

7 *SA PGM operations excludes the production and costs associated with the purchase of concentrate (PoC) from third parties from 1 January 2020 onwards. During 2021, the SA PGM operations produced 60,532 4Eoz (2020: 50,136 4Eoz) of PoC at a cost of R3,170 million (2020: R1,667 million)*

8 *The total SA PGM operations unit cost benchmarks (including capital expenditure) exclude the financial results of Mimosa, which is equity accounted, and excluded from revenue and cost of sales*

Four-year financial performance *continued*

		2021	2020	2019	2018
Group financial statistics[1]					
Income statement					
Revenue	Rm	**172,194**	127,392	72,925	50,656
Cost of sales, before amortisation and depreciation	Rm	**(101,013)**	(75,776)	(56,100)	41,515
Amortisation and depreciation	Rm	**(8,293)**	(7,593)	(7,214)	(6,614)
Profit/(loss) for the year	Rm	**33,796**	30,622	433	(2,521)
Profit/(loss) for the year attributable to owners of Sibanye-Stillwater	Rm	**33,054**	29,312	62	(2,500)
Basic earnings per share	cents	**1,140**	1,074	2	(110)
Diluted earnings per share	cents	**1,129**	1,055	2	(110)
Headline earnings per share	cents	**1,272**	1,068	(40)	(1)
Dividend per share	cents	**5**	4	—	—
Weighted average number of shares	'000	**2,898,804**	2,728,891	2,507,583	2,263,857
Diluted weighted average number of shares	'000	**2,927,246**	2,777,952	2,578,954	2,263,857
Number of shares in issue at end of period	'000	**2,808,406**	2,923,571	2,670,030	2,266,261
Statement of financial position					
Property, plant and equipment	Rm	**62,494**	60,600	57,480	54,558
Cash and cash equivalents	Rm	**30,292**	20,240	5,619	2,549
Total assets	Rm	**152,994**	134,103	101,072	84,923
Net assets	Rm	**81,345**	70,716	31,138	24,724
Stated share capital	Rm	**21,647**	30,150	40,662	34,667
Borrowings[2]	Rm	**20,298**	18,383	23,736	24,505
Total liabilities	Rm	**71,649**	63,387	69,934	60,199
Statement of cash flows					
Net cash from operating activities	Rm	**32,256**	27,151	9,463	12,197
Net cash used in investing activities	Rm	**(14,568)**	(9,938)	(4,864)	(7,744)
Net cash used in financing activities	Rm	**(8,344)**	(2,244)	(1,470)	(4,101)
Net increase in cash and cash equivalents	Rm	**9,344**	14,969	3,129	352
Other financial data					
Adjusted EBITDA[3]	Rm	**68,606**	49,385	14,956	8,369
Net (cash)/debt[4]	Rm	**(11,466)**	(3,087)	20,964	21,269
Net (cash)/debt to adjusted EBITDA[5]	ratio	**(0.17)**	(0.06)	1.40	2.54
Net asset value per share[6]	R	**28.96**	24.19	11.66	10.91
Average exchange rate[7]	R/US$	**14.79**	16.46	14.46	13.24
Closing exchange rate[8]	R/US$	**15.94**	14.69	14.00	14.35
Share data					
Ordinary share price – high	R	**74.67**	60.40	35.89	17.16
Ordinary share price – low	R	**45.58**	16.53	16.76	6.82
Ordinary share price at year end	R	**49.10**	60.00	35.89	10.02
Average daily volume of shares traded	'000	**14,175**	19,488	21,383	10,567
Market capitalisation at year end	Rbn	**138**	175	96	23

[1] *The selected historical consolidated financial data set out above have been derived from Sibanye-Stillwater's consolidated financial statements for those periods and as at those dates which have been prepared in accordance with IFRS taking into account any changes in accounting principles. Headline earnings per share is calculated in terms of the guidance issued by the South African Institute of Chartered Accountants (SAICA), see – Consolidated financial statements–Notes to the consolidated financial statements–Note 12.3 Headline earnings per share*

[2] *This represents total borrowings as per the consolidated financial statements, see–Consolidated financial statements–Notes to the consolidated financial statements–Note 28 Borrowings and derivative financial instrument*

[3] *The adjusted EBITDA is based on the formula included in the facility agreements for compliance with the debt covenant formula. Adjusted EBITDA may not be comparable to similarly titled measures of other companies. Adjusted EBITDA is not a measure of performance under IFRS and should be considered in addition to, and not as a substitute for, other measures of financial performance and liquidity. For a reconciliation of profit/(loss) before royalties and tax to adjusted EBITDA, see – Consolidated financial statements–Notes to the consolidated financial statements–Note 28.10 Capital management*

[4] *Net (cash)/debt represents borrowings and bank overdraft less cash and cash equivalents. Borrowings are only those borrowings that have recourse to Sibanye- Stillwater, and, therefore, exclude the Burnstone Debt and include the derivative financial instrument up to the settlement of the US$ Convertible Bond. Net debt excludes cash of Burnstone. Where cash and cash equivalents exceed borrowings and bank overdraft this represents a net cash position and the negative amount is shown in brackets*

[5] *Net (cash)/debt to adjusted EBITDA (ratio) is defined as net (cash)/debt as at the end of a reporting period divided by adjusted EBITDA of the last 12 months ending on the same reporting date. Where a net cash position arises the Net (cash)/debt to adjusted EBITDA (ratio) is negative and the amount is shown in brackets*

[6] *Net asset value per share (ratio) is defined as total assets as at the end of a reporting period minus total liabilities as at the end of a reporting period divided by the total number of shares in issue on the same reporting date*

[7] *The average exchange rate during the relevant period as reported by IRESS. The average exchange rate for the period through 14 April 2022 was R15.13/US$. The following table sets forth the high and low exchange rates for each month during the previous six months*

Four-year financial performance *continued*

Month ended	*High*	*Low*
31 October 2021	*15.33*	*14.35*
30 November 2021	*16.37*	*14.86*
31 December 2021	*16.28*	*15.49*
31 January 2022	*16.11*	*15.07*
28 February 2022	*15.60*	*14.91*
31 March 2022	*15.63*	*14.40*
Through 14 April 2022	*16.11*	*14.40*

[8] The closing exchange rate at period end. The closing exchange rate on 14 April 2022, as reported by IRESS, was R14.67/US$. Fluctuations in the exchange rate between the rand and the US dollar will affect the US dollar equivalent of the price of the ordinary shares on the JSE, which may affect the market price of the American Depositary Receipts (ADRs) on the NYSE. These fluctuations will also affect the US dollar amounts received by owners of ADRs on the conversion of any dividends paid in rand on the ordinary shares

Management's discussion and analysis of the financial statements

The following discussion and analysis should be read together with Sibanye Stillwater Limited's Group (the "Group" or "Sibanye-Stillwater") consolidated financial statements including the notes, which appear elsewhere in this annual financial report. Certain information contained in the discussion and analysis set forth below includes forward-looking statements that involve risks and uncertainties. For a discussion of important factors that could cause actual results to differ materially from the results described in or implied by the forward-looking statements contained in this annual financial report, See –Forward-looking statements. The comparison of the Group's 2020 financial performance to the Group's 2019 financial performance can be found on pages 294 to 316 of Sibanye Stillwater Limited's Annual Report on Form 20-F for the year ended 31 December 2020 that was filed with United States Securities and Exchange Commission on 22 April 2021.

Introduction

Sibanye-Stillwater is a multinational mining and metals processing Group with a diverse portfolio of mining and processing operations, projects and investments across five continents. The Group is one of the foremost global producers of platinum group metals (PGMs) recycled from spent automotive catalytic converters and also has interests in leading mine tailings retreatment operations.

Domiciled and with its head office in South Africa, Sibanye-Stillwater has established itself as one of the world's largest primary producers of platinum, palladium, and rhodium and is also a top tier gold producer. It produces other PGMs, such as iridium and ruthenium, along with chrome, copper and nickel as by- products. The Group has recently begun to build and diversify its asset portfolio into battery metals mining and processing and is increasing its presence in the sustainable circular economy by growing and diversifying its recycling and tailings reprocessing operations globally.

Our Operations

Americas

PGMs:

Sibanye-Stillwater wholly owns and operates PGM mining and ore beneficiation operations and mining claims (together known as the Stillwater operations) that are located in Montana, United States of America (US). These operations include the Stillwater operation, the East Boulder operation, two concentrator plants, and the surrounding PGM mining claims located near the town of Nye. These operations primarily produce palladium and platinum. In addition, the Group owns and operates the Columbus Metallurgical Complex situated in the town of Columbus, Montana, which smelts the mined material to produce PGM-rich filter cake and also serves as the base for its PGM recycling business, that recovers PGMs from recycled catalytic converters on a purchase and toll treatment basis.

PGM Projects:

Sibanye-Stillwater also has non-managed interests in two PGM exploration projects in Canada, namely Marathon and Denison.

Green Metals Projects:

During the 2021 year, the Company acquired a 7.12% interest in ioneer Limited (ioneer), the owner and operator of the Rhyolite Ridge Lithium project in Nevada, with an option to enter into a 50:50 JV on the project. Sibanye-Stillwater also has non-managed interests in two Copper-Gold porphyry exploration projects in Argentina, namely Altar and Rio Grande.

Southern Africa

PGMs:

The SA PGM operations consist of three managed PGM producing underground operations (Marikana, Rustenburg and Kroondal) and related surface treatment facilities in South Africa and a 50% attributable, non-managed, underground operation in Mimosa Investments Limited (Mimosa) located in Zimbabwe. Sibanye-Stillwater also owns the Platinum Mile tailings retreatment facility adjacent to the Rustenburg operations, which recovers PGMs from the tailing streams of the Rustenburg operations.

The Rustenburg and Kroondal operations are serviced by four integrated concentrator plants, from where the concentrate is subjected to a purchase of concentrate and a toll-treatment agreement with Anglo American Platinum. The ore mined at the Marikana operations is processed through five concentrator plants, metallurgical smelter and base metals refinery, all located on site at Marikana, and a precious metals refinery located in Brakpan. At the Rustenburg, Kroondal and Marikana operations, chrome concentrate is extracted as a by-product from concentrator tailings.

PGM Projects:

Sibanye-Stillwater also has interests in three PGM exploration projects in Southern Africa, namely Akanani, Limpopo and Blue Ridge.

GOLD:

The gold operations consist of four managed, gold producing, underground and surface operations in South Africa, namely the Kloof, Driefontein and Cooke operations in the West Wits region and the Beatrix operation in the Free State province. In addition to its mining activities, Sibanye-Stillwater owns and manages significant metallurgical processing facilities at all its operations where gold-bearing ore is treated, and gold extracted. Sibanye-Stillwater also has an effective 50.66% stake in DRDGOLD Limited, which operates surface tailings retreatment facilities at the Far West Gold Recoveries operation and the ERGO Gold Recoveries operation.

Gold Projects:

The Burnstone project, located in Mpumalanga province, is now in the project development phase. The Group's wholly-owned and managed projects in study phase include Bloemhoek, De Bron Merriespruit and Beisa. Bloemhoek and De Bron are both gold projects and Beisa is a uranium project.

Management's discussion and analysis of the financial statements *continued*

Green Metal Projects:

Significant deposits of uranium are present in the historic tailings storage facilities of the Cooke Operation, as well as in the Beisa Reef at the Beatrix operation. These are considered exploration projects even though they occur within existing, operational mining rights.

Europe

Green Metal Project:

During the first quarter of 2021, Sibanye-Stillwater secured an entry into the battery metals sector through a partnership with and investment into Keliber, a leading European lithium project in Finland. The Company holds a 26.6% stake in the project, with an option to increase its shareholding to greater than 50% on completion of a definitive feasibility study.

Australia

Green Metal Investment:

During the fourth quarter of 2021, Sibanye-Stillwater acquired a 19.99% equity interest in New Century Resources Limited (New Century), an Australian company focused on the economic re-treatment and rehabilitation of tailings storage facilities and which currently operates the largest tailings retreatment operation in Australia, i.e. the Century Zinc Mine in Queensland.

Metals and Production Summary

At our PGM operations in South Africa and Zimbabwe, the primary PGMs produced are platinum, palladium and rhodium, which together with gold, are referred to as 4E (3PGM+Au). Production by ratio in 2021 was approximately 59% (2020: 60%) platinum (Pt), 30% (2020: 30%) palladium (Pd), 9% (2020: 8%) rhodium (Rh) and 2% (2020: 2%) gold (Au). During 2019 Sibanye-Stillwater changed from a purchase of concentrate (POC) to a toll treatment (Toll) arrangement with Anglo American Platinum Limited (Anglo Plats) to smelt and refine concentrate from its Rustenburg operation but retains ownership of the refined 4E metal produced. At our Marikana operation all concentrate is refined by the precious metal refinery, Kroondal and Platinum mile operations remain on a POC agreement. The Marikana operation has agreements in place to purchase concentrate from third parties or toll treat PGM bearing material on their behalf. The processing of third party material allows better utilisation of smelting and refining capacity. During 2021 the Marikana operation entered into a further short-term purchase of concentrate and toll treatment arrangement that commenced on 1 February 2021 and ended on 31 December 2021. As part of this arrangement, Marikana agreed to buy and toll treat certain metals that are contained in the PGM concentrate and furnace matte. A percentage of the toll treated metals is also retained as partial payment for the toll treatment arrangement.

For 2021 the US PGM operations primarily produce palladium 77% (2020: 78%) and platinum 23% (2020: 22%), referred to as 2E (or 2PGM). The PGM-bearing ore mined is processed and smelted to produce a PGM-rich filter cake. A third party refines the filter cake to produce refined PGMs.

The major sources of demand for PGMs are for use in autocatalysts and jewellery. Combined, these two areas accounted for around 64% (2020: 53%) of gross platinum demand in 2021. Gross autocatalyst demand alone accounted for 39% (2020: 30%) of platinum demand and for 85% (2020: 89%) of palladium demand in 2021.

Sibanye-Stillwater mines, extracts and processes gold-bearing ore at its SA gold operations to produce a beneficiated product, doré, which is then refined at Rand Refinery Proprietary Limited (Rand Refinery) into gold bars with a purity of at least 99.9% in accordance with the London Bullion Market Association's standards of Good Delivery. Sibanye-Stillwater holds a 44% interest in Rand Refinery, one of the largest refiners of gold globally, and the largest in Africa. Sibanye-Stillwater sells the refined gold to its customers who are international and local banks based in South Africa and a residual amount, below 5%, is sold to Rand Refinery.

The main sources of demand for gold are as a store of value (such as central bank holdings), as an investment (exchange traded funds, bars and coins), jewellery and for various industrial purposes.

In 2021, Sibanye-Stillwater delivered attributable PGM production of 0.57Moz (2E) (2020: 0.60Moz (2E)) and 1.90Moz (4E) (2020: 1.58Moz (4E)), and produced 33,372kg (1.07Moz) (2020: 30,561kg (0.97Moz)) of gold, from its US PGM, SA PGM and SA gold operations respectively.

During the 2021 year, Sibanye-Stillwater recognised a record profit of R33,796 million (2020: profit of R30,622 million), of which R33,054 million (2020: R29,312 million) is attributable to the owners of Sibanye-Stillwater.

At 31 December 2021, Sibanye-Stillwater had the following mineral reserves:

- 2E PGM mineral reserves of 27.3Moz (2020: 26.9Moz);
- 4E PGM mineral reserves of 32.2Moz (2020: 39.5Moz);
- Gold mineral reserves of 13.1Moz (2020: 15.5Moz); and
- Zinc mineral reserve of 1,016.3Mlb (2020: nil).

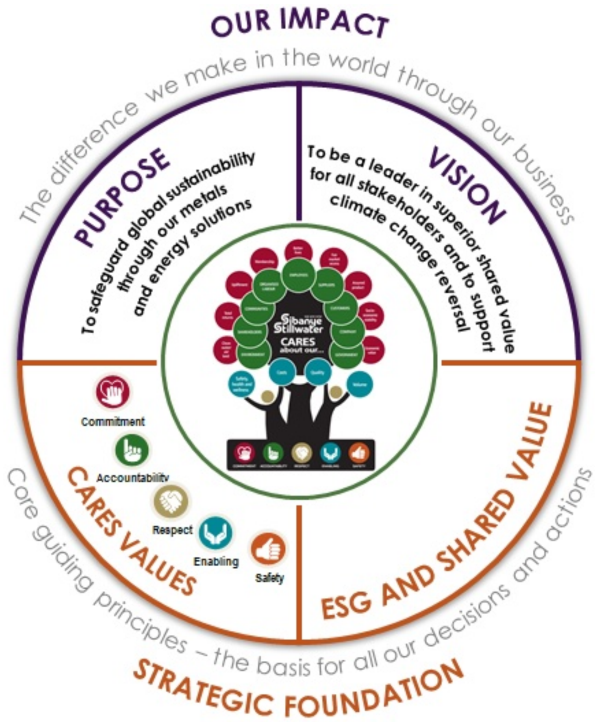
The Zinc reserve was due to the inclusion of the attributable interest of 19.99% in the New Century tailings retreatment operation in Australia for the first time during 2021.

Management's discussion and analysis of the financial statements *continued*

Strategy

Sibanye-Stillwater's new three dimensional strategy includes:

1. Strategic foundation – Why we exist



2. Strategic essentials – How we operate
   - Ensuring safety and well-being
   - Prospering in every region in which we operate
   - Achieving operational excellence and optimising long term resource value
   - Maintaining a profitable business and optimising capital allocation
3. Strategic differentiators – How we grow, prosper and deliver sustainable impact
   - Recognised as a force for good
   - Unique global portfolio of green metals and energy solutions that reverse climate change
   - Inclusive, diverse and enabling employees through harnessing innovation and technology ("bionic")
   - Building pandemic-resilient ecosystems

Strategic M&A

Significant progress was made advancing our green metals strategy during 2021, with a series of transactions announced during H2 2021 following the acquisition of an initial 26.6% holding in the Keliber lithium project during H1 2021. These transactions represent the outcome of two years of careful market analysis and engagement in our strategic path towards building a climate change resilient business, enabling further international diversification in high quality and strategic assets that is set to deliver substantial future value and earnings diversification.

In summary the transactions comprise:

- During 2021, the Group acquired a 26.6% stake in the Keliber Lithium project for EUR25 million through a two tranche investment. A further EUR5 million third tranche payment in March 2022 secured a cumulative 30% interest in the project, with the option to increase this interest to over 50% following the conclusion of a definitive feasibility study which will dictate the funding requirements. Keliber is planned as the first fully integrated lithium producer in Europe with direct access to key European battery markets from the Port of Kokkola in Finland
- The acquisition of 100% of Eramet's Sandouville nickel processing facilities in Le Havre, France was concluded on 4 February 2022 for an effective cash consideration of EUR85 million (adjusting for closing net debt and working capital). Following the investment in the Keliber lithium project in Finland, this acquisition consolidates Sibanye-Stillwater's presence in Europe, securing another strategic footprint in a favourable jurisdiction with strategic access to rapidly developing battery metal end user markets in Europe. Integration of the existing facility into the Group is underway with internal studies on optimisation of the facility and options for development of an adjacent property into a possible battery metals and recycling facility in progress
- On 16 September 2021 the Group announced a proposed 50:50 joint venture (JV) with ioneer with respect to the Rhyolite Ridge Lithium-Boron project in Nevada, USA. During quarter four 2021, the Group acquired a 7.1% direct equity interest in ioneer for approximately US$70 million. The Group's option to acquire a 50% interest in the Rhyolite Ridge project JV for a US$490 million contribution for the development of the proposed project, remains subject to various conditions being met, including obtaining all relevant permits required to develop the project. Rhyolite Ridge is a world-class lithium project with the potential to become

Management's discussion and analysis of the financial statements *continued*

the largest and lowest cost lithium mine in the US and is strategically positioned close to the rapidly developing battery production facilities in the region. ioneer management continues to work closely with the US Fish and Wildlife Services and Bureau of Land Management on the current propagation studies for the Tiehm's buckwheat as part of the conservation plan being developed for the project. The first seedling and propagation studies undertaken in 2020 were conducted by the University of Nevada – Reno

- In December 2021, the Group acquired a 19.9% stake in New Century, a leading Australian tailings reprocessing business for a cash consideration of A$61 million. The New Century investment is complementary to and enhances Sibanye-Stillwater's established position as a leading global tailings retreatment business uniquely positioned to play a key role in green metal supply chains together with its investment in DRDGOLD, a leading international gold tailings retreatment business

The following financial review provides stakeholders with greater insight into the financial performance and position of the Group during the periods indicated.

Factors affecting Sibanye-Stillwater's performance

Commodity prices

Sibanye-Stillwater's revenues are primarily derived from the sale of the PGMs and gold that it produces, from its own mines and its recycling facilities. For mined production, Sibanye-Stillwater does not generally enter into forward sales, commodity derivatives or other hedging arrangements in order to establish a price in advance of the sale of its production, unless these derivatives are used for risk mitigation and project funding initiatives. As a result, Sibanye-Stillwater is normally fully exposed to changes in commodity prices for its mined production. Metals from recycled material, which is solely produced at the Columbus metallurgical facilities in Montana, are sold forward at the time the material is purchased and they are delivered against the forward sales contracts when the ounces are recovered. This negates commodity price volatility and exposure during the outturn period of approximately sixty to ninety days.

As detailed previously, PGM and gold hedging is considered under one or more of the following circumstances: to protect cash flows at times of significant capital expenditures; financing projects; or to safeguard the viability of higher cost operations, see – *Consolidated financial statements– Notes to the consolidated financial statements–Note 36.2: Risk management activities.*

Historically, platinum, palladium and rhodium prices have been subject to wide fluctuations and are affected by numerous factors beyond Sibanye-Stillwater's control, including international macroeconomic conditions and outlook, levels of supply and/or demand, any actual or potential threats to the stability of supply and/or demand, inventory levels maintained by users and producers, liquidity of above ground excess inventories, actions of participants in the commodities markets and currency exchange rates, particularly the rand to the US dollar. 2021 was no exception which saw PGM metal prices peaking during H1 2021 and then experiencing a pullback in H2 2021.

In addition, platinum, palladium and rhodium exchange-traded funds (ETFs) have added a further element of unpredictability and volatility to the pricing environment and may increase volatility in PGM prices, particularly during structurally tight markets. ETF investors may exhibit procyclical behavior, purchasing shares in ETFs during times of rising prices and selling holdings during periods of declining prices. This behavior may exacerbate short term price volatility. The market prices of platinum, palladium, rhodium and other PGMs have been, and may in the future be, subject to rapid short-term changes.

The volatility of the price of platinum is illustrated in the platinum price table below (which shows the annual high, low and average of the market price of platinum). Over the period from 2019 to 2021, the platinum price has fluctuated between a high price of US$1,340/oz and a low price US$605/oz.

	US$/oz[1,2]		
Platinum	**High**	**Low**	**Average**
2019	985	777	864
2020	1,074	605	885
2021	1,340	906	1,091
2022 (through 31 March 2022)	1,181	944	1,031

[1] *Rounded to the nearest US dollar*

[2] *Metal price sourced from IRESS*

The market price of platinum was US$969/oz at 31 December 2021 and was US$990oz on 14 April 2022.

The volatility of the price of palladium is illustrated in the palladium price table below (which shows the annual high, low and average of the market price of palladium). Over the period from 2019 to 2021, the palladium price has fluctuated between a high price of US$3,020/oz and a low price US$1,260/oz.

Management's discussion and analysis of the financial statements *continued*

	US$/oz[1,2]		
Palladium	**High**	**Low**	**Average**
2019	1,993	1,260	1,570
2020	2,814	1,589	2,203
2021	3,020	1,594	2,398
2022 (through 31 March 2022)	3,433	1,821	2,334

[1] *Rounded to the nearest US dollar*
[2] *Metal price sourced from IRESS*

The market price of palladium was US$1,897/oz at 31 December 2021 and was US$2,367/oz on 14 April 2022.

The volatility of the price of rhodium is illustrated in the rhodium price table below (which shows the annual high, low and average of the market price of rhodium). Over the period from 2019 to 2021, the rhodium price has fluctuated between a high price of US$29,800/oz and a low price US$2,460/oz.

	US$/oz[1,2]		
Rhodium	**High**	**Low**	**Average**
2019	6,150	2,460	4,040
2020	16,650	5,500	11,174
2021	29,800	11,250	20,155
2022 (through 31 March 2022)	22,200	14,100	17,932

[1] *Rounded to the nearest US dollar*
[2] *Metal price sourced from IRESS*

The market price of rhodium was US$14,100/oz at 31 December 2021 and was US$19,200/oz on 14 April 2022.

The market price of gold has historically been volatile and is affected by numerous factors over which Sibanye-Stillwater has no control, such as general supply and demand, speculative trading activity and global economic drivers. Further, over the period from 2019 to 2021, the gold price has fluctuated between a high price of US$2,067/oz and a low price US$1,270/oz.

The volatility of the price of gold is illustrated in the gold price table below (which shows the annual high, low and average of the London afternoon fixing price of gold).

	US$/oz[1,2]		
Gold	**High**	**Low**	**Average**
2019	1,546	1,270	1,393
2020	2,067	1,472	1,770
2021	1,967	1,684	1,799
2022 (through 31 March 2022)	2,039	1,788	1,877

[1] *Rounded to the nearest US dollar*
[2] *Metal price sourced from IRESS*

The London afternoon fixing price of gold was US$1,820/oz at 31 December 2021 and was US$1,963/oz on 14 April 2022.

Exchange rate

Sibanye-Stillwater's SA PGM and gold operations (with the exception of Mimosa) are all located in South Africa, and its revenues are equally sensitive to changes in the US dollar PGM (4E) basket and gold prices, and the rand/US dollar exchange rate (the exchange rate). Depreciation of the rand against the US dollar results in Sibanye-Stillwater's revenues and operating margins increasing. Conversely, should the rand appreciate against the US dollar, revenues and operating margins would decrease. The impact on profitability of any change in the exchange rate can be substantial. Furthermore, the exchange rates obtained when converting US dollars to rand are set by foreign exchange markets, over which Sibanye-Stillwater has no control. The relationship between currencies and commodities, which includes the PGM (4E) basket and gold prices, is complex, and changes in exchange rates can influence commodity prices, and vice versa.

As a general rule, Sibanye-Stillwater does not enter into long-term currency hedging arrangements and is mainly exposed to the spot market exchange rate. Sibanye-Stillwater's SA PGM and gold operations' costs are primarily denominated in rand (with the exception of Mimosa), and forward cover could be considered for significant expenditures based in foreign currency or those items which have long lead times to production or delivery, see –*Consolidated financial statements–Notes to the consolidated financial statements–Note 36.2: Risk management activities.*

Management's discussion and analysis of the financial statements *continued*

Costs

Sibanye-Stillwater's cost of sales, before amortisation and depreciation comprise mainly labour and contractor costs, power and water, processing and smelting and consumable stores which include, inter alia, explosives, timber, cyanide, chemicals, steel balls, flotation collector, and other consumables. Sibanye-Stillwater expects that its cost of sales, particularly the input costs noted above, are likely to continue to increase in the near future and will be driven by inflation, general economic trends, market dynamics and other regulatory changes. In order to restrict these cost inputs, there is a continuous programme driven by operational initiatives throughout the Group to improve efficiencies and productivity.

The Marikana operational synergies project was closed out at the end of 2020 having realised R1,830 million, well above the initial transaction estimates of approximately R730 million per annum with the cost savings becoming part of the new cost base.

Following the outbreak of COVID-19 in South Africa, on 23 March 2020, there was a normalisation of the operations post COVID-19 disruptions, carrying through into 2021 with all segments having been able to successfully manage both operational performance and adherence to COVID-19 protocols in 2021.

Higher capital expenditure incurred during 2021 was partly due to the capital carry-over from 2020, as a result of COVID-19 when a decision was taken to defer capital expenditure.

The South African inflation rate or Consumer Price Index (CPI) was 4.5% in 2021 (2020: 3.3%). Inflation in the mining industry has historically been higher than CPI driven by above inflation wage increases, electricity tariffs, steel and steel related consumables.

Sibanye-Stillwater's operations are labour intensive. Labour represented 26% and 31% of cost of sales, before amortisation and depreciation during 2021 and 2020, respectively.

At the US PGM operations the collective bargaining agreement covering certain employees at the Stillwater Mine and the Metallurgical Processing facilities concluded the wage negotiations in April 2019. The new five-year agreement has similar terms to the prior agreement, with minor revisions. In terms of the agreement there was a 2.75% increase for all job categories effective from 15 April 2019, followed by annual increases of 2.5% for 2020, 3.0% in 2021, 2.5% in 2022 and 3.0% in 2023, all of which are effective annually on 1 June.

Negotiations with the United Steel Workers International Union (USW) regarding East Boulder were concluded during February 2022. A new wage contract was signed that covers the period from 16 February 2022 to 31 July 2024. The next wage negotiations will be in June 2024. The agreed wage increases were a 2.5% increase 2022, 3.0% in 2023 and 3.0% in 2024. In addition to the base increase in 2022, an increase to benefits and incentive has been agreed, which will result in an effective average increase of 5.4% for 2022 if all safety and quality deliverables are fully met.

Sibanye-Stillwater concluded a three-year wage agreement for its Kroondal operation on 23 October 2020. The wage agreement was signed with the National Union of Mineworkers and the Association of Mineworkers and Construction Union (AMCU), in respect of wages and conditions of service for a three-year period from 1 July 2020 to 30 June 2023. The basic wage increase for Category 4-9 surface and underground employees for the first year, is 5% or R1000 per month whichever is higher for each of the three years. Miners, artisans and officials will also receive 5% or R1,000 per month whichever is higher per annum over the three-year period.

Sibanye-Stillwater concluded a three-year wage agreement at the SA PGM operations on 15 November 2019, for its Rustenburg and Marikana operations which comprise the majority of its SA PGM operations, with the AMCU at the Marikana operation and AMCU and UASA (formerly known as United Association of South Africa) at the Rustenburg operation in respect of wages and conditions of service for the period 1 July 2019 to 30 June 2022. The agreement allows for increases to the basic wage of Category 4-9 surface and underground employees for both the Marikana and Rustenburg operations of R1,000 per month or 5% whichever is the higher in the first year, R1,000 per month or 5% whichever is the higher in the second year and R1,000 per month or 5% whichever is the higher in the third year. The pensionable base pay will increase by 3.5% for the Marikana operation over each of the next three years while the Rustenburg pensionable base pay and allowance base will increase by 5% over each of the next three years. In both operations the rock drill operators' allowance also increases by R100 per month for each of the three years. Miners, artisans and officials will receive R1,000 per month or 5% whichever is the higher per year for the three years.

The SA gold operations, signed a three-year wage agreement on 14 November 2018 with the National Union of Mineworkers (NUM), Solidarity and UASA and on 17 April 2019 with AMCU, in respect of wages and conditions of service for the period from 1 July 2018 to 30 June 2021. The agreement allows for increases to the basic wage of Category 4-8 surface and underground employees of R700 per month in the first and second years, and R825 per month in the third year. Miners, artisans and officials will receive increases of 5.5% in year one and 5.5% or CPI (whichever is greater) in years two and three of the agreement. In addition to the basic wage, the parties agreed to an increase in the current living-out allowance and Sibanye-Stillwater also agreed to increase incrementally the current minimum medical incapacity benefit. Following the expiration of 2018 Wage Agreement on 30 June 2021, Sibanye-Stillwater commenced contract negotiations with AMCU, the NUM, Solidarity and UASA. Solidarity and UASA formally accepted the proposed wage agreement on 10 March 2022. On 8 March 2022, AMCU and NUM announced strike action at Sibanye-Stillwater's gold mines commencing on 9 March 2022. The Group continues to engage with the national leadership of AMCU and NUM in an effort to reach a final settlement.

In recent years, the South African mining industry has experienced increased union unrest. The entry of unions such as AMCU, which has become a significant rival to the traditionally dominant NUM, has resulted in more frequent industrial disputes, including violent protests, intra- union violence and clashes with police authorities. Such disputes, and resulting industrial actions, are difficult to control, can disrupt Sibanye-Stillwater's business and expose Sibanye-Stillwater to liability.

Despite above inflation increases in electricity tariffs, power and water, in total they comprised only 8% and 9% of cost of sales, before amortisation and depreciation in 2021 and 2020, respectively. The higher cost of sales was mainly attributable to the high purchasing costs of spent catalytic material incurred by the recycling operation correlated with the higher PGM prices that prevailed during the year.

Management's discussion and analysis of the financial statements *continued*

The effect of the above mentioned increases, especially being above the average inflation rate, has adversely affected and, may continue to adversely affect, the profitability of Sibanye-Stillwater's SA PGM and gold operations. Further, Sibanye-Stillwater's SA PGM and gold operations' costs are primarily denominated in rand, while revenues from PGM and gold sales are in US dollars. Generally when inflation is high the rand tends to devalue, thereby increasing rand revenues, and potentially offsetting any increase in costs. However, there can be no guarantee that any cost saving measures or the effects of any potential devaluation will offset the effects of increased inflation and production costs.

Production

Sibanye-Stillwater's revenues are driven by its production levels and the price it realises from the sale of PGMs, gold and associated co- and by- products, as discussed above. Production can be affected by a number of factors including mining grades, safety related work stoppages, industrial action, and other mining related incidents and any global black swan event such as the COVID-19 pandemic. These factors could have an impact on production levels in the future.

The SA PGM operations again delivered consistently solid operating results despite the Group wide safety interventions and the suspension of operations at Khuseleka and Thembelani at the Rustenburg operations during December 2021, which resulted in approximately 21,000 4Eoz lost production. PGM production of 1,896,670 4Eoz for 2021 (including attributable ounces from Mimosa and third party purchase of concentrate (PoC)) was 21% higher than 2020. 4E PGM PoC production increased by 21% in 2021 to 60,532 4Eoz. All operations with the exception of Mimosa increased 4E PGM production. 4E PGM production of 1,576,507 4Eoz (including attributable ounces from Mimosa and PoC) for 2020 was 2% lower than 2019, with production building back to pre COVID-19 rates by November 2020, well ahead of expectation. 4E PGM production for H2 2020 was 40% higher than H1 2020.

Mined PGM production from the US PGM operations in 2021 of 570,400 2Eoz was 5% lower than for the comparable period in 2020, primarily due to the ongoing impact of the rail collision safety incident in June 2021. The implementation of rail safety enhancements following the safety incident in June 2021, has necessitated shutting down mining blocks at the Stillwater West mine, which remains constrained by Mine Safety and Health Administration (MSHA) stop orders and new operating procedures. Additionally, production from the East Boulder mine was impacted by electrical outages in December 2021 because of severe weather conditions. 3E PGM recycled production for 2021 declined by 10% to 755,148 3Eoz due to a reduction in concentrate feed from underground affecting blending, a slowdown in used car scrapping rates globally and continued supply chain logistic constraints affecting autocatalyst deliveries towards the end of 2021. The recycling operations fed an average of 23.8 tonnes per day of spent autocatalyst for 2021, 10% lower than for 2020, which was partly due to a decision taken to reduce recycle inventory in anticipation of a slowdown in receipt and feed rates over the festive season which allowed a continued reduction in exposure to higher carbon containing inventory.

Gold production at the managed SA gold operations of 27,747kg (892,086oz) for 2021 was 10% higher than 2020, despite being impacted by safety stoppages during the year which included the self-imposed Group safety intervention and suspension of operations at Beatrix 1 and 3 shafts and Kloof 1 shaft.

Stringent enforcement of relatively new environmental legislation is on the rise in South Africa. Regulators, such as the Department of Mineral Resources and Energy in South Africa, can and do issue, in the ordinary course of operations, instructions, such as Section 54 work stoppages, after routine visits or following safety incidents or accidents to partially or completely halt operations at affected mines until corrective measures are agreed and implemented. In 2021, Sibanye-Stillwater's South African gold operations experienced 37 Section 54 work stoppages (2020: 43) and 42 Section 54 work stoppages at the South African PGM operations (2020: 29). In the United States, underground mines, including the Stillwater and East Boulder Operations, are continuously inspected by the MSHA, which can lead to notices of violation. Any of Sibanye-Stillwater's US mines could be subject to a temporary or extended shut down as a result of a violation alleged by the MSHA, known as "k-orders". For example, the Stillwater operations have been operating at reduced operating levels under a k-order since a fatal incident in June 2021.

Royalties, carbon tax and mining tax

South African mining operations pay a royalty tax to the South African government. Revenue from mineral resources in South Africa are subject to the Mineral and Petroleum Resource Royalty Act 2008 (Royalty Act). The Royalty Act imposes a royalty on refined (mineral resources that have undergone a comprehensive level of beneficiation such as smelting and refining as defined in Schedule 1 of the Royalty Act) and unrefined (mineral resources that have undergone limited beneficiation as defined in Schedule 2 of the Royalty Act) minerals payable to the State. The formula for calculating royalties takes into account whether the mineral is refined or unrefined and the profitability of individual operations. The maximum royalty payable on refined minerals and unrefined minerals is 5% and 7%, respectively.

Carbon tax is a tax in response to climate change, which is aimed at reducing greenhouse gas emissions in a sustainable, cost effective and affordable manner. In South Africa the Carbon Tax Act of 2019 came into effect on 1 June 2019. The South African Government introduced Carbon tax based on a polluter-pays-principle and the aim of which is to help ensure that companies and consumers take the negative adverse costs (externalities) of climate change into account in their future production, consumption and investment decisions. Phase 1 of the Carbon Tax has been extended by three years to 31 December 2025. The Carbon Tax Rate increases from R134/ton CO_2e in 2021 to R144/ton CO_2e from 1 January 2022. The group has provided for carbon tax of R4 million for 2021 (2020: R5 million).

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Under South African tax legislation, gold mining companies and non-gold mining companies are taxed at different rates. Sibanye-Stillwater's SA gold operations are subject to the gold tax formula on their respective mining incomes. The formula calculating tax payable, is affected by the profitability of the applicable gold mining operation. In addition, these gold mining operations are ring fenced from a capital expenditure perspective. As a result, only taxable losses can be offset between these operations to reduce taxable income from another operation. Depending on the profitability of the operations, the tax rate can vary significantly from year to year. Sibanye-Stillwater's SA PGM operations are subject to the tax at the statutory rate of 28% and the mining operations are also ring fenced from a capital expenditure perspective. On 23 February 2022, the South African Minister of Finance confirmed the change in the South African corporate income tax (CIT) rate as announced in his February 2021 budget speech. For the financial year ended 31 December 2021, the CIT rate applicable to Sibanye-Stillwater and its South African subsidiaries, which apply a CIT rate, was 28% and will remain at 28% for the financial year ending 31 December 2022. For subsequent financial years the change will become effective and a 27% CIT rate will apply.

Under United States tax legislation there are no federal taxes specific to minerals extraction. General federal, state, county and municipal taxes apply to mining companies, including income taxes, payroll taxes, sales taxes, property taxes and use taxes. Federal tax laws generally do not distinguish between domestic and foreign mining operators. Sibanye-Stillwater's US PGM operations are subject to a statutory tax rate of 21% and are subject to tax in the states of Montana, New Jersey and Pennsylvania.

Capital expenditure

Sibanye-Stillwater will continue to invest capital in new and existing infrastructure and possible growth opportunities. In South Africa only the best projects inter alia those with low capital intensity, relatively short lead time and quick payback currently meet the required investment hurdle rates.

Therefore, management will be required to consider, on an ongoing basis, the capital expenditure necessary to achieve its sustainable production objectives against other demands on cash.

As part of its strategy, Sibanye-Stillwater may investigate the potential exploitation of mineralisation below its current infrastructure limits as well as other capital-intensive projects.

In 2021, Sibanye-Stillwater's total capital expenditure was R12,740 million (2020: R9,616 million), an increase of 32%. The capital underspend in 2020 largely due to COVID-19 disruptions was carried over into 2021 for both the SA PGM and SA gold operations. The Group also commenced with project capital expenditure on the K4 and Klipfontein projects (SA PGM operations) and Burnstone (SA gold operations) in 2021 and continued to invest in growth at Stillwater East on the Blitz project (US PGM operations). These investments will contribute towards the future operational sustainability of the Group and deliver significant economic value to all stakeholders over the long term.

SA PGM operations

Capital expenditure at the SA PGM operations increased significantly by 73% from R2,197 million in 2020 to R3,799 million in 2021 with ore reserve development 40% higher at R1,577 million, sustaining capital 92% higher at R2,019 million and project spend increasing from R20 million in 2020 to R203 million in 2021 on both the Kroondal Klipfontein and Marikana K4 projects. The significant increase in sustaining capital expenditure was on projects to support safety initiatives, winch signalling upgrades and trackless mobile machinery collision avoidance systems while ORD capital expenditure increased mainly due to the return to normalised production output levels in 2021.

K4 and Klipfontein PGM projects:

The project setup phase that involved the approval of the scheduling and costing systems and development of the required Management plan documentation has been completed.

The following actions were also completed during H2 2021:

- Contracts for building works and electrical work for the upgrade and completion of the industrial change-houses, whilst on-boarding of these contractors completed and work commenced
- The tenders for the underground infrastructural work as well as for the electrical and Instrumentation work were adjudicated, whilst on-boarding commenced
- Upgrades for the winder control systems design work was completed and contracts placed
- Various underground equipment orders have been placed and the majority of the equipment has been delivered

The engineering design and compiling of scope of works and procurement is currently proceeding as per schedule. The K4 Project is on target to start capital development during Q2 2022.

The Klipfontein lay-down areas and site establishment were completed in Q4 2021 and the first blast was taken on 7 January 2022. The project is on track and is ramping up with full production expected in Q2 2022.

US PGM operations

Capital expenditure at the US PGM operations for 2021 was 3% higher than 2020 at R4,561 million with sustaining capital flat at R796 million and growth capital 1% higher at R2,411 million which mainly included spend at Stillwater East (SWE) on the Blitz project of R2,162 million (2020: R2,385 million).

SA gold operations

Capital expenditure at the managed SA gold operations increased by 51% from R2,654 million in 2020 to R4,003 million in 2021 mainly driven by ore reserve development expenditure increasing by 46% to R2,604 million and sustaining capital increasing by 45% to R974 million as a result of a planned increase in capital expenditure to restore flexibility post the COVID-19 impact of 2020.

Management's discussion and analysis of the financial statements *continued*

While project capital at the managed SA Gold operations increased by 116% to R425 million and included project capital spend on the Kloof 4 deepening project of R198 million and capital spend on the Burnstone project of R220 million.

The Burnstone project

The project setup phase that involved the approval of the scheduling and costing systems and development of the required Management plan documentation has been completed.

The following activities were also completed during H2 2021:

- Onboarding of Mining and Engineering crews started in October 2021
- An engineering design team has been appointed for the remainder of the Engineering design
- A vendor has been appointed for the access surveying and registration of the new servitudes for the new access road to Burnstone
- A vendor has been appointed for the design change to be able to remove the skips from the shaft using the Rock Winder bank area. The design was 90% complete by the end of December 2021
- Procurement order for the first new trackless mobile machinery was placed in December 2021

Sibanye-Stillwater expects to spend approximately R16.6 billion on capital in 2022, which includes the capital expenditure of DRDGOLD.

The actual amount of capital expenditure will depend on a number of factors, such as production volumes, the commodity prices and general economic conditions and may differ from the amount forecast above. Some of these factors are outside of the control of Sibanye-Stillwater.

Scheme of arrangement

On 4 October 2019 Sibanye Gold Limited (SGL) and Sibanye-Stillwater, a previously dormant wholly owned subsidiary of SGL, announced the intention to implement a scheme of arrangement to reorganise SGL's operations under a new parent company, Sibanye-Stillwater (the "Scheme"). The Scheme was implemented through the issue of Sibanye-Stillwater shares (tickers: JSE – SSW and NYSE – SBSW) in exchange for the existing shares of SGL (JSE – SGL and NYSE – SBGL). For additional information see – *Consolidated financial statements–Notes to the consolidated financial statements–Note 26: Stated share capital.*

2021 financial performance compared with 2020

Group profit for the year increased from R30,622 million in 2020 to R33,796 million in 2021. The reasons for this increase are discussed below. The primary factors explaining the movements in profit are set out in the table below.

Figures in million – SA rand	2021	2020	% Change 2021/2020
Revenue	**172,194**	127,392	35
Cost of sales	**(109,306)**	(83,369)	31
Interest income	**1,202**	1,065	13
Finance expense	**(2,496)**	(3,152)	(21)
Share-based payment expenses	**(383)**	(512)	(25)
Loss on financial instruments	**(6,279)**	(2,450)	156
Gain/(loss) on foreign exchange differences	**1,149**	(255)	(551)
Share of results of equity-accounted investees after tax	**1,989**	1,700	17
(Impairments)/reversal of impairments	**(5,148)**	121	(4,355)
Occupational healthcare gain/(expense)	**14**	(52)	(127)
Restructuring costs	**(107)**	(436)	(75)
Transaction costs	**(140)**	(139)	1
Care and maintenance	**(737)**	(814)	(9)
Change in estimate of environmental rehabilitation obligation, and right of recovery receivable and payable	**167**	464	(64)
Strike related costs	**—**	(1)	(100)
Loss on settlement of US$ Convertible Bond	**—**	(1,507)	(100)
Cost incurred on employee and community trusts	**(744)**	(508)	46
Corporate and social investment costs	**(288)**	(258)	12
Non-recurring COVID-19 costs	**(3)**	(97)	(97)
Early redemption premium on the 2025 Notes	**(196)**	—	—
Net other (costs)/income	**(613)**	58	(1,157)
Profit before royalties, carbon tax and tax	**50,275**	37,250	35
Royalties	**(2,714)**	(1,765)	54
Carbon tax	**(4)**	(5)	(20)
Profit before tax	**47,557**	35,480	34
Mining and income tax	**(13,761)**	(4,858)	183
Profit for the year	**33,796**	30,622	10

Management's discussion and analysis of the financial statements *continued*

The SA PGM and SA gold operations achieved higher production levels during 2021 following the return to more normalised operating levels following the COVID-19 hard lockdown in 2020, along with effective measures implemented by management to reduce the impact of the pandemic on continued production.

Group financial performance

Group revenue for 2021 increased by 35% to R172,194 million mainly due to higher sales volumes at the SA PGM, SA gold and US PGM Recycling operations and higher PGM prices. The higher sales volumes and higher precious metal prices, which impacts the cost of purchasing third-party concentrate (PoC) and recycling material, at the SA PGM and US PGM Recycling operations were the primary reasons for the 31% increase to R109,306 million in the Group cost of sales, before amortisation and depreciation. At the managed SA gold operations, higher underground production and associated input costs contributed to the increase in cost of sales. Group adjusted EBITDA for 2021 increased by 39% or R19,221 million to R68,606 million despite a pullback in precious metal prices during H2 2021. In addition, the 10% stronger rand relative to the US dollar, negatively affected realised rand commodity prices for the SA operations. Group amortisation and depreciation increased by 9% to R8,293 million following higher production volumes at both the SA PGM and SA gold operations and increased capital spend during 2021 which was deferred in 2020 due to the impact of the COVID-19 pandemic.

Revenue

Revenue increased by 35% to R172,194 million in 2021 from R127,392 million in 2020, driven by higher PGM metals prices and higher sales volumes at the SA PGM, SA gold and US PGM Recycling operations during 2021.

Revenue from the SA PGM operations increased by 55% to R85,154 million in 2021 from R54,912 million in 2020, due to a 22% or 315,201 4Eoz increase in PGMs sold and a 28% higher average 4E basket price of R47,066/4Eoz which was partially offset by a 10% stronger rand. A 21% increase in the sale of third party PoC ounces contributed to the increase in SA PGM revenue.

Revenue from the US PGM underground operations decreased by 8% to R18,343 million (2020: R19,858 million) in 2021, notwithstanding a 10% higher average 2E basket price of US$2,097/2Eoz, due to an 8% decrease in mined ounces sold following the implementation of further rail safety enhancements and a 10% stronger rand. Revenue from recycling increased by 61% to R40,710 million (2020: R25,296 million) in 2021, due to the 57% higher average 3E basket price of US$3,515/3Eoz and 16% higher sales volumes, partially offset by the 10% stronger rand.

Revenue from the managed SA gold operations increased by 6% to R23,568 million (2020: R22,292 million) in 2021, mainly due to the 12% or 3,038 kg higher gold sold volumes, partially offset by a 6% lower rand gold price of R849,144/kg. Revenue from DRDGOLD decreased by 5% to R4,790 million in 2021 mainly due to a 9% lower rand gold price received of R852,465/ kg partially offset by 4% higher sales volumes.

Cost of sales

Cost of sales increased by 31% to R109,306 million (2020: R83,369 million) in 2021, mainly due to the higher sales volumes at all operations excluding the US PGM underground operations and higher PGM precious metal prices which impacts the cost of purchasing third-party concentrate (PoC) and recycling material at both the SA PGM and US PGM Recycling operations, respectively.

The primary drivers of cost of sales are set out in the table below.

The analysis that follows provides a more detailed discussion of cost of sales, together with the total cash cost, All-in sustaining cost and All-in cost.

Management's discussion and analysis of the financial statements *continued*

Figures in million – SA rand	2021	2020	% Change 2021/2020
Salaries and wages	**(26,214)**	(23,850)	10
Consumable stores	**(18,847)**	(16,404)	15
Utilities	**(8,099)**	(6,801)	19
Mine contracts	**(5,193)**	(3,790)	37
Recycling[1]	**(39,220)**	(24,418)	61
Other	**(8,975)**	(4,663)	92
Ore reserve development costs capitalised	**5,535**	4,150	33
Cost of sales, before amortisation and depreciation	**(101,013)**	(75,776)	33
- SA PGM operations	**(31,971)**	(24,722)	29
- US PGM operations	**(46,787)**	(32,004)	46
- Managed SA gold operations	**(18,908)**	(16,128)	17
- DRDGOLD	**(3,347)**	(2,922)	15
Amortisation and depreciation	**(8,293)**	(7,593)	9
- SA PGM operations	**(2,515)**	(2,072)	21
- US PGM operations	**(2,601)**	(2,727)	(5)
- Managed SA gold operations	**(2,989)**	(2,592)	15
- DRDGOLD	**(188)**	(202)	(7)
Total cost of sales	**(109,306)**	(83,369)	31
- SA PGM operations	**(34,486)**	(26,794)	29
- US PGM operations	**(49,388)**	(34,731)	42
- Managed SA gold operations	**(21,897)**	(18,720)	17
- DRDGOLD	**(3,535)**	(3,124)	13

Cost of sales, before amortisation and depreciation

Cost of sales, before amortisation and depreciation at the SA PGM operations increased by 29% to R31,971 million, mainly due to a 22% increase in sales volumes to 1,776,127 4Eoz. Mined underground 4E PGM production increased by 22% to 1,568,195 4Eoz and surface production volumes excluding third-party PoC were 23% higher at 148,692 4Eoz. Third-party concentrate purchased and processed (PoC) at the Marikana smelting and refining operations increased by 21% to 60,532 4Eoz. PoC material is purchased at a higher cost, than own mined ore, due to the direct correlation to the basket price of PGM's.

Cost of sales, before amortisation and depreciation at the US PGM underground operations decreased marginally to R7,567 million due to a decrease of 8% in sales volumes to 548,276 2Eoz in line with production volumes which also decreased by 5% year- on-year to 570,400 2Eoz, mainly due to rail safety enhancements following the fatal incident at the Stillwater West mine in June 2021 and weather related electrical outages in December at the East Boulder mine. Cost of sales, before amortisation and depreciation at the US PGM recycling operation increased, in line with the increase in revenue, by 61% from R24,418 million to R39,220 million due to a higher average basket price resulting in higher purchasing costs of spent autocatalysts, coupled with a 16% increase in volumes.

Cost of sales, before amortisation and depreciation at the managed SA gold operations increased by 17% to R18,908 million due to a 12% increase in sales volumes, annual salary increases and above inflationary increases on input costs such as electricity, steel and steel related consumables. Mined underground volumes increased by 13% to 24,719 kg (794,734 oz) despite the 2021 production which was negatively impacted by safety stoppages, that resulted in production being suspended at Kloof and Beatrix and a fire at Kloof. Cost of sales, before amortisation and depreciation from DRDGOLD increased by 15% to R3,347 million due to above inflationary cost increases, particularly for steel and reagents.

Amortisation and depreciation

Amortisation and depreciation at the SA PGM operations increased by 21% to R2,515 million due to increased capital spend post the deferral in FY2020 during the onset of the COVID-19 pandemic and a 22% increase in mined underground production volumes. Amortisation and depreciation at the US PGM operations' decreased by 5% to R2,601 million, in line with a 5% decrease in production volumes in 2021. Amortisation and depreciation at the managed SA gold operations increased by 15% to R2,989 million due to increased capital spend post the deferral in FY2020 during the onset of the COVID-19 pandemic, whereas the amortisation and depreciation of DRDGOLD decreased by 7% to R188 million.

Management's discussion and analysis of the financial statements *continued*

All-in sustaining cost and All-in cost

All-in cost per ounce, was introduced in 2013 by the members of the World Gold Council. Sibanye-Stillwater has adopted the principle prescribed by the Council. This non-IFRS measure provides more transparency into the total costs associated with mining. The All-in cost per ounce metric provides relevant information to investors, governments, local communities and other stakeholders in understanding the economics of mining.

This is especially true with reference to capital expenditure associated with developing and maintaining mines, which has increased significantly in recent years and is reflected in this metric. All-in cost excludes income tax, costs associated with merger and acquisition activities, working capital, impairments, financing costs, one-time severance charges and items needed to normalise earnings. All-in cost is made up of All-in sustaining cost, being the cost to sustain current operations, given as a sub-total in the All-in cost calculation, together with corporate and major capital expenditure associated with growth. All-in sustaining cost per kilogram (and ounce) and All-in cost per kilogram (and ounce) are calculated by dividing the All-in sustaining cost and All-in cost, respectively, in a period by the total PGM produced/gold sold over the same period.

Non-IFRS measures such as All-in sustaining cost and All-in cost are considered as pro forma financial information as per the JSE Listing Requirements. The pro forma financial information is the responsibility of the Group's Board of Directors and is presented for illustration purposes only, and because of its nature, All-in sustaining cost and All-in cost should not be considered as a representation of financial performance.

This pro forma financial information has been reported on by Ernst & Young Inc. in terms of ISAE 3420 and their unmodified report is available for inspection at the Company's registered office or by emailing the Company Secretary (*lerato.matlosa@sibanyestillwater.com*).

Management's discussion and analysis of the financial statements continued

Figures in million - SA rand		Total US PGM operations Stillwater[1,2]	Total SA PGM operations[2]	Rustenburg operations	Marikana operation[2]	Kroondal	Platinum Mile	Mimosa	Corporate and re-conciling items	Total SA gold operations	Driefontein	Kloof	Beatrix	Cooke	DRDGOLD	Group Corporate and reconciling items
2021																
Cost of sales, before amortisation and depreciation[3]	Rm	**7,567**	**31,972**	11,464	16,561	3,416	531	1,587	(1,587)	**22,256**	5,691	7,845	4,565	808	3,347	—
Plus:																
Community costs[4]	Rm	**—**	**161**	12	150	—	—	—	(1)	**127**	46	38	34	1	8	—
Inventory change[5]	Rm	**33**	**1,294**	816	478	—	—	9	(9)							
Share-based payments[6]	Rm	**86**	**113**	45	53	15	—	—	—	**100**	23	35	23	—	19	—
Royalties[7]	Rm	**—**	**2,547**	1,405	1,128	14	—	160	(160)	**167**	95	46	27	5	—	(6)
Carbon tax[8]	Rm	**—**	**1**	—	1	—	—	—	—	**2**	—	—	2	—	—	—
Rehabilitation[9]	Rm	**31**	**244**	—	162	81	—	4	(3)	**189**	32	17	70	47	18	5
Leases[10]	Rm	**1**	**53**	11	35	7	—	—	—	**82**	8	14	28	13	19	—
ORD[11]	Rm	**1,354**	**1,576**	629	947	—	—	—	—	**2,604**	1,177	930	497	—	—	—
Sustaining capital expenditure[12]	Rm	**791**	**2,019**	619	1,104	268	28	499	(499)	**1,304**	322	488	164	—	330	—
Less:																
By-product credit[13]	Rm	**(1,392)**	**(7,895)**	(2,589)	(4,376)	(869)	(61)	(524)	524	**(23)**	(8)	(5)	(5)	(1)	(4)	—
All-in sustaining cost[14]	Rm	**8,471**	**32,085**	12,412	16,243	2,932	498	1,735	(1,735)	**26,808**	7,386	9,408	5,405	873	3,737	(1)
Plus:																
Corporate cost, growth and other capital expenditure	Rm	**2,411**	**215**	—	215	—	—	—	—	**604**	—	198	7	—	47	352
All-in cost[14]	Rm	**10,882**	**32,300**	12,412	16,458	2,932	498	1,735	(1,735)	**27,412**	7,386	9,606	5,412	873	3,784	351
Gold sold/4E PGM produced/2E PGM produced	kg	**17,741**	**58,993**	20,913	25,692	7,046	1,633	3,709	—	**33,374**	9,314	10,961	6,305	1,175	5,619	—
	'000oz	**570**	**1,897**	672	826	227	52	119	—	**1,073**	299	352	203	38	181	—
All-in sustaining cost[14]	R/kg									**803,260**	793,000	858,316	857,256	742,979	665,065	—
	R/oz	**14,851**	**18,051**	18,460	19,664	12,943	9,486	14,549	—							
	US$/oz	**1,004**	**1,221**	1,248	1,330	875	641	984	—	**1,689**	1,668	1,805	1,803	1,562	1,399	—
All-in cost[14]	R/kg															
	R/oz	**19,078**	**18,172**	18,460	19,925	12,943	9,486	14,549	—	**821,358**	793,000	876,380	858,366	742,979	673,429	—
	US$/oz	**1,290**	**1,229**	1,248	1,347	875	641	984	—	**1,727**	1,668	1,843	1,805	1,562	1,416	—

Management's discussion and analysis of the financial statements continued

Figures in million - SA rand		Total US PGM operations Stillwater[1,2]	Total SA PGM operations[2]	Rustenburg operations	Marikana operation[2]	Kroondal	Platinum Mile	Mimosa	Corporate and re-conciling items	Total SA gold operations	Driefontein	Kloof	Beatrix	Cooke	DRDGOLD	Group Corporate and reconciling items
2020																
Cost of sales, before amortisation and depreciation[3]	Rm	**7,586**	**24,723**	9,589	13,232	2,803	403	1,601	(2,905)	**19,050**	4,864	6,880	3,714	671	2,922	—
Plus:																
Community costs[4]	Rm	**—**	**107**	8	100	—	—	—	—	**151**	30	46	59	—	16	—
Inventory change[5]	Rm	**151**	**3,039**	553	1,182	—	—	19	1,285							
Share-based payments[6]	Rm	**54**	**46**	19	21	7	—	—	—	**50**	11	13	10	—	16	—
Royalties[7]	Rm	**—**	**1,623**	924	689	10	—	135	(135)	**142**	73	115	44	5	—	(95)
Carbon tax[8]	Rm	**—**	**3**	—	2	—	—	—	—	**3**	—	—	2	—	—	—
Rehabilitation[9]	Rm	**29**	**242**	5	152	86	—	4	(4)	**218**	51	33	56	54	19	5
Leases[10]	Rm	**5**	**59**	14	35	10	—	—	—	**78**	8	18	21	16	16	—
ORD[11]	Rm	**1,239**	**1,125**	417	708	—	—	—	—	**1,786**	742	722	322	—	—	—
Sustaining capital expenditure[12]	Rm	**795**	**1,052**	326	515	188	23	414	(414)	**967**	187	392	93	—	295	—
Less:																
By-product credit[13]	Rm	**(1,183)**	**(5,444)**	(1,395)	(3,614)	(443)	8	(408)	409	**(24)**	(7)	(5)	(4)	(1)	(7)	—
All-in sustaining cost[14]	Rm	**8,675**	**26,575**	10,459	13,022	2,660	434	1,765	(1,764)	**22,420**	5,958	8,215	4,317	744	3,277	(90)
Plus:																
Corporate cost, growth and other capital expenditure	Rm	**2,385**	**53**	—	33	—	20	—	—	**373**	—	155	—	—	46	171
All-in cost[14]	Rm	**11,060**	**26,628**	10,459	13,055	2,660	453	1,765	(1,764)	**22,793**	5,958	8,370	4,317	744	3,323	82
Gold sold/4E PGM produced/2E PGM produced	kg	**18,757**	**49,035**	17,467	20,419	6,123	1,208	3,819	—	**30,136**	7,554	10,752	5,286	1,125	5,419	
	'000oz	**603**	**1,577**	562	656	197	39	123	—	**969**	243	346	170	36	174	—
All-in sustaining cost[14]	R/kg									**743,967**	788,708	764,007	816,591	661,422	604,650	—
	R/oz	**14,385**	**18,280**	18,624	19,836	13,512	11,161	14,380	—							
	US$/oz	**874**	**1,111**	1,131	1,205	821	678	874	—	**1,406**	1,490	1,444	1,543	1,250	1,143	—
All-in cost[14]	R/kg									**756,351**	788,708	778,460	816,629	661,422	613,176	—
	R/oz	**18,339**	**18,317**	18,624	19,886	13,512	11,668	14,380	—							
	US$/oz	**1,114**	**1,113**	1,131	1,208	821	709	874	—	**1,429**	1,490	1,471	1,543	1,250	1,159	—

The average exchange rate for the year ended 31 December 2021 was R14.79/US$ (2020: R16.46/US$)

[1] The US PGM operations' underground production is converted to metric tonnes and kilograms, and performance is translated into rand. In addition to the US PGM operations' underground production, the operation processes various recycling material which is excluded from the 2E PGM production, All-in sustaining cost and All-in cost statistics shown

[2] The Total US and SA PGM, Total SA PGM and Marikana includes the production and costs associated with the purchase of concentrate (PoC) from third parties.

Management's discussion and analysis of the financial statements continued

[3] *Cost of sales, before amortisation and depreciation includes all mining and processing costs, third party refining costs, corporate general and administrative costs and permitting costs. Corporate relates to the elimination of concentrate sales by Rustenburg, Kroondal and Platinum Mile to Marikana and the associated unrealised profit*

[4] *Community costs includes costs related to community development*

[5] *Inventory adjustment in Corporate includes the elimination of concentrate sales by Rustenburg, Kroondal and Platinum Mile to Marikana and the associated unrealised profit*

[6] *Share-based payments are calculated based on the fair value at initial recognition and do not include the adjustment of the cash-settled share-based payment obligation to the reporting date fair value*

[7] *Royalties are the current royalty on refined and unrefined minerals payable to the South African government*

[8] *In South Africa the Carbon Tax Act of 2019 came into effect on 1 June 2019. The South African Government introduced Carbon tax based on a polluter-pays-principle and the aim of which is to help ensure that companies and consumers take the negative adverse costs (externalities) of climate change into account in their future production, consumption and investment decisions. The first phase of the Carbon Tax Act applies to the so-called "Scope 1" emissions from 1 June 2019 to 31 December 2022. Under the first phase, the introduction of the carbon tax is not expected to have an immediate impact on the price of electricity. Accordingly, although the statutory rate of carbon tax in 2021 was R134 per tonne (2020: R127 per tonne) of carbon dioxide equivalent (CO2e) emissions, allowances under the Carbon Tax Act resulted in an effective carbon tax rate ranging from R7 to R54 per tonne of CO2e emissions (2020: R6 to R51). Phase 1 of the Carbon Tax has been extended by three years to 31 December 2025*

[9] *Rehabilitation includes the interest charge related to the environmental rehabilitation obligation and the amortisation of the related capitalised rehabilitation costs recorded as an asset. The interest charge related to the environmental rehabilitation obligation and the amortisation of the capitalised rehabilitation costs do not reflect annual cash outflows and are calculated in accordance with IFRS. The interest charge and amortisation reflect the periodic costs of rehabilitation associated with current production and are, therefore, included in the measure*

[10] *Leases represent the lease payment costs for the year*

[11] *ORD are those capital expenditures that allow access to reserves that are economically recoverable in the future, including, but not limited to, crosscuts, footwalls, return airways and box holes which will avail production or reserves*

[12] *Sustaining capital expenditure are those capital expenditures that are necessary to maintain current production and execute the current mine plan. Sustaining capital costs are relevant to the All-in sustaining cost metric as these are needed to maintain Sibanye-Stillwater's current operations and provide improved transparency related to Sibanye-Stillwater's ability to finance these expenditures*

[13] *By-product credit—The All-in cost metric is focused on the cost associated with producing and selling a kilogram of gold or an ounce of 4E/2E PGMs, and therefore the metric captures the benefit of mining other metals when gold and 4E/2E PGMs are produced and sold. In determining the All-in cost, the costs associated with producing and selling a kilogram of gold or an ounce of 4E/2E PGMs are reduced by the benefit received from the sale of co-products and by-products, recognised as product sales, which is extracted and processed along with the gold and 4E/2E PGMs produced. At the SA gold operations, the sale of silver is recognised as product sales, and at the PGM operations in both regions, the minor PGMs – iridium and ruthenium – are produced as co-products, which together with the three primary PGMs, are referred to as 6E (5PGM+Au). In addition, nickel, copper and chrome, among other minerals, are by-products at these operations. This is relevant to the All-in cost metric as it aids in the investor's analysis of the profitability of producing a kilogram of gold or an ounce of 4E/2E PGMs, without the need to consider multiple metal prices. The by-product credit of Marikana for the year ended December 2020 includes the benefit from the sale of concentrate purchased from Rustenburg, Kroondal and Platinum Mile of R1,674 million. The cost associated with the purchase and processing of the intercompany concentrate is included in the Marikana cost of sales, before amortisation and depreciation*

[14] *For information on how Sibanye-Stillwater has calculated All-in sustaining costs, All-in costs, All-in sustaining cost per kilogram, All-in sustaining cost per ounce, All-in cost per kilogram and All-in cost per ounce, see –Management's discussion and analysis of the financial statements-2021 financial performance compared with 2020- All-in sustaining cost and All-in cost*

Management's discussion and analysis of the financial statements continued

Cost of production

The AISC at the SA PGM operations of R18,051/4Eoz decreased by 1% from R18,280/4Eoz primarily due to higher production. The All-in sustaining cost (AISC) at the US PGM operations increased by 15% to 1,004 US$/2Eoz in 2021 primarily due to increased PGM prices which drives an increase in royalties. Increases in sustaining capital accounted for approximately 17% of the increase in AISC at the US PGM operations. Royalties payable increases AISC by approximately US$9/2Eoz for every US$100/2Eoz change in the prevailing PGM basket. Unit costs at the SA gold operations increased by 8% to R 803,260/kg in 2021and was mainly due to annual salary increases and above inflationary increases on input costs such as electricity, steel and steel related consumables.

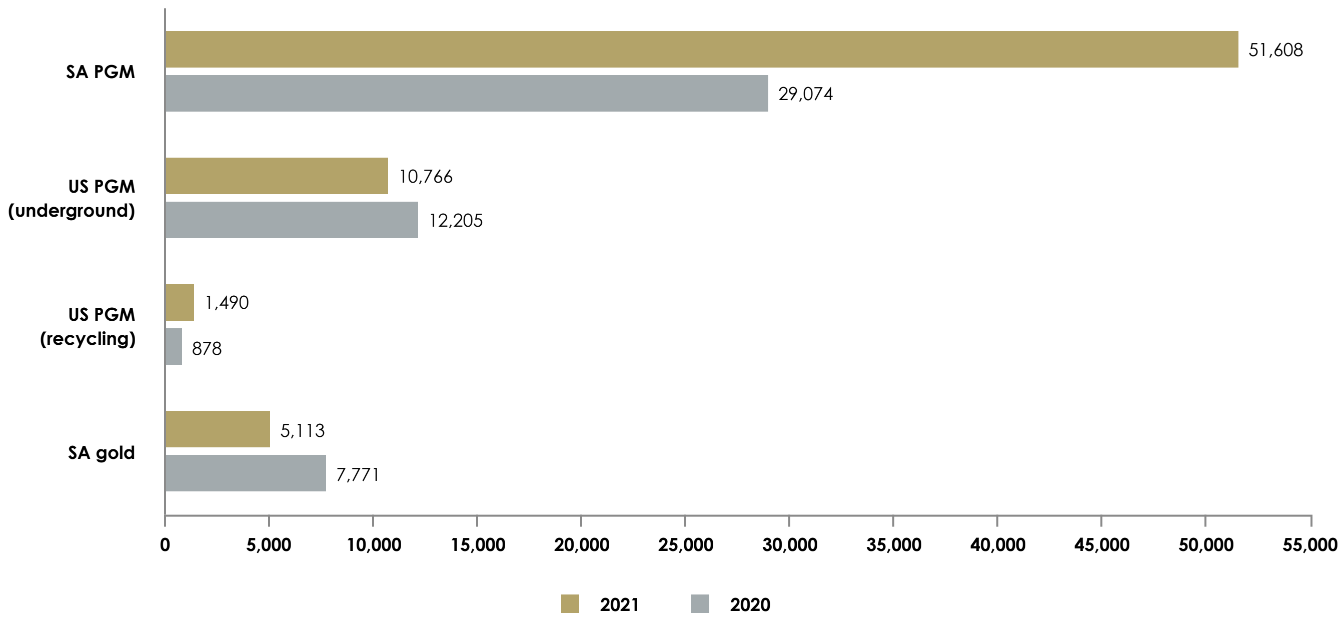
Adjusted EBITDA

Group Adjusted EBITDA of R68,606 million in 2021 increased by 39% from R49,385 million in 2020. Adjusted EBITDA for the SA PGM operations increased by 78% due to higher PGM basket prices and higher sales volumes. Adjusted EBITDA from the US PGM underground operations decreased by 12% to R10,766 million due to lower sales volumes and for the US PGM recycling operations increased by 70% to R1,490 million due to higher sales volumes and PGM basket prices. The adjusted EBITDA decreased by 34% at the SA gold operations to R5,113 million, mainly due to an 8% decrease in the rand gold price and the higher production costs, partially offset by the higher volumes sold.

Adjusted EBITDA includes other cash costs, strike costs and care and maintenance expenditures. Care and maintenance at Cooke and Burnstone which was only incurred in H1 2021 were R594 million and R46 million for 2021, respectively, compared with R623 million and R81 million, respectively in 2020. Care and maintenance costs at the Marikana operations were R79 million (2020: R92 million). Strike costs at the SA gold operations were Rnil (2020: R1 million). Other costs include corporate and social expenditure of R288 million (2020: R258 million) and non-production royalties of R327 million (2020: R193 million).

Non-IFRS measures such as Adjusted EBITDA is considered as pro forma financial information as per the JSE Listing Requirements. The pro forma financial information is the responsibility of the Group's Board of Directors and is presented for illustration purposes only, and because of its nature, Adjusted EBITDA should not be considered as a representation of financial performance see – Consolidated financial statements – Notes to the consolidated financial statements – Note 28.10: Capital Management

Adjusted EBITDA
R millions



Interest income

Interest income increased by 13% to R1,202 million in 2021 from R1,065 million in 2020 mainly due to higher cash balances being maintained during the year and interest earned on recycling advances due to higher average PGM basket prices. Interest income mainly includes interest received on cash deposits amounting to R948 million (2020: R714 million and 2019: R264 million), interest received on rehabilitation obligation funds of R174 million (2020: R245 million and 2019: R265 million); interest earned on right of recovery asset of R32 million (2020: R16 million and 2019: R16 million) and other interest earned of R48 million (2020: R90 million and 2019: R15 million). For additional information on finance income see –*Consolidated financial statements–Notes to the consolidated financial statements–Note 5.1: Finance income.*

Finance expense

Finance expense decreased by R656 million mainly due to a R489 million decrease in interest on borrowings following a decrease in average outstanding borrowings for 2021, R92 million decrease in the unwinding of amortised cost on borrowings, R29 million decrease in Rustenburg deferred payment, R69 million decrease in unwinding of the environmental rehabilitation obligation, R40 million decrease in the unwinding of the finance costs on the deferred revenue transactions, R5 million decrease in interest on lease liabilities and R19 million decrease in interest on the occupational healthcare obligation, all partially offset by an increases of

Management's discussion and analysis of the financial statements continued

R87 million in the unwinding of the Marikana dividend obligation, R5 million increase in the Pandora deferred payment and an increase of R5m in sundry interest. For additional information on finance expense see *–Consolidated financial statements–Notes to the consolidated financial statements–Note 5.2: Finance expense.*

Finance expense decreased by R151 million mainly due to a R155 million decrease in interest on borrowings following a decrease in average outstanding borrowings for 2020, R20 million decrease in interest on the occupational healthcare obligation, R21 million decrease related to the dissenting shareholders, R3 million decrease in the unwinding of the deferred revenue related to the streaming transactions (Wheaton and Marikana operation platinum forward sale) and a R93 million decrease in sundry interest, all partially offset by an increases of R20 million in the unwinding of amortised cost on borrowings, R105 million increase in unwinding of the environmental rehabilitation obligation, R8 million increase unwinding of the Pandora deferred payment and an increase of R8 million related to the Rustenburg deferred payment.

Sibanye-Stillwater's gross debt outstanding, excluding the Burnstone Debt was R18.8 billion as at 31 December 2021 compared with approximately R17.1 billion at 31 December 2020.

Share-based payments

The share-based payments expense decreased by 25% to R383 million (2020: R512 million) in 2021. The share-based payments expense includes Rnil (2020: R128 million) and R19 million (2020: R13 million) relating to the DRDGOLD cash-settled and equity-settled share options respectively, and R132 million (2020: R145 million) relating to equity-settled share options granted under the Sibanye-Stillwater Share Plans and R232 million (2020: R226 million) relating to the cash-settled Sibanye-Stillwater Share Plan. For additional information on share- based payments see *–Consolidated financial statements–Notes to the consolidated financial statements–Note 6: Share-based payments.*

Loss on financial instruments

The net loss on financial instruments increased from R2,450 million to R6,279 million for 2021, representing a year-on-year increase of 156% or R3,829 million. The net loss for 2021 is mainly attributable to fair value losses on the revised cash flow of the Anglo deferred payment of R4,653 million, the Rustenburg and Marikana operations B-BBEE cash-settled share- based payment obligations of R671 million and R593 million respectively, and the Marikana dividend obligation of R468 million, mainly due to higher forecasted 4E PGM basket prices. The losses were partially offset by fair value gains on the Palladium hedge contract of R234 million. For additional information on the loss on financial instruments see *–Consolidated financial statements–Notes to the consolidated financial statements–Note 7: Loss on financial instruments.*

The loss on financial instruments decreased from R6,015 million in 2019 to R2,450 million in 2020. This decrease was mainly attributable to the decrease of R1,089 million in the fair value loss on the Sibanye Rustenburg Platinum B-BBEE share-based payment obligation and the decrease of R3,842 million in the fair value loss on the derivative financial instrument relating to US$ Convertible Bond which was settled during October 2020. These decreases in 2020 were partially offset by an increase of R1,357 million in the loss on the revised cash flows of the deferred payments which was mainly due to higher forecasted 4E PGM basket prices.

Gain/(loss) on foreign exchange differences

The gain on foreign exchange differences of R1,149 million in 2021 compared with a loss of R255 million in 2020. The gain on foreign exchange differences in 2021 was mainly due to foreign exchange gains of R1,367 million on intra-group loans with a real foreign exchange exposure, partially offset by a R117 million loss on the Burnstone debt due to a weaker rand.

The loss on foreign exchange differences in 2020 was mainly due to a foreign exchange loss of R2,130 million on the US$ Convertible Bond and the derivative financial instrument and a R49 million loss on the Burnstone debt, both due to a weaker rand in 2020 compared to 2019, partially offset by foreign exchange gains on intra-group loans with a real foreign exchange exposure.

Share of results of equity-accounted investees after tax

The profit from share of results of associates of R1,989 million in 2021 (2020: R1,700 million) was primarily due to share of profits of R1,702 million (2020: R1,300 million) relating to Sibanye-Stillwater's 50% attributable share in Mimosa and R287 million (2020: R400 million) relating to its 44% interest in Rand Refinery. For additional information on the share of results of equity-accounted investees after tax, see *–Consolidated financial statements–Notes to the consolidated financial statements–Note 18: Equity-accounted investments.*

(Impairments)/Reversal of impairments

During 2021 the Group recognised an impairments of R5,148 million compared to an impairments reversal of R121 million in 2020. At 31 December 2021, a number of factors were identified that negatively impacts the ability of the Driefontein, Kloof and Beatrix operations to recover the carrying value of mining assets over their respective remaining life-of-mines. Expected above inflation increases in major cost components, in particular electricity and labour costs, coupled with ageing infrastructure, declining life-of-mines and the consensus long-term gold price forecast lower than the spot price, negatively affected the forecast cash flows of these operations. This led to the recognition of impairment losses at the Driefontein, Kloof and Beatrix reportable segments of R212 million, R3,642 million and R1,293 million, respectively. These operations are included under SA gold in the segment report and each represent a separate cash generating unit. For additional information on the Group's estimates and assumptions used in the impairment calculations, see *–Consolidated financial statements– Notes to the consolidated financial statements–Note 10: (Impairments)/reversal of impairments.*

Impairment reversals in 2020 mainly related to the historical impairment of R120 million on Rand Refinery, an equity accounted investee, which was reversed due to improved profitability and a forecasted return to stable dividend payments.

Management's discussion and analysis of the financial statements continued

Occupational healthcare expense

On 26 July 2019 the Gauteng High Court in Johannesburg approved the R5 billion settlement agreement in the silicosis class case. At 31 December 2021 Sibanye-Stillwater has provided R1,017 million (2020: R1,194 million) for its share of the settlement cost. The estimated costs at 31 December 2021 and 2020 was determined by an actuarial specialist and as a result, a change in estimate of R14 million income was recognised in profit or loss for the year (2020: R52 million expense). For additional information on the occupational healthcare expense, see *–Consolidated financial statements–Notes to the consolidated financial statements–Note 31: Occupational healthcare obligation.*

Restructuring costs

Maintaining loss-making operations is not sustainable over an extended period. Cross-subsidising loss making operations erodes value, is a drain on cash flows and, as a result, threatens the sustainability and economic viability of other operations. The Group, therefore, continually reviews and assesses the operating and financial performance of its assets. Restructuring costs of R107 million comprised mainly the costs of mutual separation packages offered to employees with high COVID-19 risk due to comorbidities or ill health at the SA PGM and SA gold operations of R14 million and R20 million, respectively, professional fees of R21 million at the SA operations and provision for the Kloof 3 shaft closure of R43 million.

Restructuring costs of R436 million for 2020 comprised mainly of R235 million related to S189 restructuring at the Marikana operation which was completed on 16 January 2020 and R75 million and R100 million respectively at the SA PGM and SA gold operations mainly related to fragile health voluntary separations in light of the COVID-19 pandemic.

Transaction costs

Transaction costs were R140 million in 2021 compared with R139 million in 2020. The transaction costs in 2021 mainly included acquisition related advisory and legal fees of R103 million (2020: R42 million), and platinum jewellery membership costs of R27 million (2020: R47 million), advisory and legal fees of Rnil (2020: R8 million) related to the restructuring of the Lonmin legal entities, advisory and legal fees of Rnil (2020: R 30 million) related to the Marathon transaction and advisory and legal fees of Rnil million (2020: R25 million) related to the Sibanye Gold Limited internal restructuring, partially offset by the reversal of a provision for legal costs relating to the dissenting shareholder claim of Rnil (2020: R26 million).

Care and maintenance costs

Care and maintenance costs were R737 million in 2021 compared with R814 million in 2020. The care and maintenance costs included R594 million (2020: R623 million) at Cooke, R79 million (2020: R92 million) at Marikana operation, R46 million (2020: R81 million) at Burnstone, R14 million (2020: R8 million) at Kroondal and R4 million (2020: R10 million) at DRDGOLD.

Change in estimate of environmental rehabilitation obligation, and right of recovery receivable and payable

Change in estimate of environmental rehabilitation obligation, and right of recovery receivable and payable was an income of R167 million in 2021 compared with an income of R464 million in 2020. The decrease in the income is mainly due to changes in gross closure cost estimates, changes in discount rates and changes in expected timing of rehabilitation for operations on care and maintenance and operations that are being rehabilitated (recognised through profit or loss).

Strike related costs

Strike related costs were Rnil in 2021 compared to R1 million at SA gold in 2020.

Loss on settlement of the US$ Convertible Bond

By the end of October 2020 the US$ Convertible Bond was settled through cash of R13 million and the issue of 248,040,434 ordinary shares of the Group with an aggregate fair value of R12,573 million, resulting in a loss on settlement of R1,507 million, see –*Consolidated financial statements–Notes to the consolidated financial statements–Note 28.6: US$ Convertible Bond.*

Non-recurring COVID-19 costs

The Group incurred non-recurring COVID-19 costs of R3 million (2020: R97 million) relating to once-off costs incurred to ensure the safe return to work of employees at the South African operations following the COVID-19 lockdown in South Africa, including implemented measures at all the Group's operations to prevent the spread of the pandemic, detect infections and care for those infected.

Early redemption premium on the 2025 Notes

During the fourth quarter of 2021, the Group elected to early redeem the 2025 Notes at a redemption price of 103.6% of the principal amount of the 2025 Notes, plus accrued and unpaid interest on the 2025 Notes, amounting to US$370.2 million which includes an early settlement premium of R196 million recognised as a premium on settlement of the 2025 Notes in profit or loss. The 2025 Notes were settled on 6 December 2021 see *–Consolidated financial statements–Notes to the consolidated financial statements–Note 28.4: 2022 and 2025 Notes.*

Royalties

Royalties increased by 54% to R2,714 million in 2021 from R1,765 million in 2020. The increases in both 2021 and 2020 were mainly due to the increase in SA PGM revenue and profitability as a result of higher precious metal prices.

Management's discussion and analysis of the financial statements continued

Mining and income tax

Mining and income tax charge increased to R13,761 million in 2021 compared to R4,858 million in 2020. The table below indicates Sibanye-Stillwater's effective tax expense rate in 2021 and 2020.

		2021	2020
Mining and income tax	Rm	**13,761**	4,858
Effective tax rate	%	**29**	14

In 2021, the tax charge on the profit before tax at the South African statutory company tax rate of 28.0%, or R13,316 million, compared with a charge R13,761 million is mainly due to the impact on the statutory tax rate of the following:

- R1,021 million non-deductible loss on fair value of financial instruments
- R1,133 million deferred tax assets derecognised
- R108 million non-deductible finance expense
- R351 million net other non-taxable income and non-deductible expenditure
- R13 million non-deductible amortisation and depreciation
- R42 million non-deductible share-based payments
- R22 million non-taxable impairments
- R69 million Non-deductible transaction costs

The above was partially offset by the following:

- R466 million US statutory rate change
- R63 million SA gold mining tax formula rate adjusted
- R7 million non-taxable dividend received
- R47 million non-taxable gain on foreign exchange differences
- R557 million non-taxable share of results of equity-accounted investees
- R386 million tax adjustment in respect of prior periods
- R86 million change in estimated deferred tax rate

In 2020, the tax charge on the profit before tax at the South African statutory company tax rate of 28.0%, or R9,934 million, compared with a charge of R4,858 million is mainly due to the impact on the statutory tax rate of the following:

- R4,447 million previously unrecognised deferred tax assets utilised/ recognised
- R550 million US statutory rate change
- R118 million SA gold mining tax formula rate adjusted
- R258 million net other non-taxable income and non-deductible expenditure
- R89 million non-deductible finance expenses, which is presented net after the reversal of an uncertain income tax treatment amounting to R181.5 million
- R476 million non-taxable share of results of equity-accounted investees
- R33 million non-taxable reversal of impairments

The above was partially offset by the following:

- R890 million non-deductible loss on fair value of financial instruments
- R44 million non-deductible share-based payments

Management's discussion and analysis of the financial statements continued

Profit for the year

As a result of the factors discussed above, the profit in 2021 was R33,796 million compared with the profit in 2020 of R30,622 million. The following table depicts contributions from various segments to the profit.

Figures in million – SA rand	2021	2020
SA PGM operations	**29,594**	23,316
Rustenburg operation[1]	**(2,221)**	519
Marikana	**14,293**	13,881
Kroondal	**4,664**	3,389
Platinum Mile	**352**	188
Mimosa	**1,702**	1,300
Corporate and reconciling items[1]	**10,804**	4,039
US PGM operations	**7,459**	**7,778**
Stillwater	**7,459**	7,778
SA gold operations	**(2,475)**	510
Driefontein	**694**	499
Kloof	**(2,332)**	1,185
Beatrix	**(1,118)**	120
Cooke	**(388)**	(315)
DRDGOLD	**1,040**	1,302
Corporate and reconciling items	**(371)**	(2,281)
Group Corporate and reconciling items	**(782)**	(982)
Total profit for the year	**33,796**	30,622

1 The net (loss)/profit)on the Rustenburg operation in 2021 and 2020 was impacted by the change of the obligation for future dividends payable to its shareholders in terms of the B-BBEE SPV structure of R7,615 million (2020: R1,686 million) and the fair value adjustment of R4,653 million (2020: R2,081 million) on the deferred payment to Rustenburg Platinum Mines Limited due to the higher long term PGM basket prices expected over the life of mine. This fair value adjustment eliminates in the corporate and reconciling items at a SA PGM operations level.

Liquidity and capital resources

Cash flow analysis

Net increase in cash and cash equivalents in 2021 was R9,344 million compared with R14,969 million in 2020. The principal factors explaining the changes in net cash flow for the year are set out in the table below.

Figures in million - SA rand	**2021**	**2020**	**% Change 2021/2020**
Net cash from operating activities	*32,256*	*27,151*	*19*
Adjusted for:			
Dividends paid	*18,176*	*1,698*	*970*
Net interest (received)/paid	*(179)*	*667*	*(127)*
Deferred revenue advance received	*(65)*	*(771)*	*(92)*
Bulk Tailings re-Treatment transaction (BTT) early settlement payment	—	*787*	*(100)*
Less:			
Additions to property, plant and equipment	*(12,740)*	*(9,616)*	*32*
Adjusted free cash flow[1]	*37,448*	*19,916*	*88*
Acquisition of subsidiaries, net of cash acquired	—	—	—
Payments to dissenting shareholders	—	—	—
Net proceeds from shares issued	—	—	—
Payment of Deferred Payment	*(577)*	*(756)*	*(24)*
Net borrowings repaid	*399*	*(2,046)*	*(120)*

[1] *One of the drivers to sustain and increase shareholder value is adjusted free cash flow generation as that determines the cash available for dividends and other investing activities. Adjusted free cash flow is defined as net cash from operating activities before dividends paid, net interest paid, deferred revenue advance received and BTT early settlement payment, less additions to property, plant and equipment*

Non-IFRS measures such as adjusted free cash flow are considered as pro forma financial information as per the JSE Listing Requirements. The pro forma financial information is the responsibility of the Group's Board of Directors and is presented for illustration purposes only, and because of its nature, adjusted free cash flow should not be considered a representation of cash from operating activities

This pro forma financial information has been reported on by Ernst & Young Inc. in terms of ISAE 3420 and their unmodified report is available for inspection at the Company's registered office

Management's discussion and analysis of the financial statements continued

Net cash from operating activities

Net cash from operating activities increased by R5,105 million to R32,256 million in 2021 from R27,151 million in 2020. The items contributing to the increase in 2021 and decrease in 2020 are indicated in the table below.

Figures in million - SA rand	2021	2020
Increase in cash generated by operations[1]	**22,596**	34,622
Decrease in deferred revenue advance received[2]	**(706)**	(2,088)
Decrease/(increase) in cash-settled share-based payments paid	**35**	(184)
Decrease/(increase) in BTT early settlement payment[2]	**787**	(787)
Decrease/(increase) in change in working capital	**11,890**	(8,809)
Decrease in interest paid	**605**	217
Increase in royalties and tax paid[3]	**(11,369)**	(4,706)
Increase in dividends paid[4]	**(16,478)**	(1,613)
Additional deferred payments relating to acquisition of a business[5]	**(1,754)**	—
Other	**(501)**	1,036
Increase in net cash from operating activities	**5,105**	17,688

[1] *The increase in cash generated by operations in 2021 and 2020 was mainly due to the increase in the average realised PGM basket prices and gold price for 2020, negatively impacted by the operational disruptions experienced by the SA operations due to COVID-19 during 2020*

[2] *The Marikana operations entered into a short-term purchase of concentrate and toll treatment arrangement with a third party that commenced on 1 February 2021 and concluded on 31 December 2021. As part of the arrangement, Marikana agreed to buy and toll treat certain metals. A percentage of the toll treated metals is also retained as partial payment for the toll treatment arrangement. Marikana accounts for the inventory received as partial payment for the toll treatment arrangement as deferred revenue at fair value. A further deferred revenue balance is recognised to the extent that cash payment is received for the toll treatment before the performance obligation is satisfied. During 2021 cash payments of R65 million was received in advance under the terms of this agreement. On 24 January 2020, Western Platinum Proprietary Limited (WPL), Eastern Platinum Limited and Lonmin Limited (collectively the "Purchasers"), subsidiaries of Sibanye-Stillwater, entered into a Release and Cancellation Agreement ("the Release Agreement") with RFW Lonmin Investments Limited ("the Seller") in respect of the BTT. The BTT transaction was implemented and the liability settled on 6 March 2020. WPL concluded a forward platinum sale arrangement on 3 March 2020 to fund the settlement of the BTT liability. WPL received a cash prepayment of US$50 million (R771 million) in exchange for the future delivery of 72,886 ounces of platinum on set dates between June and December 2020. The platinum price delivered under the prepayment was hedged with a cap price of US$1,050 per ounce and a floor price of US$700 per ounce. The Group received, and recognised, the difference between the floor price and the monthly average price (subject to a maximum of the cap price) on delivery of the platinum. The final delivery under the forward platinum sale arrangement was made on 7 December 2020. On 21 October 2019, Sibanye-Stillwater concluded a forward gold sale arrangement where the Group received a cash prepayment of R1.1 billion in exchange for the future delivery of 8,482 ounces (263.8 kilograms) of gold every two weeks from 10 July 2020 to 16 October 2020 subject to an initial reference price of R17,371/oz comprising 80% of the prevailing price on execution date. This was offset by the decrease of R6,555 million (US$500 million) received through a streaming agreement with Wheaton International, a wholly-owned subsidiary of Wheaton Precious Metals Corp on closing of the transaction in 2018*

[3] *The increase in royalties and tax paid in 2021 and 2020 was due to the increase in revenue and taxable mining income as a result of increased precious metal prices during both 2021 and 2020. In addition, during 2020 the tax expense decreased by R4,447 million due to the utilisation and recognition of previously unrecognised deferred tax assets*

[4] *Included in dividends paid for 2021 is a final dividend for 2020 and interim dividend for 2021 of R9,485 million and R8,347 million, respectively declared and paid by the Group and dividends paid by subsidiary companies to their non-controlling shareholders of R344 million and for 2020 is an interim dividend of R1,338 million declared and paid by the Group and dividends paid by subsidiary companies to their non-controlling shareholders of R360 million*

[5] *The acquisition date fair value of deferred payments and contingent consideration relating to business combinations is part of the aggregate consideration for obtaining control of the underlying net assets. Therefore, unless the obligations are clearly part of the borrowing structure of the group, repayments of the acquisition date fair value are classified as investing activities. Additional deferred/ contingent payments in excess of the grant date fair value are considered to be operating activity cash flows by nature and amounted to R1,754 million in 2020 relating to the acquisition of the Sibanye Rustenburg Platinum Mines Proprietary Limited*

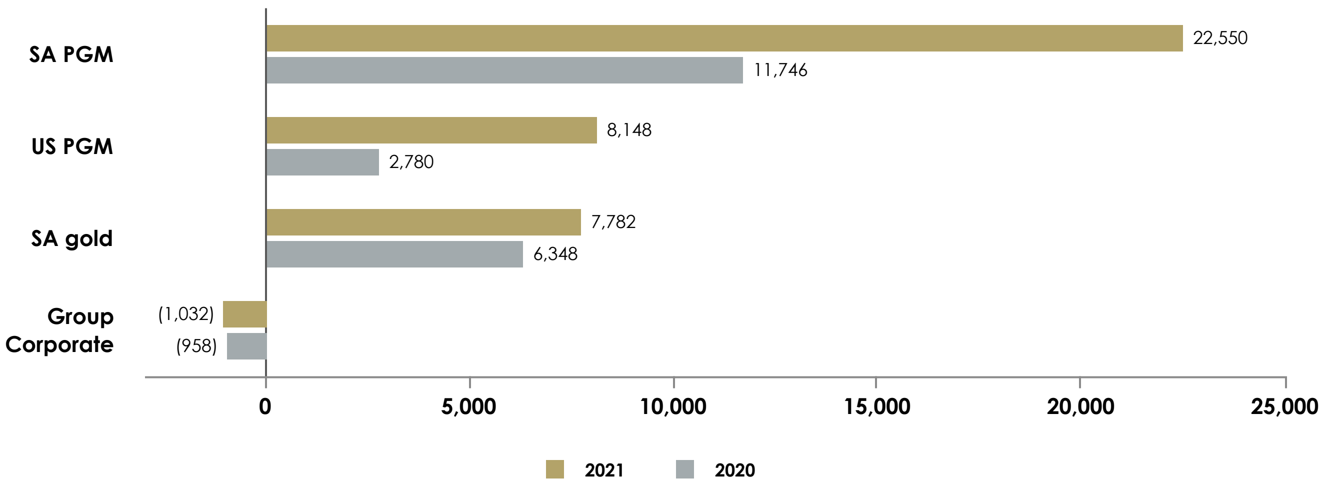
Adjusted free cash flow

Adjusted free cash flow during 2021 increased with cash received due to higher precious metal prices. The Group recorded adjusted free cash flow of R37,448 million in 2021, which was an improvement of R17,532 million compared with 2020. In 2021, the US PGM operations recorded a 193% increase in adjusted free cash flow to R8,148 million, the SA PGM operations recorded a 92% increase in adjusted free cash flow to R22,550 million (after providing funding of R232 million to the US PGM operations and R7,817 million to the SA gold operations on the intercompany working capital account) and the SA gold operations recorded a 23% increase in adjusted free cash flow to R7,782 million after receiving R7,817 million from the SA PGM operations on the intercompany working capital account. Excluding the receipt of intercompany funding from the adjusted free cash flow, the SA gold operations had a negative adjusted free cash flow of R34 million.

Management's discussion and analysis of the financial statements continued

Figures in million - SA rand	2021	2020
Net cash from operating activities	**32,256**	27,151
Adjusted for:		
Dividends paid	**18,176**	1,698
Net interest (received)/paid	**(179)**	667
Deferred revenue advance received	**(65)**	(771)
BTT early settlement payment	**—**	787
Less:		
Additions to property, plant and equipment	**(12,740)**	(9,616)
Adjusted free cash flow	**37,448**	19,916

Adjusted free cash flow by segment
R millions



Cash flows from investing activities

Net cash used in investing activities increased to R14,568 million in 2021 from R9,938 million in 2020. The increase in cash used in investing activities was mainly due to additions to property, plant and equipment of R12,740 million in 2021 compared to R9,616 million in 2020. Net cash used in investing activities increased to R9,937 million in 2020 from R4,865 million in 2019. The increase in the 2020 net cash used in investing activities was mainly due to additions to property, plant and equipment of R9,616 million, compared to R7,706 million in 2019, and the cash of R3,004 million acquired on acquisition of subsidiaries in 2019.

Capital expenditure at the individual mines is shown in the table below.

Management's discussion and analysis of the financial statements continued

Figures in million - SA rand	2021	2020
SA PGM operations	**3,799**	2,197
Rustenburg operation	**1,248**	743
Marikana	**2,254**	1,223
Kroondal	**268**	188
Platinum Mile	**28**	43
Corporate and reconciling items	**1**	—
US PGM operations	**4,561**	4,422
Stillwater	**4,561**	4,422
SA gold operations	**4,380**	2,997
Driefontein	**1,499**	929
Kloof	**1,616**	1,269
Beatrix	**668**	415
Cooke	**—**	—
DRDGOLD	**377**	341
Corporate and reconciling items	**220**	43
Total Capital Expenditure	**12,740**	9,616

Capital expenditure increased to R12,740 million in 2021 from R9,616 million in 2020, for additional information refer to the Capital expenditure section above.

Cash flows from financing activities

Net cash used in financing activities of R8,344 million in 2021 compared with R2,244 million in 2020. Net cash used in financing activities comprised lease payments of R112 million (2020: R114 million), loans repaid of R20,252 million (2020: R18,335 million), partially offset by loans raised of R20,651 million (2020: R16,289 million), acquisition of non-controlling interests of R128 million (2020: Rnil) and share buy-back of R8,503 million (2020: R84 million).

The Group commenced with a share buy-back programme on 2 June 2021 to repurchase up to 5% of its ordinary shares as at 31 May 2021 representing a maximum of 147,700,000 shares. The programme concluded on 4 October 2021 when the maximum number of shares were reached. The total cost amounted to R8,503 million, including transaction costs. The average cost per share repurchased amounted to R57.57 see *–Consolidated financial statements–Notes to the consolidated financial statements–Note 26:Stated share capital.*

On 29 June 2021, the 8.3% shareholding held by non-controlling shareholders in Platinum Mile was repurchased for a consideration of R128 million see *–Consolidated financial statements–Notes to the consolidated financial statements–Note 27: Non-controlling interests.*

Given surplus liquidity within the Group and in line with the Group's capital allocation framework, it elected to redeem the 2022 Notes on 2 August 2021 for an amount of US$355.8 million, which were also settled on 2 August 2021. During December 2021, the Group also elected to early redeem the 2025 Notes for an amount of US$370.2 million, which were settled on 6 December 2021 including an early settlement premium of R196 million recognised in profit or loss. For additional information see *–Consolidated financial statements–Notes to the consolidated financial statements–Note 28.4: 2022 and 2025 Notes.*

On 16 November 2021 the Group completed a two-tranche corporate bond offering 4.0% Notes (US$675 million) due 16 November 2026 (the 2026 Notes) and 4.5% Notes (US$525 million) due 16 November 2029 (the 2029 Notes) (together the 2026 and 2029 Notes). The proceeds were applied towards the early redemption of the 2025 Notes and will also be applied for general corporate purposes, including advancing the Group's green metals strategy through investments and accretive acquisitions. The bonds were issued through the Group's wholly-owned subsidiary Stillwater Mining Company. For additional information see *–Consolidated financial statements–Notes to the consolidated financial statements–Note 28.5: 2026 and 2029 Notes.*

During October 2020 the US$383.8 million convertible bond was settled through cash (R13 million) and the issue of shares (R12,573 million) see *–Consolidated financial statements–Notes to the consolidated financial statements–Note 28.6: US$ Convertible Bond.*

Net increase in cash and cash equivalents

As a result of the above, net cash and cash equivalents (excluding the effect of exchange rate fluctuations on cash held) increased by R9,344 million in 2021 compared with an increase of R14,969 million in 2020.

Total Group cash and cash equivalents amounted to R30,292 million at 31 December 2021 (2020: R20,240 million).

Management's discussion and analysis of the financial statements continued

Statement of financial position

Borrowings

Total borrowings (short- and long-term) excluding R1,507 million (2020: R1,263 million) attributable to Burnstone, which has no recourse to Sibanye-Stillwater's balance sheet, increased to R18,791 million at 31 December 2021 from R17,119 million at 31 December 2020.

During the 2021 year borrowings decreased with loans repaid of R20,252 million following repayments on the US$600 million revolving credit facility (RCF) (R7,728 million), redemption of both the 2022 and 2025 Notes for an amount of US$355.8 million and US$370.2 million, respectively (R10,840 million) and settlement of other borrowings (R1,684 million). Borrowings increased with loans raised of R20,622 million during the 2021 year, following drawdowns on the US$600 million RCF (R703 million), issue of a two-tranche corporate bond offering on 16 November 2021 which comprised the 2026 and 2029 Notes (R18,208 million) and other borrowings raised (R1,711 million).

At 31 December 2021, Sibanye-Stillwater had committed undrawn facilities of R15,749 million (31 December 2020: R7,336 million) available under the US$600 million RCF and R5.5 billion RCF.

For a description of borrowings, see –*Consolidated financial statements–Notes to the consolidated financial statements–Note 28: Borrowings and derivative financial instrument.*

Working capital and going concern assessment

For the year ended 31 December 2021, the Group realised a profit of R33,796 million (31 December 2020: R30,622 million, 31 December 2019: profit of R433 million). As at 31 December 2021, the Group's current assets exceeded its current liabilities by R44,290 million (31 December 2020: R34,756 million, 31 December 2019: R11,836 million) and the Group's total assets exceeded its total liabilities by R81,345 million (31 December 2020: R70,716 million, 31 December 2019: R31,138million). During the year ended 31 December 2021 the Group generated net cash from operating activities of R32,256 million (31 December 2020: R27,151 million, 31 December 2019: R9,463 million).

The Group had committed undrawn debt facilities of R15,749 million at 31 December 2021 (31 December 2020: R7,336 million, 31 December 2019: R5,688 million) and cash balances of R30,292 million (31 December 2020: R20,240 million, 31 December 2019: R5,619 million). The 2022 Notes, contractually due to be settled on 27 June 2022, were early settled on 2 August 2021 for the nominal value of US$354 million (R5,123 million). The 2025 Notes, were refinanced and upsized into a new bond issue on 16 November 2021, see –*Consolidated financial statements–Notes to the consolidated financial statements–Note28.5 US$ Convertible Bond*, securing reduced cost of debt, longer financing tenors and enhancing liquidity. The most immediate debt maturities are the US$600 million USD RCF maturing in April 2023 and the R5.5 billion ZAR RCF maturing in November 2024.

The Group's leverage ratio (net (cash)/debt to adjusted EBITDA) as at 31 December 2021 was (0.2):1 (31 December 2020 was (0.1):1, 31 December 2019 was 1.4:1) and its interest coverage ratio (adjusted EBITDA to net finance (income)/charges) was (5,281:1) (31 December 2020 was 80:1, 31 December 2019 was 7:1). Both considerably better than the maximum permitted leverage ratio of at most 2.5:1 (up to 31 December 2019: 3.5:1); and minimum required interest coverage ratio of 4.0:1, calculated on a quarterly basis, required under the US$600 million RCF and the R5.5 billion RCF. With the available RCF's collectively 100% unutilised at 31 December 2021, high level of available cash balances and the Group's strong liquidity position, no imminent refinancing of debt is required.

Notwithstanding the exceptionally strong liquidity position and good financial outlook, the Group could also, if necessary, consider options to increase funding flexibility which may include, amongst others, additional loan facilities or debt capital market issuances, streaming facilities, prepayment facilities or, in the event that other options are not deemed preferable or achievable by the Board, an equity capital raise. The Group could also, with lender approval, request covenant amendments or restructure facilities. During past adversity, management had successfully implemented similar actions.

Management believes that the cash forecasted to be generated by operations, cash on hand, the committed unutilised debt facilities as well as additional funding opportunities will enable the Group to continue to meet its obligations as they fall due. The consolidated financial statements for the year ended 31 December 2021, therefore, have been prepared on a going concern basis.

Management's discussion and analysis of the financial statements continued

Off balance sheet arrangements and contractual commitments

At 31 December 2021, Sibanye-Stillwater had no off balance sheet items. For a description of Sibanye-Stillwater's contractual commitments, see the following notes to the consolidated financial statements:

Contractual commitments	Note to the consolidated financial statements
Environmental rehabilitation obligation	30 - Environmental rehabilitation obligation and other provisions
Occupational healthcare obligation	31 - Occupational healthcare obligation
Commercial commitments	37 - Commitments
Contingent liabilities	38 - Contingent liabilities
Debt	
- capital	28 - Borrowings and derivative financial instrument
- interest	28 - Borrowings and derivative financial instrument
Leases	29 - Lease liabilities

These contractual commitments for expenditure will be met from internal cash flow and, to the extent necessary, from the existing facilities.

Critical accounting policies and estimates

Sibanye-Stillwater's significant accounting policies are fully described in the various notes to its consolidated financial statements. Some of the Group's accounting policies require the application of significant judgements and estimates by management that can affect the amounts reported in the consolidated financial statements.

These judgements and estimates are based on management's best knowledge of the relevant facts and circumstances, having regard to previous experience, but actual results may differ from the amounts included in the consolidated financial statements.

For Sibanye-Stillwater's significant accounting policies that are subject to significant judgements, estimates and assumptions, see the following notes to the consolidated financial statements:

Significant accounting policy	Note to the consolidated financial statements
Revenue	3 - Revenue
Cash-settled share-based payment obligation	6 - Share-based payments
Royalties, mining and income tax, and deferred tax	11 - Royalties, mining and income tax, and deferred tax
Property, plant and equipment	14 - Property, plant and equipment
Business combinations	16 - Acquisitions
Goodwill	17 - Goodwill
Equity-accounted investments	18 - Equity-accounted investments
Other receivables and other payables	22 - Other receivables and other payables
Inventories	23 - Inventories
Borrowings and derivative financial instrument	28 - Borrowings and derivative financial instrument
Environmental rehabilitation obligation	30 - Environmental rehabilitation obligation and other provisions
Occupational healthcare obligation	31 - Occupational healthcare obligation
Deferred revenue	32 - Deferred revenue
Contingent liabilities	38 - Contingent liabilities

Statement of responsibility by the Board of directors

The directors are responsible for the preparation and fair presentation of the consolidated annual financial statements of Sibanye-Stillwater, comprising the consolidated statement of financial position as at 31 December 2021, and consolidated income statement and consolidated statements of other comprehensive income, changes in equity and cash flows for the year then ended, and the notes to the consolidated financial statements, which include a summary of significant accounting policies, and other explanatory notes, in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB), the South African Institute of Chartered Accountants Financial Reporting Guides issued by the Accounting Practices Committee and Financial Reporting Pronouncements issued by the Financial Reporting Standards Council, as well as the requirements of the South African Companies Act, 71 of 2008 (the Companies Act) and the JSE Listings Requirements.

In addition, the directors are responsible for preparing the directors' report.

The directors consider that, in preparing the consolidated financial statements, they have used the most appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, and that all IFRS standards that they consider to be applicable have been complied with for the financial year ended 31 December 2021. The directors are satisfied that the information contained in the consolidated financial statements fairly presents the results of operations for the year and the financial position of the Group at year end. The directors are responsible for the information included in the annual financial report, and are responsible for both its accuracy and its consistency with the consolidated annual financial statements.

The directors have responsibility for ensuring that accounting records are kept. The accounting records should disclose with reasonable accuracy the financial position of the Group to enable the directors to ensure that the consolidated annual financial statements comply with the relevant legislation.

The Group operated in a well-established control environment, which is well documented and regularly reviewed. This incorporates risk management and internal control procedures, which are designed to provide reasonable assurance that assets are safeguarded and that the material risks facing the business are being controlled.

The directors have made an assessment of the ability of the Company and its subsidiaries to continue as going concerns and based on this assessment concluded that the basis for preparation of the consolidated annual financial statements is appropriate to that of a going concern.

The Group's external auditors, Ernst & Young Inc. audited the consolidated annual financial statements. For their report, see– *Independent Auditor's Report*.

The consolidated annual financial statements were approved by the Board of Directors and are signed on its behalf by:

NEAL FRONEMAN

Neal Froneman
Chief Executive Officer

CHARL KEYTER

Charl Keyter
Chief Financial Officer

22 April 2022

Chief Executive Officer and Chief Financial Officer responsibility statement

In terms of paragraph 3.84(k) of the JSE listings requirement the Chief Executive Officer and Chief Financial Officer are required to provide an attestation statement. The directors, whose names are stated below, hereby confirm after due, careful and proper consideration that:

- the annual financial statements set out on pages 52 to 155, fairly present in all material respects the financial position, financial performance and cash flows of the issuer in terms of International Financial Reporting Standards
- no facts have been omitted or untrue statements made that would make the annual financial statements false or misleading
- internal financial controls have been put in place to ensure that material information relating to the issuer and its consolidated subsidiaries have been provided to effectively prepare the financial statements of the issuer
- the internal financial controls are adequate and effective and can be relied upon in compiling the annual financial statements, having fulfilled our role and function within the combined assurance model pursuant to principle 15 of the King Code. Where we are not satisfied, we have disclosed to the audit committee and the auditors the deficiencies in design and operational effectiveness of the internal financial controls and any fraud that involves directors, and have taken the necessary remedial action

NEAL FRONEMAN

Neal Froneman
Chief Executive Officer

CHARL KEYTER

Charl Keyter
Chief Financial Officer

22 April 2022

Company secretary's confirmation

In terms of section 88(2)(e) of the Companies Act, as amended, I certify that to the best of my knowledge, the Company has lodged with the Companies and Intellectual Property Commission all such returns as are required to be lodged by a public company in terms of the Companies Act, and that all such returns are true, correct and up to date.

Lerato Matlosa
Company Secretary

22 April 2022

Report of the audit committee

Introduction

The Audit Committee has formal terms of reference which are updated on an annual basis. The Board is satisfied that the Audit Committee has complied with these terms, and with its legal and regulatory responsibilities as set out in the South African Companies Act (Companies Act), King IV™, the JSE Listings Requirements (JSE LR) and the requirements of the Securities and Exchange Commission (SEC).

The Audit Committee consisted of seven independent non-executive directors for the period from 1 January 2021 to 31 December 2021. For membership, see –Accountability–Directors' report–Directorate–Composition of the Board and sub-committees.

The Board believes that the members collectively possess the knowledge and experience to supervise Sibanye-Stillwater's financial management, internal and external auditors, the quality of Sibanye-Stillwater's financial controls, the preparation and evaluation of Sibanye- Stillwater's audited consolidated financial statements and Sibanye-Stillwater's periodic financial reporting.

The Board has established and maintains internal controls and procedures, which are reviewed on a regular basis. These are designed to manage the risk of business failures and to provide reasonable assurance against such failures. However, this is not a guarantee that such risks are eliminated.

Responsibility

It is the duty of the Audit Committee, inter alia, to monitor and review on a Company and Group (Company, Group or Company and Group) basis:

- the effectiveness of the internal audit function and by extension, the effectiveness of Group internal controls, see – Internal Audit (below)
- external auditor suitability and recommendation for appointment, see – Auditor suitability review (below)
- external auditor independence and fees, see – Auditor independence and fees (below)
- reports of both internal and external auditors
- evaluation of the expertise and experience of the Chief Financial Officer (CFO)
- financial reporting systems and ensure that Group reporting procedures are functioning properly
- the governance of information technology (IT) and the effectiveness of the Group's information systems
- interim results and report (Interim Report), quarterly operating reports, company and consolidated annual financial statements (Audited AFS) and all other widely distributed financial documents
- the Form 20-F filing with the SEC
- accounting policies of the Company and Group and proposed revisions
- compliance with applicable legislation, requirements of appropriate regulatory authorities and Sibanye-Stillwater's Code of Ethics
- policies and procedures for preventing and detecting fraud
- the integrity of the content of the Interim Report, Audited AFS and the integrated annual report and associated reports (IAR) and then recommending same to the Board for approval

Access and meetings

Internal and external auditors have unrestricted access to the Audit Committee, the Audit Committee Chairman and the Chairman of the Board, ensuring that auditors are able to maintain their independence. Both the internal and external auditors report at Audit Committee meetings. The Audit Committee meets with internal audit and the SOX division on a quarterly basis without other invitees being present and the Audit committee Chairman meets with the external auditors on a quarterly basis without other invitees being present. Management attend Audit Committee meetings by invitation.

Annual financial statements

The Committee has reviewed and is satisfied that the consolidated Audited AFS, including accounting policies, are appropriate and comply with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB), the South African Institute of Chartered Accountants (SAICA) Financial Reporting Guides issued by the Accounting Practices Committee and Financial Reporting Pronouncements issued by the Financial Reporting Standards Council, as well as the requirements of the Companies Act, JSE LR and the requirements of the SEC.

The significant audit and accounting matters in respect of the Group considered by the Committee during the financial year were:

- the physical quantities of Western Platinum Proprietary Limited's (WPL) Platinum Group Metals (PGM) in process
- the impairment assessment of property, plant and equipment, right-of-use assets, goodwill arising from business combinations, and equity-accounted investments
- the accounting implications of restructuring the broad-based black economic empowerment (B-BBEE) structure in relation to WPL and Eastern Platinum Proprietary Limited (EPL) (collectively referred to as Marikana)

Report of the audit committee continued

The above matters were addressed by management and by the Audit Committee on review basis are as follows:

The physical quantities of WPL's Platinum Group Metals (PGMs) in process	For the year ended 31 December 2021, management determined the physical quantities of PGMs in process at WPL as follows: • performed physical inventory counts at the metal processing areas, attended by management and a management appointed third party metallurgical specialist • determined an allowance for estimation uncertainty depending on the degree to which the nature and state of material allows for accurate measurement and sampling • reconciled quantities per the physical inventory count to theoretical inventory quantities and adjust to physical inventory quantities • performed a mass balance reconciliation of inventory from the beginning of the year to the closing balance of inventory Management determined that the PGMs in process are accurate and exist at 31 December 2021. Significant accounting judgements and estimates are appropriately disclosed in note 23 to the consolidated Audited AFS.
The impairment assessment of property, plant and equipment, right-of-use assets, goodwill arising from business combinations, and equity-accounted investments	For the year ended 31 December 2021, management performed an impairment assessment over the property, plant and equipment, right-of-use assets, goodwill and equity-accounted investments as follows: • assessed whether there is an indication, based on either internal or external sources of information, that an asset or cash-generating unit (CGU) may be impaired • where indications of impairment were identified or the CGU has allocated goodwill, calculated the recoverable amount of the CGU, based on expected discounted net forecast cash flows arising from the expected mining of the ore reserves • considered the excess of recoverable amount over the carrying value for each CGU Management concluded that the carrying value of property, plant and equipment and right-of-use assets included in the Driefontein, Kloof and Beatrix CGUs exceed their estimated recoverable amounts. As disclosed in note 10 to the consolidated Audited AFS, impairment losses of R212 million, R3,642 million and R1,293 million were recognised for Driefontein, Kloof and Beatrix, respectively.
The accounting implications of restructuring the B-BBEE structure in relation to Marikana	For the year ended 31 December 2021, management considered the accounting impacts of the Marikana B-BBEE restructure as follows: • determined whether the obligations to pay dividends as created by the revised shareholders' agreements result in obligations for the Group • assessed the appropriateness of eliminating on consolidation the dividend obligations payable to entities controlled by the Group • determined the nature of the obligations to pay dividends • at the effective date of the restructure and subsequent measurement periods determined the appropriate valuation methodology Management determined that the dividend obligations created by the shareholders' agreements result in, depending on its nature, cash settled share-based payment obligations under IFRS 2 Share-based Payment (IFRS 2) and financial liabilities under IFRS 9 Financial Instruments (IFRS 9). Management concluded that the dividend obligations payable to entities controlled by the Group should eliminate on consolidation. The dividend obligations were valued in terms of discounted free cash flow models derived from the Marikana life-of-mine free cash flow models. As disclosed in note 6.6 to the consolidated Audited AFS, at the effective date the Group recognised an IFRS 2 obligation and IFRS 9 financial liability of R404 million and R1,146 million, respectively.

External Auditor suitability review

In terms of section 90(1) of the Companies Act, each year at its annual general meeting (AGM), the Company must appoint an external audit firm and designated individual partner in compliance with the requirements of the Companies Act and the JSE LR, respectively.

In terms of the JSE LR, the Audit Committee has the responsibility to review the Company's current appointed audit firm and designated individual audit partner for re-appointment. After such review, the Audit Committee makes a recommendation to the Board, and the Board in turn considers same and then makes a recommendation to shareholders in the notice of AGM.

Accordingly, in compliance with paragraph 3.84(g)(iii) of the JSE LR, the Audit Committee assessed the suitability for reappointment of the current appointed audit firm, being Ernst & Young Inc., and the designated individual partner, being Lance Ian Neame Tomlinson (Auditor Suitability Review).

Report of the audit committee continued

The Auditor Suitability Review performed by the Audit Committee included an examination and review of:

- the results of the most recent Independent Regulatory Board for Auditors (IRBA) inspections of Ernst & Young Inc., including the responses of the firm on observations / findings on the firm and on selected audit files raised by IRBA
- the results of the most recent IRBA inspection of the designated individual auditor
- a summary of the audit firms ISQC 1 internal inspection process and the process to analyse and conclude on the results of the internal inspection (Internal Quality Review)
- a summary of the outcome of the designated individual partner's latest Internal Quality Review
- the results of the most recent Public Company Accounting Oversight Board (PCAOB) inspection review of Ernst & Young Inc.
- a summary and results of all legal and disciplinary proceedings concluded within the past seven years, which were instituted in terms of any legislation or by any professional body of which the audit firm and/or designated individual auditor are a member or regulator to whom they are accountable, including where the matter is settled by consent order or payment of a fine

The Audit Committee has satisfied itself that both Ernst & Young Inc. and Lance Ian Neame Tomlinson are accredited in terms of the JSE LR. Based on the results of the Auditor Suitability Review and a review of the independence of Ernst & Young Inc. and the designated individual audit partner, the Audit Committee recommended to the Board that Ernst & Young Inc. be re-appointed as the auditors of the Company and that Lance Ian Neame Tomlinson be reappointed as the designated individual partner. The Board concurred with the recommendation.

Auditor independence and fees

The Audit Committee is also responsible for determining that the external audit firm and designated individual audit partner have the necessary independence, experience, qualifications and skills, and that audit and other fees are reviewed and approved.

The Audit Committee has reviewed and assessed the independence of the external auditor, that has confirmed in writing that the criteria for independence, as set out in the rules of IRBA, the PCAOB, and other relevant international bodies, have been followed. The Audit Committee is satisfied that Ernst & Young Inc. is independent of the Company and Group. The following aggregate audit fees, audit-related fees, tax fees and all other fees were approved by the Audit Committee and billed by the Group's external auditors for 2021, 2020 and 2019 as follows:

Figures in million - SA rand	2021	2020	2019
Audit fees[1]	**65.0**	58.5	53.7
Audit-related fees[2]	**5.3**	0.6	1.0
Tax fees[3]	**0.5**	—	0.2
All other fees[4]	**5.6**	—	—
Total	**76.4**	59.1	54.9

[1] *Audit fees consist of the aggregate fees billed for the annual audit of Sibanye-Stillwater's respective Company and Group consolidated financial statements, audit of the Group's internal controls over financial reporting in accordance with section 404 of the Sarbanes-Oxley Act (SOX Act) and the audit of statutory financial statements of the Company's subsidiaries, including fees billed for assurance and related services that are reasonably related to the performance of the audit or reviews of the Company's financial statements that are services that only an external auditor can reasonably provide. The 2021 audit fees include an inflationary increase and fees for the review of the interim results for the six months ended 30 June 2021 and 2020, respectively. The interim results for the six months ended 30 June 2020 was reviewed during 2021 for the purpose of issuing comfort letters associated with the 2026 and 2029 Notes offering.*

[2] *Audit-related fees consist of the aggregate fees billed in each fiscal year for factual findings reports and the review of documents filed with regulatory authorities, including issuing of comfort letters for debt offerings*

[3] *Tax fees include the aggregate fees billed in each fiscal year for tax compliance, tax advice, tax planning and other tax-related services*

[4] *All other fees consist of the aggregate fees billed in each fiscal year for all other services not included under audit fees, audit related fees or tax fees*

The Audit Committee determines the nature and extent of non-audit services that the auditor can provide and pre-approves all permitted non-audit assignments by the Group's external auditor. In accordance with the SEC rules regarding auditor independence, the Audit Committee has established policies and procedures for audit and non-audit services provided by the Group's external auditor. The rules apply to Sibanye-Stillwater and it's legally controlled unlisted subsidiaries engaging any accounting firms for audit services and the auditor who audits the accounts filed with the SEC (the Group's independent external auditor) for permissible non-audit services. When engaging the Group's external auditor for permissible non-audit services (audit related services, tax services, and all other services), pre-approval is obtained prior to the commencement of the services.

The Audit Committee approves the respective annual audit plans presented by both the internal and external auditors and monitors progress against the plans. These audit plans provide the Audit Committee with the necessary assurance on risk management, internal control environments and IT governance.

Internal Audit

The internal control systems of the Group are monitored by Internal Audit, which reports findings and recommendations to the Audit Committee and to senior management. The Audit Committee determines the purpose, authority and responsibility of the Internal Audit function in an Internal Audit Charter. The Internal Audit function is headed by the Vice President: Internal Audit, who may be appointed or dismissed by the Audit Committee. The Audit Committee is satisfied that the incumbent Vice President: Internal Audit has the requisite skills and experience and that she is supported by a sufficient staff complement with appropriate skills and training.

Report of the audit committee continued

Sibanye-Stillwater's Internal Audit operates in accordance with the International Standards for the Professional Practice of Internal Auditing as prescribed by the Institute of Internal Auditors. Internal Audit activities carried out during the year were identified and planned through a combination of the Sibanye-Stillwater Risk Management framework and the risk-based methodologies adopted by Internal Audit. The Audit Committee approves the annual internal audit assurance plan presented by Internal Audit and monitors progress against the plan.

Internal Audit reports deficiencies to the Audit Committee every quarter together with recommended remedial actions, which are then followed up. Internal Audit provided the Audit Committee with a written report, which assessed as adequate the internal controls over financial reporting, IT governance and the risk management process during 2021.

The Audit Committee is responsible for IT governance on behalf of the Board and reviews the report of the Vice President: Group ICT at each Audit Committee meeting.

JSE LR

In accordance with the JSE LR, the Audit Committee reports and confirms that it has:

- evaluated the expertise, experience and performance of the Group CFO during 2021 and is satisfied that he has the appropriate expertise and experience to carry out his duties, and is supported by qualified and competent senior staff
- ensured that the Group has established appropriate financial reporting procedures and that those procedures are operating, this included consideration of all entities consolidated into the group financial statements, ensuring that management had access to all the required financial information to allow the effective preparation and report on consolidated Audited AFS
- has performed the Auditor Suitability Review of both the current appointed external audit firm and designated individual audit partner as detailed above
- notwithstanding the provisions of Section 90(6) of the Companies Act, ensured that the proposed re-appointment of the audit firm and designated individual partner is presented and included as a resolution in the notice of annual general meeting pursuant to Section 61(8) of the Companies Act
- ensured that the Chief Executive Officer and Chief Financial Officer have complied with the requirements of the attestation statement as per paragraph 3.84(k) of the JSE LR

Audit Committee statement

Based on information from, and discussions with, management and external auditors, the Audit Committee has no reason to believe that there were any material breakdowns in the design and operating effectiveness of internal financial controls of the Group during the year and therefore the financial records may be relied upon as the basis for preparation of the consolidated Audited AFS.

With respect to the financial year ended 31 December 2021, no material weakness was identified due to control deficiencies. Management strives to continuously improve the diligence in the identification and documentation of key controls.

The Audit Committee has considered and discussed the consolidated Audited AFS and associated reports with both management and the external auditors. During this process, the Audit Committee:

- evaluated significant judgements and reporting decisions
- determined that the going-concern basis of reporting is appropriate
- evaluated the material factors and risks that could impact on the consolidated Audited AFS
- evaluated the completeness of the financial and sustainability discussion and disclosures
- discussed the treatment of significant and unusual transactions with management and the external auditors

The Audit Committee considers that the IAR and consolidated Audited AFS comply in all material respects with all compliance requirements detailed earlier in this report. In addition, the Audit Committee considers whether the company Audited AFS comply in all material respects with all compliance requirements relevant to those financial statements (refer to the company Audited AFS which include the Report of the Audit Committee dealing with the responsibilities of the Audit Committee relevant to the Company Audited AFS). The Audit Committee recommended to the Board that the IAR and consolidated Audited AFS be adopted and approved by the Board. The Board subsequently adopted and approved the IAR and consolidated Audited AFS.

Keith Rayner CA(SA)

Chairman: Audit Committee

22 April 2022

Directors' report

The directors have pleasure in submitting this report and the consolidated annual financial statements of Sibanye-Stillwater for the year ended 31 December 2021.

Group profile and location of our operations

Sibanye-Stillwater is a multinational mining and metals processing Group with a diverse portfolio of mining and processing operations, projects and investments across five continents. The Group is one of the foremost global producers of platinum group metals (PGMs) recycled from spent automotive catalytic converters and also has interests in leading mine tailings retreatment operations.

Domiciled and with its head office in South Africa, Sibanye-Stillwater has established itself as one of the world's largest primary producers of platinum, palladium, and rhodium and is also a top tier gold producer. It produces other PGMs, such as iridium and ruthenium, along with chrome, copper and nickel as by-products. The Group has recently begun to build and diversify its asset portfolio into battery metals mining and processing and is increasing its presence in the sustainable circular economy by growing and diversifying its recycling and tailings reprocessing operations globally.

Americas

PGMs:

Sibanye-Stillwater wholly owns and operates PGM mining and ore beneficiation operations and mining claims (together known as the Stillwater operations) that are located in Montana, United States of America (US). These operations include the Stillwater operation, the East Boulder operation, two concentrator plants, and the surrounding PGM mining claims located near the town of Nye. The operations primarily produce palladium and platinum. In addition, the Group owns and operates the Columbus Metallurgical Complex situated in the town of Columbus, Montana, which smelts the mined material to produce PGM-rich filter cake and also serves as the base for its PGM recycling business, that recovers PGMs from recycled catalytic converters on a purchased and toll-treatment basis.

Projects:

Sibanye-Stillwater also has non-managed interests in two PGM exploration projects in Canada, namely Marathon and Denison.

Green Metals Projects:

During the 2021 year, the Company acquired a 7.12% interest in ioneer Limited (ioneer), the owner and operator of the Rhyolite Ridge Lithium project in Nevada, with an option to enter into a 50:50 JV on the project. Sibanye-Stillwater also has non-managed interests in two Copper-Gold porphyry exploration projects in Argentina, namely Altar and Rio Grande.

Southern Africa

PGMs:

The SA PGM operations consist of three managed PGM producing, underground operations (Marikana, Rustenburg and Kroondal) and related surface treatment facilities in South Africa and a 50% attributable, non-managed, underground operation in Mimosa Investments Limited (Mimosa) located in Zimbabwe. Sibanye-Stillwater also owns the Platinum Mile tailings retreatment facility adjacent to the Rustenburg operations, which recovers PGMs from the tailing streams of the Rustenburg operations.

The Rustenburg and Kroondal operations are serviced by four integrated concentrator plants, from where the concentrate is subjected to a purchase of concentrate and a toll-treatment agreement with Anglo American Platinum. The ore mined at the Marikana operations is processed through five concentrator plants, a metallurgical smelter and base metals refinery, all located on site at Marikana, and a precious metals refinery located in Brakpan. At the Rustenburg, Kroondal and Marikana operations, chrome concentrate is extracted as a by-product from concentrator tailings.

PGM Projects:

Sibanye-Stillwater also has interests in three PGM exploration projects in Southern Africa, namely Akanani, Limpopo and Blue Ridge.

GOLD:

The gold operations consists of four managed, gold producing, underground and surface operations in South Africa, namely the Kloof, Driefontein and Cooke operations in the West Wits region and the Beatrix operation in the Free State province. In addition to its mining activities, Sibanye-Stillwater owns and manages significant metallurgical processing facilities at all its operations where gold-bearing ore is treated, and gold extracted. The Burnstone project, located in Mpumalanga province, is now in the development phase. Sibanye-Stillwater also has an effective 50.49% stake in DRDGOLD Limited, which operates surface tailings retreatment facilities at the Far West Gold Recoveries operation and the ERGO Gold Recoveries operation.

Gold Projects:

The Group's wholly-owned and managed projects in the study phase include Bloemhoek, De Bron Merriespruit and Beisa. Bloemhoek and De Bron are both gold projects and Beisa is an uranium project.

Green Metal Projects:

Significant deposits of uranium are present in the historic tailings storage facilities of the Cooke Operation, as well as in the Beisa Reef at the Beatrix operation. These are considered exploration projects even though they occur within existing, operational mining rights.

Directors' report continued

Europe

Green Metal Project:

During the first quarter of 2021, Sibanye-Stillwater secured an entry into the battery metals sector through a partnership with and investment into Keliber, a leading European lithium project in Finland. The Company holds a 26.6% stake in the project, with an option to increase its shareholding to greater than 50% on completion of a definitive feasibility study.

Australia

Green Metal project:

During the fourth quarter of 2021, Sibanye-Stillwater acquired a 19.99% equity interest in New Century Resources Limited (New Century), an Australian company focussed on the economic re-treatment and rehabilitation of tailings storage facilities and which currently operates the largest tailings retreatment operation in Australia, i.e. the Century Zinc Mine in Queensland.

Financial affairs

Results for the year

The Group profit increased by 10% from R30,622 million to R33,796 million in 2021. The major source of earnings for 2021 was the SA PGM operations, which accounted for approximately 75% (2020: 59%) of Group adjusted EBITDA due to a combination of higher sales volumes which increased by 20% or 309,112 4Eoz and a 28% higher 2021 average 4E PGM basket price received of R47,066/4Eoz . The adjusted EBITDA contribution from the US PGM operations decreased by 6%, contributing 18% (2020: 26%) to Group adjusted EBITDA, mainly due to 8% lower sales volumes of mined 2E PGM following the implementation of further rail safety enhancements and operational constraints after a safety related incident during June 2021. The adjusted EBITDA contribution from the SA gold operations decreased by 34% to R5,113 million (2020: R7,771 million) mainly due to an 8% lower average rand gold price of R849,703/kg and above inflationary increases on input costs such as electricity, steel and steel related consumables. For a review of Sibanye-Stillwater's financial performance for 2021, see *–Overview–Management's discussion and analysis of the financial statements*

Dividends

Sibanye-Stillwater's dividend policy is to return between 25% to 35% of normalised earnings to shareholders and after due consideration of future requirements the dividend may be increased beyond these levels. Normalised earnings is defined as earnings attributable to the owners of Sibanye-Stillwater excluding gains and losses on financial instruments and foreign exchange differences, impairments, gain/loss on disposal of property, plant and equipment, occupational healthcare expense, restructuring costs, transactions costs, share-based payment on B-BBEE transaction, gain on acquisition, net other business development costs, share of results of equity-accounted investees, all after tax and the impact of NCI, and changes in estimated deferred tax rate. Normalised earnings constitutes pro forma financial information in terms of the JSE Listings Requirements and is the responsibility of the Board of Directors (Board).

In line with Sibanye-Stillwater's Capital Allocation Framework, the Board declared a final dividend of 187 (2020: 321) SA cents per share. Together with the interim dividend of 292 (2020: 50) SA cents per share, which was declared and paid, this brings the total dividend for the year ended 31 December 2021 to 479 (2020: 371) SA cents per share and this amounts to a payout of 35% (2020: 35%) of normalised earnings.

Borrowing powers

In terms of Clause 4 of the Company's Memorandum of Incorporation, the borrowing powers of the Sibanye Stillwater Limited (the Company) are unlimited. As at 31 December 2021, the borrowings of the Group, excluding the Burnstone Debt, was R18,791 million (2020: R17,120 million), see *–Consolidated financial statements–Notes to the consolidated financial statements–Note 28: Borrowings and derivative financial instrument*.

Sibanye-Stillwater is subject to financial and other covenants and restrictions under its credit facilities from time to time. Such covenants may include restrictions on Sibanye-Stillwater incurring additional financial indebtedness and obligations to maintain certain financial covenant ratios for as long as any amount is outstanding under such facilities.

Events after reporting date

There were no events that could have a material impact on the financial results of the Group after 31 December 2021 up to the date on which the consolidated financial statements for the year ended 31 December 2021 were authorised for issue, other than those disclosed in the consolidated financial statements, see *–Consolidated financial statements–Notes to the consolidated financial statements–Note 40: Events after reporting date.*

Working capital and going concern assessment

The consolidated financial statements have been prepared using appropriate accounting policies, supported by reasonable judgements and estimates. The directors believe that the Group has adequate resources to continue as a going concern for the foreseeable future.

The directors believe that the cash generated by its operations, cash on hand, the committed unutilised debt facilities as well as additional funding opportunities will enable the Group to continue to meet its obligations as they fall due. The consolidated financial statements for the year ended 31 December 2021, therefore, have been prepared on a going concern basis, see *–Consolidated financial statements–Notes to the consolidated financial statements– Note 36.2: Risk management activities–Liquidity risk–Working capital and going concern assessment*.

Directors' report continued

Significant announcements

Establishment of Board Investment Committee and Committee appointments

On 17 February 2021, Sibanye-Stillwater announced in accordance with Section 3.59(c) of the Listings Requirements of the JSE Limited, that pursuant to good corporate governance and its strategy, Sibanye-Stillwater's Board of Directors ("Board") has established a Board Investment Committee ("BIC") to discharge a pivotal role in guiding and overseeing the allocation of capital and the Company's investment activities. The Committee is Chaired by Mr R P Menell (Lead Independent Director) and Mr T J Cumming as the Deputy Chairman of the BIC. The BIC members comprise Mr K A Rayner, Ms S N Danson, Mr H J R Kenyon-Slaney, Mr J S Vilakazi and Ms S V Zilwa. As such, the BIC constitutes entirely of Independent Non-Executive Directors.

In addition to above, Sibanye-Stillwater announced that Ms S V Zilwa has been appointed as an additional member to the Audit, Risk and Safety and Health Committees and Mr K A Rayner as an additional member of the Nominating and Governance Committee, all these appointments were effective from 16 February 2021.

Sibanye-Stillwater re-structures the historical Lonmin black economic empowerment structure

On 14 April 2021, Sibanye-Stillwater advised that effective 13 April 2021, it has re-structured the previously highly indebted Lonmin Plc (subsequently changed to Lonmin Limited and now renamed Sibanye UK Limited) ("Lonmin") broad-based black economic empowerment ("B-BBEE") structure in relation to Western Platinum Proprietary Limited ("WPL") and Eastern Platinum Limited ("EPL") (WPL and EPL hereinafter collectively referred to as "Marikana"), with a view to ensuring the sustainability of the B-BBEE shareholding in Marikana and facilitating the realisation of value to the B-BBEE shareholders. For additional information, see *–Consolidated financial statements–Notes to the consolidated financial statements– Note 6.6: Marikana B-BBEE cash-settled share-based payment obligation*.

Sibanye-Stillwater announces share buy-back program

On 1 June 2021, Sibanye-Stillwater advised that it will be implementing an on-market repurchase of up to, but not exceeding, 5% of its ordinary shares in issue as at 31 May 2021 (the "buy-back program"). The buy-back program was consequential to the successful financial deleveraging and resumption of industry leading dividend payments by the Group during 2020 and is consistent with the strategic capital allocation framework approved by the Board in February 2021. The Group's capital allocation framework for 2021 prioritises investing in operational sustainability, maintaining appropriate cash reserves, paying industry leading dividends and prudent debt management.

The announcement indicated that the Board considers the repurchase of our undervalued shares in the market as the most appropriate and value enhancing allocation of surplus capital at that stage, to ensure ongoing delivery of superior returns to shareholders. It was advised that the buy-back program is complementary to and will not compromise our industry leading dividend or other capital allocation priorities.

In accordance with paragraph 5.72(h) of the JSE Listings Requirements, Sibanye-Stillwater advised that it has appointed Morgan Stanley, as independent third party, to conduct the buy-back programme, and Morgan Stanley will make investment decisions in relation to the Company's shares independently of, and uninfluenced by, the Company, during the buy-back period. Shares repurchased by the Company in terms of the buy-back programme will be cancelled from the Company's issued share capital.

On 13 September 2021, Sibanye-Stillwater advised that in terms of paragraph 11.27 of the Listings Requirements, that at the close of business on 10 September 2021, it had, in a series of unrelated transactions, cumulatively repurchased c.3% or 90,206,710 ordinary shares, in accordance with the general authority granted by shareholders at the Company's annual general meeting held on 25 May 2021 ("AGM").

On 5 October 2021, Sibanye-Stillwater announced that it had successfully concluded the on-market repurchase of its ordinary shares up to, but not exceeding, 5% of its ordinary shares in issue, in accordance with the general authority granted by shareholders at the AGM. For additional information, see –Consolidated financial statements*–Notes to the consolidated financial statements–Note 26: Stated share capital*.

Notification of early redemption of Sibanye-Stillwater's 2022 bonds

On 2 July 2021, Sibanye-Stillwater advised that in line with its capital allocation framework it has elected to redeem its US$353,670,000 June 2022 Bonds (the Bonds) on 02 August 2021 (the Redemption Date). The redemption will be done through its wholly owned subsidiary, Stillwater Mining Company (SMC) and the redemption price is 100 % of the principal amount of the Bonds, plus accrued and unpaid interest on the Bonds up to, but excluding, the Redemption Date, amounting to US$355,776,055.73 (US$1,005.954861 per US$1,000 stated principal amount of Bonds).

The 2022 Bonds were issued by SMC for an aggregate nominal value of US$500,000,000 on 27 June 2017, with a maturity date of 27 June 2022. The issued nominal value was reduced to US$353,670,000 in September 2018, following a partial repurchase of the Bonds. Given surplus liquidity within the Group the Bonds were settled in full. For additional information, see *–Consolidated financial statements–Notes to the consolidated financial statements– Note 28.4: 2022 and 2025 Notes.*

Sibanye-Stillwater progresses battery metals strategy with the exclusive put option to acquire Eramet's Sandouville nickel processing facilities

On 30 July 2021, Sibanye-Stillwater announced that it had entered into an exclusive put option agreement ("Put Option") with French mining group Eramet SA (Eramet) for the acquisition of 100% of the Sandouville nickel hydrometallurgical processing facility, located in Normandy, France for an effective cash cost of circa €65million1("the Transaction"). Sibanye-Stillwater advised that the share purchase agreement which had been agreed together with the Put Option would be entered into upon conclusion of the

Directors' report continued

consultation process with the works council of Eramet Sandouville and thereafter the Transaction was expected to conclude by year end, subject to inter alia, the approval of the South African Reserve Bank and other regulatory approvals.

On 4 November 2021, Sibanye-Stillwater announced that following the signing of the exclusive Put Option Agreement, which was announced on 30 July 2021, the Share Purchase Agreement (SPA) was signed to acquire 100% of the Sandouville nickel hydrometallurgical processing facility from Eramet SA.

The signature of the SPA followed the successful completion of the information-consultation process with the employee representative bodies of Eramet Sandouville and Eramet, who have rendered a favourable opinion of the Transaction. The Transaction has also received the key regulatory approvals of the South African Reserve Bank and clearance from the French Foreign Investment Control Office.

On 7 February 2022, Sibanye-Stillwater announced that on 4 February 2022 it completed the acquisition of the Sandouville nickel hydrometallurgical processing facility from Eramet SA following the successful fulfilment of the conditions precedent as set out in the SPA signed on 3 November 2021. The cash cost payable on closing is approximately €85 million[2]. For additional information, see – *Consolidated financial statements–Notes to the consolidated financial statements– Note 40.1: Sandouville acquisition.*

[1] *Subject to closing adjustments*

[2] *As adjusted for closing net debt and working capital*

Sibanye-Stillwater and ioneer to establish a 50:50 joint venture with respect to ioneer's US-based Rhyolite Ridge Lithium-Boron project

On 16 September 2021, Sibanye-Stillwater announced that it had reached agreement with ioneer Limited ("ioneer") to establish a joint venture company (the "Joint Venture") with respect to the Rhyolite Ridge Lithium-Boron Project ("Rhyolite Ridge"). Following the satisfaction of all conditions precedent, Sibanye-Stillwater will contribute US$490 million for a 50% interest in the Joint Venture, with ioneer maintaining a 50% interest and retaining the operational management responsibility for the Joint Venture.

In addition, Sibanye-Stillwater had agreed to subscribe for a strategic placement of new ordinary shares in ioneer equal to 7.1% of ioneer's ordinary share capital post placement ("Placement Shares"), for approximately US$70 million[1] ("ioneer Placement"). The Placement Shares would be issued to Sibanye-Stillwater at an issue price of A$0.655 per share, being ioneer's 10-day VWAP as of ASX market close on 15 September 2021. The ioneer Placement was subject to (among other conditions precedent) the approval of ioneer shareholders at an Extraordinary General Meeting on 21 October 2021.

On 28 October 2021, Sibanye-Stillwater announced it had successfully completed its US$70 million[2] strategic investment in ioneer following approval by ioneer's shareholders at an Extraordinary General Meeting on 21 October 2021, with 99.9% of the votes cast in favour of the transaction, and approval from the Financial Surveillance Department of the South African Reserve Bank.

The strategic investment was completed at a price of A$0.6553 per share, equivalent to the ioneer 10-day volume weighted average price as at ASX market close on 15 September 2021. Sibanye-Stillwater now holds approximately 145.9 million fully paid ordinary shares, or 7.12%, in ioneer. For additional information, see –*Consolidated financial statements–Notes to the consolidated financial statements– Note 20: Other investments.*

[1] *Being an aggregate subscription amount of A$95.6 million and an assumed AUD/USD exchange rate of 0.7323*

[2] *US$71.7 million at the exchange rate of AUD/USD of 0.7505 as at 27 October 2021*

Sibanye-Stillwater to acquire the Santa Rita nickel mine and the Serrote copper mine in Brazil and a withdrawal of cautionary

On 25 October 2021, Sibanye-Stillwater advised its shareholders that the Company had entered into negotiations with affiliates of funds advised by Appian Capital Advisory LLP, regarding the acquisition of both the Santa Rita nickel and the Serrote copper mines, located in Brazil. If these negotiations are successfully concluded, they may have a material effect on the price of the Company's securities. Accordingly, shareholders of Sibanye-Stillwater were advised to exercise caution when dealing in the Company's securities until a full announcement is made.

On 26 October 2021, Sibanye-Stillwater announced that it had signed definitive purchase and sale agreements (Transaction Agreements) with affiliates of funds advised by Appian Capital Advisory LLP (Appian) to purchase 100% of both the Santa Rita nickel mine (Santa Rita) and the Serrote copper mine, located in Brazil, for a cash consideration of US$1.0 billion and a 5.0% net smelter return (NSR) royalty over potential future underground production at Santa Rita (the Transaction).

On 24 January 2022, Sibanye-Stillwater announced pursuant to the terms of the Atlantic Nickel Share Purchase Agreement (SPA), Sibanye BM Brazil (Proprietary) Limited (the "Purchaser"), a wholly owned subsidiary of Sibanye-Stillwater, had today given notice of termination of the Atlantic Nickel SPA. As the Mineração Vale Verde do Brasil Ltda (MVV) SPA is conditional on the contemporaneous closing of the Atlantic Nickel SPA, and that condition has become impossible to satisfy, the Purchaser has also today given notice of termination of the MVV SPA.

On 2 March 2022, Sibanye-Stillwater, in compliance with paragraphs 3.63 to 3.74 of the JSE Limited Listings Requirements, disclosed the following:

- Sibanye-Stillwater understands that Appian has made public statements concerning the Santa Rita termination that was announced to the market on 24 January 2022, in an apparent effort to disrupt the announcement of the Group's results, and to engage in litigation via the media
- Sibanye-Stillwater rejects both Appian's apparent strategy, and the substance of its comments. Its public characterisation of the geotechnical event experienced at Santa Rita is both superficial and wrong

Directors' report continued

- As Appian is aware, disputes arising from recent events are to be resolved by the English High Court. If Appian decides to commence proceedings, Sibanye-Stillwater shall vigorously defend its position and is confident that we will prevail

Sibanye-Stillwater also advised that it intends not to comment publicly each time Appian attempts to disrupt the public or market perception of Sibanye-Stillwater. For additional information, see *–Consolidated financial statements–Notes to the consolidated financial statements– Note 40.2: Santa Rita and Serrote*

Sibanye-Stillwater invests further in the circular economy as it expands its tailings retreatment exposure through a 19.99% investment in New Century Resources

On 27 October 2021, Sibanye-Stillwater announced that it had entered into investment agreements to acquire a 19.99% shareholding in New Century Resources Limited (Ticker ASX: NCZ) (New Century) through a new equity placement, and sub-underwriting of a New Century entitlement offer, for a maximum cash consideration of US$46 million[1] (the Transaction). It was further advised that the Transaction is expected to be completed during December 2021, with a portion subject to approval by New Century shareholders.

On 8 December 2021, Sibanye-Stillwater announced that it holds a 19.99% equity interest in New Century Resources Limited acquired for A$61million[2]. This followed the overwhelming approval vote of 99.6% by the New Century shareholders at its Annual General Meeting on 30 November 2021. For additional information, see *–Consolidated financial statements–Notes to the consolidated financial statements–Note 20: Other investments.*

[1] Being a maximum subscription amount of A$61.39 million and at an assumed exchange rate of A$1.00/US$07517

[2] Being a total subscription amount of A$60.88 million, equal to US$42.8 million at an assumed exchange rate of AUD/USD of (0.70 at 6 December 2021) and equivalent to 26.185 million shares at a share price of A$2.325 per share (post a 1 for 15 share consolidation completed by New Century on 6 December 2021)

Sibanye-Stillwater prices an oversubscribed, dual tranche US$1.2 billion Senior Notes offering

On 10 November 2021, Sibanye-Stillwater reported that it has priced an upsized US$1.2 billion senior notes offering ("New Bonds"). The New Bonds will be issued through the Group's wholly owned subsidiary, Stillwater Mining Company ("SMC"). The offering is subject to customary closing conditions, and the settlement was expected to occur on or around 16 November 2021.

The New Bonds comprise two tranches: a US$675 million 5 year (non-call 2) tranche that will carry a 4.000% per annum coupon and a US$525 million 8 year (non-call 4) tranche that will carry a 4.500% per annum coupon.

Sibanye-Stillwater advised that the net proceeds of the New Bonds will be used to redeem the 2025 Notes (as defined below), as well as for general corporate purposes, including advancing the Group's green metals strategy through investments and accretive acquisitions to improve earnings diversification. For additional information, see *–Consolidated financial statements–Notes to the consolidated financial statements–Note 28.5: 2026 and 2029 Notes.*

Sibanye-Stillwater has concurrently elected to issue a notice of redemption for SMC's US$346,919,000 June 2025 Notes ("2025 Notes") on 6 December 2021 ("Redemption Date"). The redemption price was 103.5625% of the principal amount of the 2025 Notes, plus accrued and unpaid interest on the 2025 Notes up to, but excluding, the Redemption Date, amounting to US$370,195,096.66 (US$1,067.093750 per US$1,000 stated principal amount of the 2025 Notes). For additional information, see *–Consolidated financial statements–Notes to the consolidated financial statements–Note 28.4: 2022 and 2025 Notes.*

Sibanye-Stillwater to assume full ownership of Kroondal, doubling its life of mine

On 31 January 2022, Sibanye-Stillwater announced that it had entered into an agreement with Rustenburg Platinum Mines Limited, a subsidiary of Anglo American Platinum Limited, through its subsidiary, Sibanye Rustenburg Platinum Mines Limited ("Rustenburg operation"), which will result in the Rustenburg operation assuming full ownership of the low cost, mechanised Kroondal operation. This transaction will facilitate the life of the Kroondal operation being extended to 2029 and ensure significant value creation for all stakeholders. For additional information, see *–Consolidated financial statements–Notes to the consolidated financial statements–Note 40.4: Kroondal transaction.*

Sibanye-Stillwater secures inflation linked wage agreement at its East Boulder mine through to July 2024

On 23 February 2022, Sibanye-Stillwater announced that it had successfully ratified a new collective bargaining agreement, effective 16 February 2022 through to 31 July 2024, with the United Steel Workers International Union (USW) at its East Boulder mine in Montana in the United States.

The contract covers a broad range of terms including average annual wage increases of 2.5% in 2022, 3% in 2023 and 3% in 2024. In addition to the base increase in 2022, an increase to benefits and incentive has been agreed, which will result in an effective average increase of 5.4% for 2022 if all safety and quality deliverables are fully met. This settlement amounts to an annual average increase of 3.8% per year for the next 3 years, which compares favourably with US inflation rates.

Sibanye-Stillwater receives strike notice from NUM and AMCU

On 8 March 2022, Sibanye-Stillwater advised that it had received notice from the Association of Mineworkers and Construction Union (AMCU) and the National Union of Mineworkers (NUM) that the unions intend to embark on protected strike action at Sibanye- Stillwater's South African (SA) gold operations, from the evening shift on Wednesday, 9 March 2022.

Directors' report continued

Directorate

Name	Position	Date appointed
Vincent Maphai[1]	Chairman and independent non-executive director	24 February 2020
Neal Froneman[1]	Chief Executive Officer	24 February 2020
Charl Keyter[1]	Chief Financial Officer	24 February 2020
Elaine Dorward-King	Independent non-executive director	27 March 2020
Harry Kenyon-Slaney[1]	Independent non-executive director	24 February 2020
Jeremiah Vilakazi[1]	Independent non-executive director	24 February 2020
Keith Rayner[1]	Independent non-executive director	24 February 2020
Nkosemntu Nika[1]	Independent non-executive director	24 February 2020
Richard Menell[1]	Lead Independent and non-executive director	24 February 2020
Savannah Danson[1]	Independent non-executive director	24 February 2020
Susan van der Merwe[1]	Independent non-executive director	24 February 2020
Timothy Cumming[1]	Independent non-executive director	24 February 2020
Sindiswa Zilwa[2]	Independent non-executive director	01 January 2021

[1] *Director appointed to the Board of Sibanye Stillwater Limited on 24 February 2020 pursuant to the scheme of arrangement between Sibanye Gold Limited and Sibanye Stillwater Limited, which was implemented on the same day. On the date of implementing the scheme of arrangement, the existing directors of Sibanye Stillwater Limited resigned and the directors of Sibanye Gold Limited were appointed to the board of Sibanye Stillwater Limited*

[2] *Sindiswa Victoria Zilwa was appointed as an Independent non-executive director of the Group with effect from 1 January 2021. Sindiswa is a Chartered Accountant by profession and an expert in the areas of accounting, auditing and business management. Sindiswa is also a Chartered Director (SA) and has vast experience as a director in both the public and private sectors. She currently serves as a non-executive director of Cell C Limited, Discovery Group, Gijima Group, Massmart Limited, Metrofile Limited, Mercedes-Benz South Africa Limited and Tourvest Group*

Rotation of directors

Directors retiring in terms of the Company's Memorandum of Incorporation (MOI) are Neal Froneman, Susan van der Merwe, Savannah Danson, and Harry Kenyon-Slaney. All the directors are eligible and offer themselves for re-election.

Directors' and officers' disclosure of interest in contracts

As of the date of this report, none of the directors, officers or major shareholders of Sibanye-Stillwater or, to the knowledge of Sibanye-Stillwater's management, their families, had any interest, direct or indirect, in any transaction during the last fiscal year or in any proposed transaction which has affected or will materially affect Sibanye-Stillwater or its investment interests or subsidiaries.

None of the directors or officers of Sibanye-Stillwater or any associate of such director or officer is currently or has been at any time during the past fiscal year materially indebted to Sibanye-Stillwater.

For related party information, see *–Consolidated financial statements–Notes to the consolidated financial statements – Note 39: Related-party transactions.*

Subsidiary companies

For details of major subsidiary companies in which the Company has a direct or indirect interest, see *–Consolidated financial statements–Notes to the consolidated financial statements–Note 1.3: Consolidation.*

Special resolutions passed by subsidiary companies

The following special resolutions were passed by subsidiary companies during the year ended 31 December 2021:

1. **Special resolution passed by a subsidiary company**

   Special resolution passed by the shareholders of the subsidiary companies listed below, approving that the directors of the company may at any time and from time to time during the two years from the passing hereof authorise the company, in terms of and subject to the provisions of section 45(3)(b) of the Companies Act, to provide any type of direct or indirect financial assistance as defined in section 45(1) of the Companies Act, to any company or corporation that is related or inter-related to the company, on such terms and conditions and for such amounts as the directors may determine.

   - Newshelf 1335 Proprietary Limited
   - Hoedspruit Platinum Holdings Proprietary Limited
   - Sibanye Rustenburg Platinum Mines Proprietary Limited
   - Eastern Platinum Proprietary Limited
   - Western Platinum Proprietary Limited

Directors' report continued

2. Special resolutions passed by various subsidiaries

Special resolutions passed by the sole shareholder of the subsidiary companies listed below, approving that the directors of the company may at any time and from time to time during the two years from the passing hereof authorise the company in terms of and subject to the provisions of section 45(3)(b) of the Companies Act, to provide any type of direct or indirect financial assistance as defined in section 45(1) of the Companies Act, to any company or corporation that is related or inter-related to the company, on such terms and conditions and for such amounts as the directors may determine.

- Ezulwini Mining Company Proprietary Limited
- K2013164354 Proprietary Limited
- M Janse van Rensburg Proprietary Limited
- Milen Mining Proprietary Limited
- Puma Gold Proprietary Limited
- Sibanye Gold Academy Proprietary Limited
- Sibanye Gold Eastern Operations Proprietary Limited
- Sibanye Gold Protection Services Limited
- Sibanye Gold Shared Services Proprietary Limited
- Sibanye Solar PV Proprietary Limited
- Witwatersrand Consolidated Gold Resources Proprietary Limited
- Witwatersrand Deep Investments Proprietary Limited
- Kroondal Operations Proprietary Limited
- Kroondal Operations Corporate Services Proprietary Limited
- Magaliesburg Properties Proprietary Limited
- Platinum Mile Resources Proprietary Limited
- Ridge Mining Proprietary Limited
- Ridge Mining Services Proprietary Limited
- Rustenburg Eastern Operations Proprietary Limited
- Sibanye Platinum Bermuda Proprietary Limited
- Sibanye Platinum International Holdings Proprietary Limited
- Sibanye Platinum Proprietary Limited
- Braggite Resources Proprietary Limited
- Everest Platinum Mines Proprietary Limited
- Hoedspruit Platinum Exploration Proprietary Limited
- Magaliesburg Properties Proprietary Limited
- Southern Era Mining and Exploration South Africa Proprietary Limited
- Afriore Proprietary Limited
- Kwagga Gold Proprietary Limited
- Messina Proprietary Limited
- Messina Platinum Mines Proprietary Limited
- Vlakfontein Nickel Proprietary Limited

Litigation

Arbitration case Redpath USA Corporation versus Stillwater Mining Company

IIn 2015, Redpath USA Corporation (the Contractor) was hired by the Stillwater Mining Company (the Company) to advance the Benbow decline as part of the Blitz project. During November 2019 the Contractor filed a claim wherein it raised a dispute over additional and rework costs of establishing a decline at the Stillwater Mine after drilling errors caused a water inundation that required significant remediation. The Contractor assumed the additional costs and was seeking to recover those costs, in an amount of approximately US$20 million, from the Company. After engaging outside counsel and based on the terms of the contract that supports the Company's position, management believed the Contractor's claim was without merit and disputed the arbitration demand claim in the legal documents served on the Contractor. Although an arbitration hearing was scheduled for May 2022, the Contractor and the Company has subsequent to the reporting date agreed to settle the dispute at no cost to the Company.

Company Secretary

Lerato Matlosa was appointed Company Secretary of Sibanye-Stillwater with effect from 1 June 2018.

Auditors

The Audit Committee has recommended to the Board that Ernst & Young Inc. continues in office in accordance with section 90(1) of the Companies Act and in terms of the JSE Listings Requirements, subject to shareholders approving the resolution at the next annual general meeting. For additional information see –Accountability–Report of the Audit Committee–External Auditor suitability review.

EY
102 Rivonia Road Sandton
Private Bag X14 Sandton
2146

Ernst & Young Incorporated
Co Reg. No. 2005/002308/21
Tel: +27 (0) 11 772 3000
Fax: +27 (0) 11 772 4000
Docex 123 Randburg
ey.com

Independent Auditor's Report

To the Shareholders of Sibanye Stillwater Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Sibanye Stillwater Limited and its subsidiaries ('the Group') set out on pages 49 to 159, which comprise the consolidated statement of financial position as at 31 December 2021, and the consolidated income statement, the consolidated statement of other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2021, and its consolidated financial performance and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the consolidated financial statements section of our report. We are independent of the group in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements of the Group and in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits of the Group and in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

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Key Audit Matter	How the matter was addressed in the audit
Impairment assessments for SA Gold operations cash-generating units As described in Note 10, 14 and 15 to the consolidated financial statements, Driefontein, Kloof and Beatrix mining assets ('SA gold operations CGUs') have carrying values of R3,905m, R2,815m and R210m, respectively, and include mine development and infrastructure costs, mine plant facilities and right of use assets. For the purpose of assessing impairment of mining assets, assets are grouped at the lowest level for which there are separately identifiable cash flows (cash generating units or CGUs), which generally for the Group, represents an individual operating mine, including mines which are part of a larger mine complex Impairment indicators were identified for the above-mentioned SA gold operations CGUs and an aggregate impairment loss of R 5,148m relating to the mining assets and right of use assets of these SA gold operations CGUs was recognised for the year ended 31 December 2021. In determining the recoverable amount of the SA gold operations CGUs, management used a value in use calculation, which is the future cash flows expected to be derived from each SA gold operations CGU over its life-of-mine discounted to a present value. Auditing management's impairment assessments was complex and judgmental due to the significant estimation applied by management in determining the recoverable amount, which is sensitive to the underlying significant assumptions to the future cash flows and the effect changes in these assumptions would have on the recoverable amounts. The estimated cash flows are sensitive to changes in significant assumptions such as discount rate, future commodity prices, foreign currency exchange rates, and life-of-mine plans. The life-of-mine plans include projected operating cash flows and stay in business capital expenditures, based on reserves and estimates of future production. These significant assumptions are forward-looking and could be affected by future economic, operating and market conditions. In addition, significant judgment and specialised industry knowledge were required to assess management's estimate of the SA gold operating CGU reserves used in the life-of-mine plans. This resulted in incremental audit effort to audit the impairment losses, including involving our valuation and mining technical specialists.	Our audit of impairment testing of cash-generating units included the following procedures: • We obtained an understanding, evaluated the design and tested the operating effectiveness of controls over the Company's CGU impairment assessment process. For example, we tested the controls over management's review of the significant assumptions used in determining the recoverable amount. • To test the recoverable amounts of the SA gold operating CGUs, our audit procedures included, among others, an assessment of the methodologies applied in the cash flow models against the requirements of IAS 36, Impairment of Assets. • We inquired of management and assessed the consistency of the Company's calculation and method in relation to the prior year. • We involved our valuation specialists to assist in our evaluation of significant assumptions such as the discount rates by calculating an independent range using available market information and comparing it against management's discount rates. We also performed independent sensitivity analyses on discount rates to determine how that would impact the recoverable amounts. • In addition, our valuation specialists assisted in evaluating future commodity price assumptions, and foreign currency exchange rates, comparing them against observable market data and current industry and economic forecasts. • We compared the projected operating cash flows and stay in business capital expenditures movements included in the life of mine plan against historical trends. • We also performed trend analyses to evaluate the correlation of future production against both projected operating cost and capital expenditures. • We involved our mining technical specialists for certain SA gold operating CGU's to analyse management's reserve estimation procedures and evaluate the application of their methodology and primary inputs into the reserve estimation in the context of industry practices and the regulatory reserves reporting requirements. • We assessed the adequacy of the Company's disclosures in the consolidated financial statements over the SA gold operations CGU's, including the description of the estimates and judgements used in impairment testing and indicators leading to impairment.

Physical quantities of Marikana's Platinum Group Metals (PGM) inventory in process	Our audit of the physical quantities of Marikana's PGM inventory in process included:
As described in Note 23 to the consolidated financial statements, PGM inventory in process is weighed and assayed on a sample basis to determine the metal content and how this is split by metal. Measurement of the physical quantities is complex and requires significant estimation. Specifically, determining the metal content contained in PGM inventory in process requires estimation by metallurgical specialists. Only the Marikana operations process their own refined metal inventory, and Marikana's PGM inventory in process amounted to R6,715m as of 31 December 2021. The audit of the physical quantities of Marikana's PGM inventory in process is complex due to the highly technical nature of the process and the specialized knowledge required to evaluate the results. To determine the metal content and composition of the metals the Company samples inventory through assays. The accuracy of the mass and assay results can vary significantly depending on the nature of the vessel in which the materials are contained and the state of the conversion of material. There is inherent uncertainty in the sampling and assays which could impact the valuation of PGM inventory in process at year end.	• We obtained an understanding, evaluated the design and tested the operating effectiveness of controls over the Company's measurement of the physical quantities of Marikana's PGM inventory in process. For example, we tested the controls over management's review of inventory movement reconciliations performed and assay sample data and assay results. • To test the Company's physical quantity of PGM inventory in process at the Marikana operations, our audit procedures included, among others, an evaluation of the Company's estimation process and the data used by the Company from the assay results to estimate the total amount of PGM inventory in process. • We, together with our metallurgical specialists, observed inventory counts at the metal inventory processing areas including management's sampling and assaying of the carrier material. To assess the information gathered from the inventory counts, we also involved our metallurgical specialists to assist us in evaluating the adequacy of the measurements performed by the Company and the assay methodologies applied to determine the PGM inventory quantity. • We assessed the accuracy of management's adjustment to the PGM inventory in process balance resulting from the inventory counts, by comparing the adjustment to historical adjustments made by the Company. • We tested the mass balance reconciliation of inventory, by agreeing the opening balance of inventory adjusted for movements during the year to the closing balance of inventory as determined by the inventory count procedures. • We assessed the adequacy of the Company's disclosures in respect to the metal inventories, including the description of the estimates and judgements in estimating the quantity of metal inventories.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the 163-page document titled "Group Annual Financial Report 2021", which includes the Directors' report, the Report of the Audit Committee and the Company Secretary's Certificate as required by the Companies Act of South Africa, the 281-page document titled "Integrated annual report 2021", the 186-page document titled "Mineral resources and mineral reserves report 2021", the 68-page document titled "Summarised report and notice of annual general meeting 2021" and 33-page document titled "Company financial statements 2021". The other information does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Consolidated Financial Statements

The directors are responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

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Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that Ernst & Young Incorporated has been the auditor of Sibanye Stillwater Limited for three years.

Ernst & Young Incorporated
Director – Lance Ian Neame Tomlinson
Registered Auditor
Chartered Accountant (SA)
102 Rivonia Road, Sandton
Johannesburg, South Africa

22 April 2022

Consolidated income statement

For the year ended 31 December 2021

Figures in million – SA rand	Notes	2021	2020	2019
Revenue	3	**172,194**	127,392	72,925
Cost of sales	4	**(109,306)**	(83,369)	(63,314)
Interest income	5.1	**1,202**	1,065	560
Finance expense	5.2	**(2,496)**	(3,152)	(3,303)
Share-based payment expenses	6.8	**(383)**	(512)	(363)
Loss on financial instruments	7	**(6,279)**	(2,450)	(6,015)
Gain/(loss) on foreign exchange differences		**1,149**	(255)	325
Share of results of equity-accounted investees after tax		**1,989**	1,700	721
Other costs	8.1	**(3,018)**	(2,727)	(2,310)
Other income	8.2	**764**	1,658	484
Gain on disposal of property, plant and equipment		**36**	99	77
(Impairments)/reversal of impairments	10	**(5,148)**	121	(86)
Loss on settlement of US$ Convertible Bond	28.6	**—**	(1,507)	—
Early redemption premium on the 2025 Notes	28.4	**(196)**	—	—
Occupational healthcare gain/(expense)	31	**14**	(52)	40
Restructuring costs	9	**(107)**	(436)	(1,252)
Loss on Bulk Tailings re-Treatment (BTT) early settlement	32	**—**	(186)	—
Transaction costs		**(140)**	(139)	(448)
Gain on acquisition	16.1	**—**	—	1,103
Profit before royalties, carbon tax and tax		**50,275**	37,250	(856)
Royalties	11.1	**(2,714)**	(1,765)	(431)
Carbon tax		**(4)**	(5)	(13)
Profit before tax		**47,557**	35,480	(1,300)
Mining and income tax	11.2	**(13,761)**	(4,858)	1,733
Profit for the year		**33,796**	30,622	433
Attributable to:				
Owners of Sibanye-Stillwater		**33,054**	29,312	62
Non-controlling interests (NCI)		**742**	1,310	371
Earnings per share attributable to owners of Sibanye-Stillwater				
Basic earnings per share - cents	12.1	**1,140**	1,074	2
Diluted earnings per share - cents	12.2	**1,129**	1,055	2

The accompanying notes form an integral part of these consolidated financial statements

Consolidated statement of other comprehensive income

For the year ended 31 December 2021

Figures in million – SA rand	2021	2020	2019
Profit for the year	**33,796**	30,622	433
Other comprehensive income, net of tax	**4,635**	(2,006)	(466)
Foreign currency translation[1]	**3,807**	(2,227)	(595)
Fair value adjustment on other investments[2]	**828**	221	129
Total comprehensive income	**38,431**	28,616	(33)
Attributable to:			
Owners of Sibanye-Stillwater	**37,698**	27,287	(403)
Non-controlling interests	**733**	1,329	370

[1] *These gains and losses will be reclassified to profit or loss in accordance with the accounting policy in note 1.4*

[2] *These gains and losses relate to other investments and will never be reclassified to profit or loss*

The accompanying notes form an integral part of these consolidated financial statements

Consolidated statement of financial position

As at 31 December 2021

Figures in million – SA rand	Notes	2021	2020	2019
Assets				
Non-current assets		**88,163**	81,860	74,909
Property, plant and equipment	14	**62,494**	60,600	57,480
Right-of-use assets	15	**222**	296	361
Goodwill	17	**7,727**	7,165	6,855
Equity-accounted investments	18	**7,594**	5,621	4,039
Other investments	20	**3,367**	847	599
Environmental rehabilitation obligation funds	21	**5,202**	4,934	4,602
Other receivables	22.1	**651**	821	684
Deferred tax assets	11.3	**906**	1,576	289
Current assets		**64,831**	52,243	26,163
Inventories	23	**25,080**	24,952	15,503
Trade and other receivables	24	**7,411**	6,866	4,635
Other receivables	22.1	**523**	37	51
Tax receivable	11.4	**1,245**	148	355
Cash and cash equivalents	25	**30,292**	20,240	5,619
Asset held for sale	20	**280**	—	—
Total assets		**152,994**	134,103	101,072
Equity and liabilities				
Equity attributable to owners of Sibanye-Stillwater		**79,937**	68,480	29,670
Stated share capital	26	**21,647**	30,150	-*
Other reserves		**30,332**	25,570	45,104
Accumulated profit/(loss)		**27,958**	12,760	(15,434)
Non-controlling interests	27	**1,408**	2,236	1,468
Total equity		**81,345**	70,716	31,138
Non-current liabilities		**51,108**	45,900	55,607
Borrowings	28	**20,191**	17,497	23,698
Derivative financial instrument	28	**—**	—	4,145
Lease liabilities	29	**177**	223	273
Environmental rehabilitation obligation and other provisions	30	**8,263**	8,634	8,715
Occupational healthcare obligation	31	**1,017**	1,037	1,133
Cash-settled share-based payment obligations	6.7	**2,829**	1,595	1,343
Other payables	22.2	**4,599**	2,911	2,688
Deferred revenue	32	**6,204**	6,363	6,896
Tax and royalties payable	11.4	**10**	9	59
Deferred tax liabilities	11.3	**7,818**	7,631	6,657
Current liabilities		**20,541**	17,487	14,327
Borrowings	28	**107**	886	38
Lease liabilities	29	**104**	103	110
Occupational healthcare obligation	31	**—**	157	149
Cash-settled share-based payment obligations	6.7	**58**	33	82
Trade and other payables	33	**15,162**	13,207	11,466
Other payables	22.2	**4,765**	2,246	761
Deferred revenue	32	**156**	67	1,271
Tax and royalties payable	11.4	**189**	788	450
Total equity and liabilities		**152,994**	134,103	101,072

* *Less than R1 million*

The accompanying notes form an integral part of these consolidated financial statements

Consolidated statement of changes in equity

For the year ended 31 December 2021

Figures in million – SA rand	Notes	Stated share capital	Re-organisation reserve	Share-based payment reserve	Mark-to-market reserve	Foreign currency translation reserve	Accumulated profit/(loss)	Equity attributable to owners of Sibanye-Stillwater	Non-controlling interests	Total equity
Balance at 31 December 2018		**-***	**34,667**	**3,610**	**52**	**955**	**(15,496)**	**23,788**	**936**	**24,724**
Total comprehensive income for the year		—	—	—	130	(595)	62	**(403)**	370	**(33)**
Profit for the year		—	—	—	—	—	62	**62**	371	**433**
Other comprehensive income		—	—	—	130	(595)	—	**(465)**	(1)	**(466)**
Equity-settled share-based payments	6.8	—	—	290	—	—	—	**290**	—	**290**
Dividends	13	—	—	—	—	—	—	**—**	(85)	**(85)**
Shares issued for cash		—	1,688	—	—	—	—	**1,688**	—	**1,688**
Shares issued on Lonmin acquisition		—	4,307	—	—	—	—	**4,307**	—	**4,307**
Acquisition of subsidiary with non-controlling interests (Lonmin)		—	—	—	—	—	—	**—**	247	**247**
Transaction with DRDGOLD shareholders		—	—	—	—	—	—	**—**	-*	-*
Balance at 31 December 2019		**-***	**40,662**	**3,900**	**182**	**360**	**(15,434)**	**29,670**	**1,468**	**31,138**
Total comprehensive income for the year		—	—	—	202	(2,227)	29,312	**27,287**	1,329	**28,616**
Profit for the year		—	—	—	—	—	29,312	**29,312**	1,310	**30,622**
Other comprehensive income		—	—	—	202	(2,227)	—	**(2,025)**	19	**(2,006)**
Equity-settled share-based payments	6.8	—	—	152	—	—	—	**152**	6	**158**
Dividends	13	—	—	—	—	—	(1,338)	**(1,338)**	(360)	**(1,698)**
Reorganisation - 24 February 2020		17,661	(17,661)	—	—	—	—	**—**	—	**—**
Shares issued upon conversion of US$ Convertible Bond	28.6	12,573	—	—	—	—	—	**12,573**	—	**12,573**
Share buy-back	26	(84)	—	—	—	—	—	**(84)**	—	**(84)**
Transaction with DRDGOLD shareholders	27	—	—	—	—	—	220	**220**	(220)	**—**
Transaction with Lonmin Canada shareholders		—	—	—	—	—	—	**—**	13	**13**
Balance at 31 December 2020		**30,150**	**23,001**	**4,052**	**384**	**(1,867)**	**12,760**	**68,480**	**2,236**	**70,716**
Total comprehensive income for the year		—	—	—	837	3,807	33,054	**37,698**	733	**38,431**
Profit for the year		—	—	—	—	—	33,054	**33,054**	742	**33,796**
Other comprehensive income		—	—	—	837	3,807	—	**4,644**	(9)	**4,635**
Equity-settled share-based payments	6.8	—	—	142	—	—	—	**142**	9	**151**
Dividends	13	—	—	—	—	—	(17,832)	**(17,832)**	(344)	**(18,176)**
Marikana B-BBEE transaction	6.6	—	—	—	—	—	34	**34**	(1,180)	**(1,146)**
Share buy-back	26	(8,503)	—	—	—	—	—	**(8,503)**	—	**(8,503)**
Transaction with Platinum Mile shareholders	27	—	—	—	—	—	(82)	**(82)**	(46)	**(128)**
Adjustment due to sale of St Helena[1]		—	—	(24)	—	—	24	**—**	—	**—**
Balance at 31 December 2021		**21,647**	**23,001**	**4,170**	**1,221**	**1,940**	**27,958**	**79,937**	**1,408**	**81,345**

[1] *Effective 3 August 2021, the Group sold the trading licence, movable assets, naming rights, trademarks and practice number under which St Helena Hospital Proprietary Limited (St Helena) operated to Africa Health Care Proprietary Limited for a cash consideration of R25 million. The R24 million is a transfer from other reserves (share-based payment reserve) to accumulated profit/(loss)*

** Less than R1 million*

The accompanying notes form an integral part of these consolidated financial statements

Consolidated statement of cash flows

For the year ended 31 December 2021

Figures in million – SA rand	Notes	2021	2020	2019
Cash flows from operating activities				
Cash generated by operations	34	**67,784**	45,188	10,566
Deferred revenue advance received	32	**65**	771	2,859
BTT early settlement payment	32	**—**	(787)	—
Amount received on settlement of dispute		**—**	580	—
Post-retirement health care payments		**(1)**	(1)	(6)
Cash-settled share-based payments paid	6.7	**(240)**	(275)	(91)
Payment of Marikana dividend obligation		**(162)**	—	—
Additional deferred payments relating to acquisition of a business		**(1,754)**	—	—
Change in working capital	35	**2,455**	(9,435)	(626)
		68,147	36,041	12,702
Interest received		**960**	719	268
Interest paid		**(781)**	(1,386)	(1,603)
Royalties paid	11.4	**(3,055)**	(1,707)	(412)
Tax paid	11.4	**(14,839)**	(4,818)	(1,407)
Dividends paid		**(18,176)**	(1,698)	(85)
Net cash from operating activities		**32,256**	27,151	9,463
Cash flow from investing activities				
Additions to property, plant and equipment		**(12,740)**	(9,616)	(7,706)
Proceeds on disposal of property, plant and equipment		**80**	101	101
Acquisition of subsidiaries		**—**	—	(129)
Cash acquired on acquisition of subsidiaries		**—**	—	3,004
Proceeds with transfer of assets to joint operation		**—**	—	31
Dividends received		**1,020**	288	111
Additions to other investments		**(1,803)**	(12)	—
Acquisition of equity-accounted investment		**(446)**	—	—
Contributions to environmental rehabilitation funds	21	**(72)**	(64)	(13)
Payment of Deferred Payment		**(577)**	(756)	(283)
Contributions to enterprise development fund		**(65)**	—	—
Payments to dissenting shareholders		**—**	—	(319)
Preference shares redeemed by equity-accounted investee	18.1	**—**	114	187
Proceeds on disposal of St Helena		**25**	—	—
Receipts from environmental rehabilitation funds	21	**10**	7	152
Net cash used in investing activities		**(14,568)**	(9,938)	(4,864)
Cash flow from financing activities				
Loans raised	28	**20,651**	16,289	18,982
Loans repaid	28	**(20,252)**	(18,335)	(22,008)
Lease payments		**(112)**	(114)	(132)
Proceeds from shares issued		**—**	—	1,688
Acquisition of non-controlling interests	27	**(128)**	—	—
Share buy-back	26	**(8,503)**	(84)	—
Net cash used in financing activities		**(8,344)**	(2,244)	(1,470)
Net increase in cash and cash equivalents		**9,344**	14,969	3,129
Effect of exchange rate fluctuations on cash held		**708**	(348)	(59)
Cash and cash equivalents at beginning of the year		**20,240**	5,619	2,549
Cash and cash equivalents at end of the year	25	**30,292**	20,240	5,619

The accompanying notes form an integral part of these consolidated financial statements

Notes to the consolidated financial statements

For the year ended 31 December 2021

1. Accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. Where an accounting policy is specific to a note, the policy is described in the note which it relates to. These policies have been consistently applied to all the periods presented.

1.1 Reporting entity

Sibanye Stillwater Limited (the Company) and its subsidiaries (together referred to as the Group or Sibanye-Stillwater), an independent, global, precious metals mining company, produces a mix of metals that includes gold and platinum group metals (PGM). Domiciled in South Africa, Sibanye-Stillwater currently owns and operates a portfolio of high-quality operations and projects, which are grouped into two regions: the Southern Africa (SA) region and the United States (US) region.

The SA region houses the gold and PGM operations and projects located in South Africa and Zimbabwe. The underground and surface gold mining operations in South Africa are the Driefontein, Kloof and Cooke operations in the West Witwatersrand (West Wits) region and DRDGOLD Limited (DRDGOLD) with surface tailings treatment plant in the East of Johannesburg in Gauteng, and the Beatrix operation in the southern Free State. Sibanye-Stillwater also owns and manages significant gold extraction and processing facilities where ore is treated and beneficiated to produce gold doré. In addition, several organic projects currently underway are aimed at sustaining these gold mining operations into the long term. In 2021, Sibanye-Stillwater's Board approved a new major capital project for Burnstone to complete necessary infrastructure and bring the mine to full development. Burnstone is a developmental stage gold mine and processing operation located in the South Rand Goldfield of the Witwatersrand Basin, and comprises two established shaft complexes, a carbon-in-leach gold processing plant, tailings storage facility and related surface infrastructure and mining rights.

The PGM assets in the SA region are Kroondal (50%) (refer note 41.4), the Rustenburg operation, the Marikana operation (Marikana) and the tailings retreatment entity, Platinum Mile in North West Province, and Mimosa (50%) in Zimbabwe. Marikana currently has five contributing shafts namely 4Belt, K3, Rowland, Saffy and E3 and the ore mined at the Marikana operations is processed through five concentrators on site. The PGM concentrate produced is dispatched to the smelter for further processing at the Base Metal Refinery (BMR). At the BMR, base metals are removed and the resulting PGM-rich residue is sent to Precious Metal Refinery (PMR) for final treatment. Marikana therefore sells refined metals to customers. Sibanye-Stillwater's Board approved the K4 capital growth project in 2021 to complete the mine's vertical shaft infrastructure. K4 is a large, long-life, high-grade Merensky and UG2 proposition situated on the western limb of the Bushveld Complex, in South Africa's North West Province. It is a partially completed project with an equipped main production shaft and ventilation shaft, some underground infrastructure installed and underground developed workings. Work at K4 started in 2021 with maintenance and preparation of underground areas, leading to first production in 2022.

The Rustenburg operation comprise of three operating vertical shafts (Siphumelele 1, Khuseleka 1 and Thembelani 1), two declines at Bathopele, two concentrating plants (the Waterval UG2 concentrator and the Waterval retrofit concentrator), a chrome recovery plant, the Western Limb tailings retreatment plant and related surface infrastructure and assets. In addition, mining operations are carried out on two mining tailings dams. Ore is processed through the Waterval UG2 concentrator and Waterval retrofit concentrator. Tailings are treated at the Western Limb Tailings Retreatment Plant, Platinum Mile and at the Chrome retreatment plant where a saleable chromite concentrate is recovered. Tailings from the Rustenburg operation are piped to storage facilities. The Rustenburg operation has a tolling agreement with a third party and currently sells refined metals as well as PGM concentrate to customers. Kroondal comprises of five operating decline shafts. Ore is processed at Kroondal through two concentrator plants (K1 and K2). Tailings from the K1 and K2 plants are piped to three adjacent tailings storage facilities and at a fourth tailings storage facility at Marikana, which has been recommissioned. Platinum Mile is a tailings retreatment facility located on the Rustenburg lease area adjacent to our Kroondal operations. The facility recovers PGMs from our Rustenburg operations. Kroondal and Platinum Mile currently only sells PGM concentrate to customers.

The US region houses the PGM operations and projects located in the US, Canada and Argentina. These include the East Boulder and Stillwater mining operations and the Blitz project in Montana, in the US, and exploration-stage projects, Altar (joint venture) in Argentina and Marathon (fair value through other comprehensive income (OCI) investment), a PGM-copper porphyry in Ontario, Canada. The assets in this region also include the Metallurgical complex in Columbus, Montana. This complex houses the smelter, base metal refinery and an analytical laboratory which produces a PGM-rich filter cake that is further refined by a third-party precious metal refinery. These processing and metallurgical facilities are also used to process recycled material such as spent autocatalytic convertors and petroleum refinery catalysts. Subsequent to the reporting date, the investment in the Marathon project was disposed of in exchange for shares in Generation Mining Limited (Gen Mining) (refer note 20).

1.2 Basis of preparation

The consolidated financial statements for the year ended 31 December 2021 have been prepared on a going concern basis in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB), the South African Institute of Chartered Accountants Financial Reporting Guides issued by the Accounting Practices Committee and Financial Reporting Pronouncements issued by the Financial Reporting Standards Council, as well as the requirements of the South African Companies Act and JSE Listings Requirements. The consolidated financial statements have been prepared under the historical cost convention, except for certain financial assets and financial liabilities (including derivative instruments) which are measured at fair value through profit or loss or other comprehensive income.

Notes to the consolidated financial statements *continued*

For the year ended 31 December 2021

Standards, interpretations and amendments to published standards effective for the year ended 31 December 2021

During the financial year, the following new and revised accounting standards and amendments to standards applicable to the Group, became effective and had no material impact on the Group's financial statements:

Pronouncement	Details of amendments	Effective date[1]
COVID-19-Related Rent Concessions (Amendment to IFRS 16)	In response to the COVID-19 coronavirus pandemic, the IASB has issued amendments to IFRS 16 *Leases* (IFRS 16) to allow lessees not to account for rent concessions as lease modifications if they are a direct consequence of COVID-19 and meet certain conditions. Rent concessions included in the ambit of the amendment might take a variety of forms, including payment holidays and deferral of lease payments. In many cases, this will result in accounting for the concessions as variable lease payments in the period in which they are granted. The Group did not receive any material rent concessions as a direct result of COVID-19.	1 June 2020
Interest Rate Benchmark Reform – Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)	Interbank offered rates (IBOR) reform refers to the global reform of interest rate benchmarks, which includes the replacement of some interbank offered rates with alternative benchmark rates. Under the detailed rules of IFRS 9 *Financial Instruments* (IFRS 9), modifying a financial contract can require recognition of a significant gain or loss in the income statement. However, the amendments introduce a practical expedient if a change results directly from IBOR reform and occurs on an 'economically equivalent' basis. In these cases, changes will be accounted for by updating the effective interest rate. A similar practical expedient applies under IFRS 16 for lessees when accounting for lease modifications required by IBOR reform. IBOR reform will generally result in a change in the basis for determining the contractual cash flows of that financial asset or financial liability. The US$600 million RCF and the R5.5 billion RCF (refer note 28) are both linked to IBOR and therefore subject to the IBOR reform amendment, which came into effect on 1 January 2021. However, at the reporting date, none of the Group's IBOR-linked interest rates had been changed due to IBOR reform. The R5.5 billion RCF is linked to JIBAR and is not drawn down, however the JIBAR is only expected to be impacted by the reform at a later stage and any impact thereof is to be considered when this occurs. The US$600 million RCF is linked to a US LIBOR and will be refinanced or restructured depending on the developments in respect of the US LIBOR reform. Therefore, the Group was not impacted when the amendment became effective. The Group will assess the impact on the balances and cash flows linked to rates changes arising from IBOR reform when more information is available on the quoted rates that will replace the current IBOR applicable to the Group. The potential future impact arising from these amendments was not yet known at the reporting date.	1 January 2021

[1] *Effective date refers to annual period beginning on or after said date*

Notes to the consolidated financial statements *continued*
For the year ended 31 December 2021

Standards, interpretations and amendments to published standards which are not yet effective

Certain new standards, amendments and interpretations to existing standards have been published that apply to the accounting periods beginning on or after 1 January 2022 but have not been early adopted by the Group. The standards, amendments and interpretations that are applicable to the Group are:

Pronouncement	Details of amendments	Effective date[1]
COVID-19-Related Rent Concessions beyond 30 June 2021 (Amendment to IFRS 16 – the 2021 Amendment)[2]	A one-year extension to the practical expedient for COVID-19 related rent concessions under IFRS 16 has been published by the IASB. This amendment is a response to the ongoing economic challenges resulting from the COVID-19 coronavirus pandemic. The extension is available for adoption immediately, subject to any local endorsement requirements.	1 April 2021
Annual Improvements to IFRS Standards 2018-2020[2]	As part of its process to make non-urgent but necessary amendments to IFRS Standards, the IASB has issued the Annual Improvements to IFRS Standards 2018–2020. The amendments applicable to the Group relate to: • IFRS 9 - clarifies which fees should be included in the 10% test for derecognition of financial liabilities; and • IFRS 16 - amendment of illustrative example 13 to remove the illustration of payments from the lessor relating to leasehold improvements, to remove any confusion about the treatment of lease incentives.	1 January 2022
Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)[2]	In the process of making an item of property, plant or equipment (PPE) available for its intended use, an entity may produce and sell items. Under the amendments, proceeds from selling items before the related item of PPE is available for use should be recognised in profit or loss, together with the costs of producing those items. IAS 2 *Inventories* should be applied in identifying and measuring these production costs.	1 January 2022
Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37)[2]	The amendment to IAS 37 *Provisions, Contingent Liabilities and Contingent Assets* (IAS 37) clarifies that the direct costs of fulfilling a contract include both the incremental costs of fulfilling the contract and an allocation of other costs directly related to fulfilling contracts. Before recognising a separate provision for an onerous contract, an entity recognises any impairment loss that has occurred on assets used in fulfilling the contract.	1 January 2022
Reference to the Conceptual Framework (Amendments to IFRS 3)[2]	Minor amendments were made to IFRS 3 *Business Combinations* (IFRS 3) to update the references to the Conceptual Framework for Financial Reporting and add an exception for the recognition of liabilities and contingent liabilities within the scope of IAS 37 and IFRIC 21 *Levies*. The amendments also confirm that contingent assets should not be recognised at the acquisition date.	1 January 2022
Classification of Liabilities as Current or Non-current (Amendments to IAS 1)[2]	To promote consistency in application and clarify the requirements on determining if a liability is current or non-current, the IASB has amended IAS 1 *Presentation of Financial Statements* (IAS 1) to clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant). The amendments also clarify what IAS 1 means when it refers to the "settlement" of a liability.	1 January 2023
Definition of Accounting Estimate (Amendments to IAS 8)[2]	The IASB has issued amendments to IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* (IAS 8) to clarify how entities should distinguish changes in accounting policies from changes in accounting estimates, with a primary focus on the definition of and clarifications on accounting estimates. This is due to the term "accounting estimate" not being defined and the previous definition of a "change in accounting estimate" being unclear. The amendments introduce a new definition for accounting estimates, clarifying that they are monetary amounts in the financial statements that are subject to measurement uncertainty.	1 January 2023

[1] *Effective date refers to annual period beginning on or after said date*

[2] *No material impact expected*

Notes to the consolidated financial statements *continued*

For the year ended 31 December 2021

Standards, interpretations and amendments to published standards which are not yet effective (continued)

Pronouncement	Details of amendments	Effective date[1]
Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction (Amendments to IAS 12)[2]	The amendments narrow the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. As a result, entities will need to recognise a deferred tax asset and a deferred tax liability for temporary differences arising on initial recognition of a lease and a decommissioning provision.	1 January 2023
Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)[2]	To assist preparers of financial statements, the IASB had previously refined its definition of 'material' (effective 1 Jan 2020) and issued non-mandatory practical guidance on applying the concept of materiality. As the final step of the materiality improvements, the IASB issued amendments on the application of materiality to the disclosure of accounting policies. The key amendments include requirements for entities to disclose their material accounting policies rather than their significant accounting policies as well as certain clarifications regarding accounting policies related to material transactions or events.	1 January 2023

[1] *Effective date refers to annual period beginning on or after said date*

[2] *No material impact expected*

Significant accounting judgements and estimates

The preparation of the financial statements requires the Group's management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. The determination of estimates requires the exercise of judgement based on various assumptions and other factors such as historical experience, current and expected economic conditions, and in some cases valuation techniques. Actual results could differ from those estimates.

For significant accounting policies that are subject to significant judgement, estimates and assumptions, see the following notes to the consolidated financial statements:

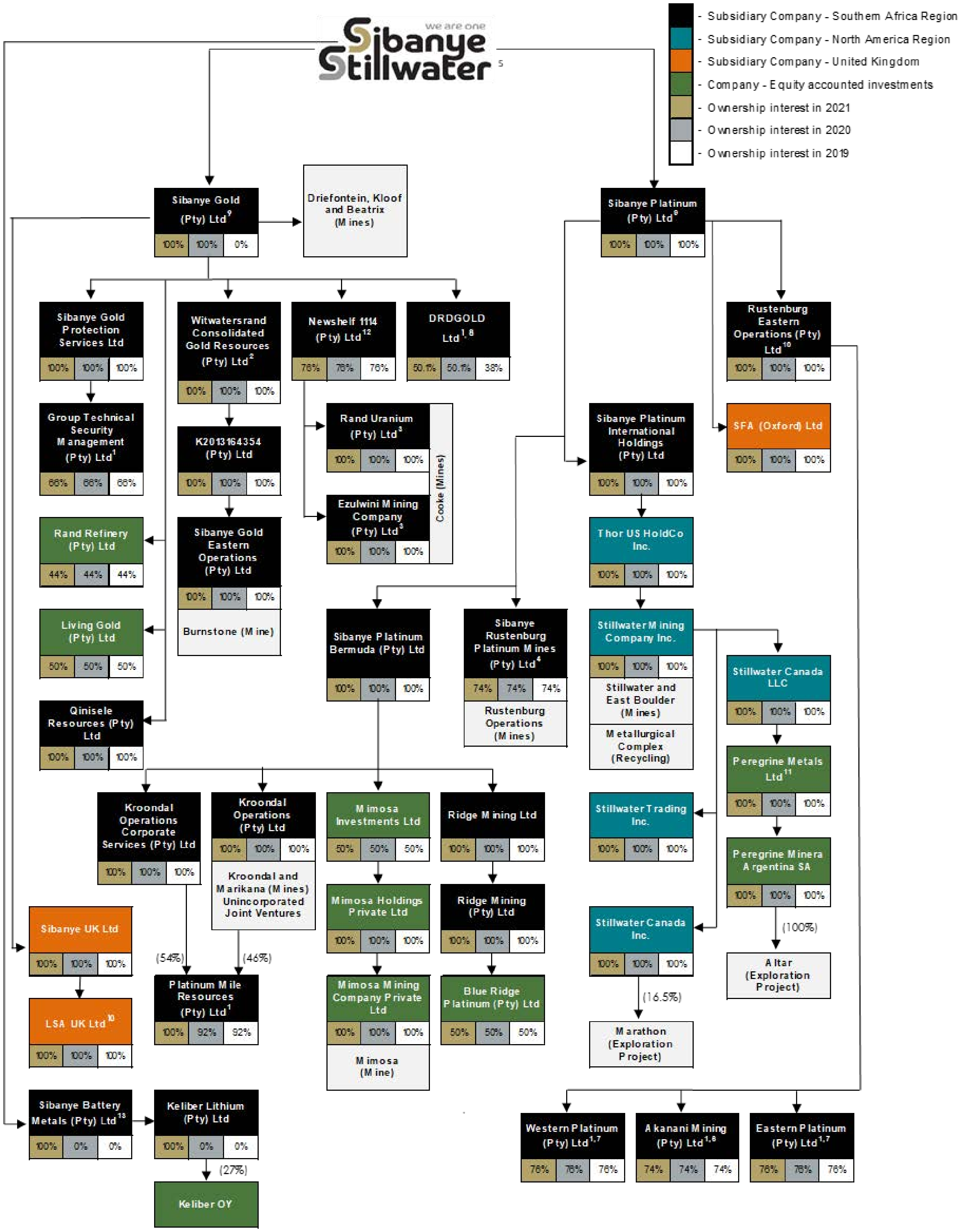
Significant accounting policy	Note to the consolidated financial statements
Revenue	3 - Revenue
Cash-settled share-based payment obligation	6 - Share-based payments
Royalties, mining and income tax, and deferred tax	11 - Royalties, mining and income tax, and deferred tax
Property, plant and equipment	14 - Property, plant and equipment
Business combinations	16 - Acquisitions
Goodwill	17 - Goodwill
Equity-accounted investments	18 - Equity-accounted investments
Other receivables and other payables	22 - Other receivables and other payables
Inventories	23 - Inventories
Borrowings and derivative financial instrument	28 - Borrowings and derivative financial instrument
Environmental rehabilitation obligation	30 - Environmental rehabilitation obligation and other provisions
Occupational healthcare obligation	31 - Occupational healthcare obligation
Deferred revenue	32 - Deferred revenue
Contingent liabilities	38 - Contingent liabilities

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the financial period are discussed under the relevant note of the item affected.

Notes to the consolidated financial statements *continued*
For the year ended 31 December 2021

1.3 Consolidation



Notes to the consolidated financial statements *continued*
For the year ended 31 December 2021

[1] *The non-controlling interests (NCI) in the statement of changes in equity relates to the attributable share of accumulated profits of DRDGOLD, Group Technical Security Management Proprietary Limited (GTSM), Platinum Mile Resources Proprietary Limited (Platinum Mile), Western Platinum Proprietary Limited (WPL) and all WPL subsidiaries, Eastern Platinum Proprietary Limited (EPL) and Akanani Mining Proprietary Limited (Akanani) (refer note 27)*

[2] *Witwatersrand Consolidated Gold Resources Proprietary Limited (Wits Gold) has ceded and pledged its shares in K2013164354 Proprietary Limited (K2013) (a dormant entity) and K2013 has ceded and pledged it shares in Sibanye Gold Eastern Operations Proprietary Limited (SGEO) in favour of the lenders of the Burnstone Debt (refer note 28.7)*

[3] *Rand Uranium Proprietary Limited (Rand Uranium) and Ezulwini Mining Company Proprietary Limited (Ezulwini) together own a number of underground and surface mining operations. These operations report to the Group's chief operating decision maker (the Executive Committee) as a separate segment, namely Cooke*

[4] *In terms of the Rustenburg operation transaction, a 26% stake in Sibanye Rustenburg Platinum Mines Proprietary Limited (SRPM) was acquired through Newshelf 1335 Proprietary Limited (B-BBEE SPV). The shareholders of B-BBEE SPV are Rustenburg Mine Employees Trust (30.4%), Rustenburg Mine Community Development Trust (24.8%), Bakgatla-Ba-Kgafela Investment Holdings (24.8%) and Siyanda Resources Proprietary Limited (20.0%). The Rustenburg Mine Employees Trust and the Rustenburg Mine Community Development Trust are controlled and consolidated by Sibanye-Stillwater and liabilities amounting to R1,402 million and R1,144 million are eliminated upon consolidation*

[5] *The Group has no current or contractual obligation to provide financial support to any of its structured entities*

[6] *Sibanye-Stillwater recognises no NCI in Akanani on a similar basis as described for WPL and EPL below (refer footnote 7 below), since a revised shareholders' agreement replaced the equity interests with a right to receive dividends.*

[7] *Sibanye-Stillwater recognises no NCI in WPL and EPL. The shareholding of Lonplats Employee Share Ownership Trust (Employee Trust) (3.8%), Lonplats Marikana Community Development Trust (Community Trust) (0.9%) and Bapo Ba Mogale Local Economic Development Trust (Bapo Trust) (0.9%) (together Marikana Trusts) is not considered since these trusts are controlled and consolidated by Sibanye-Stillwater. Liabilities amounting to R1,671 million relating to the Marikana Trusts are eliminated upon consolidation. In addition, as a result of the Marikana broad-based black economic empowerment (B-BBEE) transaction (refer note 6.6), the equity interests of shareholders in WPL and EPL, including all non-controlling shareholders, were replaced with the right to receive dividends. As a result, the effective shareholding interests were replaced by a share-based payment obligation and dividend obligation (refer note 6.6 and 22.2)*

[8] *Effective 10 January 2020, the Group exercised its option to acquire an additional 12.05% in DRDGOLD. The consideration amounted to R1,086 million for the subscription of 168,158,944 additional new ordinary shares resulting in a 50.1% shareholding in DRDGOLD. The effective shareholding at 31 December 2021 was 50.49% (2020: 50.66% and 2019: 38.60%) after considering treasury shares held by DRDGOLD (refer note 27). The Group calculated the net asset value of DRDGOLD at the option exercise date to which the additional ownership percentage was applied to determine the reattribution between NCI and the Group*

[9] *On 17 June 2020, the Company and Sibanye Gold Proprietary Limited (SGL) entered into an unbundling agreement wherein SGL unbundled its entire shareholding in Sibanye Platinum Proprietary Limited (SPPL) for no value to the Company*

[10] *During 2020, the Group reorganised its internal legal structure to house the Marikana PGM related companies (previously owned by LSA UK Limited) under a new intermediate holding company, being Rustenburg Eastern Operations Proprietary Limited (REO), which is a wholly owned subsidiary of SPPL. The reorganisation had no impact to the consolidated financial statements of the Group*

[11] *At 31 December 2021, the Group had a 100% legal interest in Peregrine Metals Limited (Peregrine), which is subject to an Initial Earn-in arrangement of 60% by Aldebaran Resources Inc. (Aldebaran) (refer note 18.3)*

[12] *The Group has a 76% legal interest in the Newshelf 1114 Proprietary Limited (Newshelf 1114) group and the NCI can acquire a further 2% legal shareholding once they have implemented the necessary funding structure. However, no accounting NCI is recognised, since the NCI's vendor loan financing exceeds their proportionate interest in Newshelf 1114 and therefore no effective shareholding exists*

[13] *During 2021, the Group formed Sibanye Battery Metals Proprietary Limited in order to hold the Group's investments in battery metal entities*

Subsidiaries

Subsidiaries are all entities over which the Group exercises control. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is obtained by the Group until the date on which control ceases. Control is reassessed if facts and circumstances indicate that there are changes to one or more of the elements of control.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Transactions with shareholders

Transactions with owners in the capacity as equity participants are not recognised in profit or loss, but instead are recognised in equity with a corresponding change in assets or liabilities. Changes in a parent's ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary are equity transactions.

1.4 Foreign currencies

Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The consolidated financial statements are presented in South African rand, which is the Group's presentation currency.

Notes to the consolidated financial statements *continued*
For the year ended 31 December 2021

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities are translated into the functional currency at each reporting date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies, are recognised in profit or loss.

Foreign operations

The results and financial position of all the Group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities are translated at the exchange rate ruling at the reporting date. Equity items are translated at historical rates. The income and expenses are translated at the average exchange rate for the year, unless this average was not a reasonable approximation of the rates prevailing on the transaction dates, in which case these items were translated at the rate prevailing on the date of the transaction. Exchange differences on translation are accounted for in other comprehensive income. These differences will be recognised in profit or loss upon realisation of the underlying operation.
- Exchange differences arising from the translation of the net investment in foreign operations, which includes certain long-term borrowings (i.e. the reporting entity's interest in the net assets of that operation), are taken to other comprehensive income. When a foreign operation is sold, exchange differences that were recorded in other comprehensive income are recognised in profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to NCI. When the Group disposes of only part of an associate or joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss. If a company in the Group repays a portion of long-term borrowings forming part of a net investment in foreign operations, amounts previously recorded in other comprehensive income are only recognised in profit or loss upon disposal of the relevant operation.
- Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and are translated at each reporting date at the closing rate.

1.5 Comparatives

Where necessary, comparative periods have been revised to conform to current period changes in presentation. Previously, the level of rounding applied in the Group's consolidated annual financial statements included a decimal for the nearest hundred thousand. During the year ended 31 December 2021, the Group changed the level of rounding to only reflect the nearest million by removing the hundred thousand decimal space. Immaterial rounding adjustments were made to comparative information as a result of this change.

Notes to the consolidated financial statements *continued*
For the year ended 31 December 2021

2. Segment reporting

Accounting Policy

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker and is based on individual mining operations. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive management team that makes strategic decisions.

Figures in million – SA rand	Group	Total US PGM operations[1]	Underground	Recycling	Total SA operations	Total SA PGM	Rustenburg	Marikana	Kroondal	Platinum Mile	Mimosa	Corporate and reconciling items[2]	Total SA gold	Driefontein	Kloof	Beatrix	Cooke	DRD-GOLD	Corporate and reconciling items[2]	Group Corporate and reconciling items[2]
2021																				
Revenue	**172,194**	**59,053**	18,343	40,710	**113,512**	85,154	31,749	41,610	10,293	1,503	4,393	(4,394)	**28,358**	7,932	9,294	5,343	999	4,790	—	**(371)**
Underground	**120,403**	**18,343**	18,343	—	**102,431**	81,477	29,575	41,610	10,293	—	4,393	(4,394)	**20,954**	7,722	8,089	5,143	—	—	—	**(371)**
Surface	**11,081**	**—**	—	—	**11,081**	3,677	2,174	—	—	1,503	—	—	**7,404**	210	1,205	200	999	4,790	—	**—**
Recycling	**40,710**	**40,710**	—	40,710	**—**	—	—	—	—	—	—	—	**—**	—	—	—	—	—	—	**—**
Cost of sales, before amortisation and depreciation	**(101,013)**	**(46,787)**	(7,567)	(39,220)	**(54,226)**	(31,971)	(11,464)	(16,561)	(3,416)	(531)	(1,587)	1,588	**(22,255)**	(5,691)	(7,844)	(4,565)	(808)	(3,347)	—	**—**
Underground	**(54,989)**	**(7,567)**	(7,567)	—	**(47,422)**	(30,430)	(10,454)	(16,561)	(3,416)	—	(1,587)	1,588	**(16,992)**	(5,559)	(6,986)	(4,447)	—	—	—	**—**
Surface	**(6,804)**	**—**	—	—	**(6,804)**	(1,541)	(1,010)	—	—	(531)	—	—	**(5,263)**	(132)	(858)	(118)	(808)	(3,347)	—	**—**
Recycling	**(39,220)**	**(39,220)**	—	(39,220)	**—**	—	—	—	—	—	—	—	**—**	—	—	—	—	—	—	**—**
Net other cash costs[3]	**(2,575)**	**(10)**	(10)	—	**(2,565)**	(1,575)	134	(1,036)	(91)	(492)	(42)	(48)	**(990)**	(78)	(83)	(73)	(611)	(40)	(105)	**—**
Adjusted EBITDA	**68,606**	**12,256**	10,766	1,490	**56,721**	51,608	20,419	24,013	6,786	480	2,764	(2,854)	**5,113**	2,163	1,367	705	(420)	1,403	(105)	**(371)**
Amortisation and depreciation	**(8,293)**	**(2,601)**	(2,598)	(3)	**(5,692)**	(2,515)	(885)	(1,099)	(495)	(31)	(274)	269	**(3,177)**	(1,165)	(1,064)	(691)	(11)	(188)	(58)	**—**
Interest income	**1,202**	**382**	10	372	**805**	219	22	92	97	7	12	(11)	**586**	60	47	31	22	222	204	**15**
Finance expense	**(2,496)**	**(954)**	(897)	(57)	**(1,233)**	(666)	(4,201)	(328)	(116)	—	(5)	3,984	**(567)**	(99)	(85)	(82)	(63)	(60)	(178)	**(309)**
Share-based payments	**(383)**	**(73)**	(73)	—	**(310)**	(89)	(35)	(42)	(12)	—	—	—	**(221)**	(20)	(32)	(21)	—	(19)	(129)	**—**
Net other[4]	**(2,832)**	**238**	238	—	**(3,121)**	(4,305)	(12,232)	(985)	248	34	(43)	8,673	**1,184**	16	22	33	92	22	999	**51**
Non-underlying items[5]	**(5,529)**	**(278)**	(278)	—	**(5,153)**	2	4	(1)	(1)	—	—	—	**(5,155)**	(202)	(3,686)	(1,290)	(3)	—	26	**(98)**
Royalties and carbon tax	**(2,718)**	**—**	—	—	**(2,718)**	(2,548)	(1,405)	(1,129)	(14)	—	(160)	160	**(170)**	(95)	(46)	(29)	(5)	—	5	**—**
Profit before tax	**47,557**	**8,970**	7,168	1,802	**39,299**	41,706	1,687	20,521	6,493	490	2,294	10,221	**(2,407)**	658	(3,477)	(1,344)	(388)	1,380	764	**(712)**
Current taxation	**(13,506)**	**(1,422)**			**(12,014)**	(11,745)	(4,864)	(4,768)	(1,885)	(218)	(574)	564	**(269)**	(13)	(13)	(7)	—	(263)	27	**(70)**
Deferred taxation	**(255)**	**(89)**			**(166)**	(367)	956	(1,460)	56	80	(18)	19	**201**	49	1,158	233	—	(77)	(1,162)	**—**
Profit/(loss) for the year	**33,796**	**7,459**			**27,119**	29,594	(2,221)	14,293	4,664	352	1,702	10,804	**(2,475)**	694	(2,332)	(1,118)	(388)	1,040	(371)	**(782)**
Attributable to:																				
Owners of the parent	**33,054**	**7,459**			**26,377**	29,360	(2,221)	14,075	4,664	336	1,702	10,804	**(2,983)**	694	(2,332)	(1,118)	(388)	527	(366)	**(782)**
Non-controlling interest holders	**742**	**—**			**742**	234	—	218	—	16	—	—	**508**	—	—	—	—	513	(5)	**—**
Sustaining capital expenditure	**(4,119)**	**(796)**	(791)	(5)	**(3,323)**	(2,019)	(619)	(1,104)	(268)	(28)	(499)	499	**(1,304)**	(322)	(488)	(164)	—	(330)	—	**—**
Ore reserve development	**(5,535)**	**(1,354)**	(1,354)	—	**(4,181)**	(1,577)	(629)	(947)	—	—	—	(1)	**(2,604)**	(1,177)	(930)	(497)	—	—	—	**—**
Growth projects	**(3,086)**	**(2,411)**	(2,411)	—	**(675)**	(203)	—	(203)	—	—	—	—	**(472)**	—	(198)	(7)	—	(47)	(220)	**—**
Total capital expenditure	**(12,740)**	**(4,561)**	(4,556)	(5)	**(8,179)**	(3,799)	(1,248)	(2,254)	(268)	(28)	(499)	498	**(4,380)**	(1,499)	(1,616)	(668)	—	(377)	(220)	**—**

[1] *The presentation of the US PGM operating segment has been revised to separately disclose the underground mining and recycling operations*

[2] *Corporate and reconciling items represent the items to reconcile segment data to consolidated financial statement totals. This does not represent a separate segment as it does not generate mining revenue. Group corporate includes the Wheaton Stream transaction, initial recognition of battery metal investment, corporate tax, interest and corporate transaction costs*

[3] *Net other cash costs consist of service entity income, sundry income (refer note 8.2) and other costs as detailed in profit or loss, excluding loss due to dilution of interest in joint operation (refer note 8.1). Lease payments (R142 million) are included in net other cash costs to conform with the adjusted EBITDA reconciliation disclosed in note 28.10*

[4] *Net other consists of loss on financial instruments, loss on foreign exchange differences, change in estimate of environmental rehabilitation obligation and right of recovery receivable and payable (refer note 8.2) as detailed in profit or loss and the add back of the lease payment referred to in footnote 3 above. Corporate and reconciling items net other includes the share of results of equity-accounted investees after tax as detailed in profit or loss*

[5] *Non-underlying items consists of gain on disposal of property, plant and equipment, impairments which include impairments to mining assets of Driefontein, Kloof and Beatrix of R212 million, R3,642 million and R1,293 million, respectively (refer note 10), restructuring costs, transaction costs, early redemption premium on the 2025 Notes, profit on sale of St Helena (refer note 8.2), non-cash loss with dilution of interest in joint operation (refer note 8.1) and occupational healthcare expense as detailed in profit or loss*

Notes to the consolidated financial statements *continued*

For the year ended 31 December 2021

Figures in million – SA rand	Group	Total US PGM operations	Underground	Recycling	Total SA operations	Total SA PGM	Rustenburg	Marikana	Kroondal	Platinum Mile	Mimosa	Corporate and reconciling items[1]	Total SA gold	Driefontein	Kloof	Beatrix	Cooke	DRD-GOLD	Corporate and reconciling items[1]	Group Corporate and reconciling items[1]
2020																				
Revenue	**127,392**	**45,154**	19,858	25,296	**82,781**	54,912	20,429	26,865	7,973	950	3,894	(5,199)	27,869	6,793	9,795	4,664	1,040	5,051	526	**(543)**
Underground	**91,369**	**19,858**	19,858	—	**72,054**	52,142	18,521	26,865	7,973	—	3,894	(5,111)	19,912	6,793	8,109	4,500	—	—	510	**(543)**
Surface	**10,727**	**—**	—	—	**10,727**	2,770	1,908	—	—	950	—	(88)	7,957	—	1,686	164	1,040	5,051	16	**—**
Recycling	**25,296**	**25,296**	—	25,296	**—**	—	—	—	—	—	—	—	—	—	—	—	—	—	—	**—**
Cost of sales, before amortisation and depreciation	**(75,776)**	**(32,004)**	(7,586)	(24,418)	**(43,772)**	(24,722)	(9,588)	(13,232)	(2,803)	(403)	(1,601)	2,905	(19,050)	(4,863)	(6,880)	(3,714)	(671)	(2,922)	—	**—**
Underground	**(45,502)**	**(7,586)**	(7,586)	—	**(37,916)**	(23,551)	(8,732)	(13,232)	(2,803)	—	(1,601)	2,817	(14,365)	(4,863)	(5,886)	(3,616)	—	—	—	**—**
Surface	**(5,856)**	**—**	—	—	**(5,856)**	(1,171)	(856)	—	—	(403)	—	88	(4,685)	—	(994)	(98)	(671)	(2,922)	—	**—**
Recycling	**(24,418)**	**(24,418)**	—	(24,418)	**—**	—	—	—	—	—	—	—	—	—	—	—	—	—	—	**—**
Net other cash costs[2]	**(2,231)**	**(67)**	(67)	—	**(2,164)**	(1,116)	51	(789)	(76)	(241)	(59)	(2)	(1,048)	(66)	(104)	(97)	(642)	(44)	(95)	**—**
Adjusted EBITDA	**49,385**	**13,083**	12,205	878	**36,845**	29,074	10,892	12,844	5,094	306	2,234	(2,296)	7,771	1,864	2,811	853	(273)	2,085	431	**(543)**
Amortisation and depreciation	**(7,593)**	**(2,727)**	(2,722)	(5)	**(4,866)**	(2,072)	(806)	(818)	(410)	(34)	(281)	277	(2,794)	(932)	(1,092)	(491)	(14)	(202)	(63)	**—**
Interest income	**1,065**	**279**	1	278	**786**	221	27	106	84	3	4	(3)	565	67	59	36	45	178	180	**—**
Finance expense	**(3,152)**	**(1,057)**	(960)	(97)	**(1,773)**	(662)	(2,841)	(259)	(137)	—	(14)	2,589	(1,111)	(156)	(151)	(107)	(100)	(58)	(539)	**(322)**
Share-based payments	**(512)**	**(80)**	(80)	—	**(432)**	(90)	(36)	(41)	(13)	—	—	—	(342)	(22)	(26)	(19)	—	(141)	(134)	**—**
Net other[3]	**(393)**	**31**	31	—	**(424)**	1,224	(3,847)	2,132	122	(14)	(16)	2,847	(1,648)	20	30	28	36	30	(1,792)	**—**
Non-underlying items[4]	**(1,550)**	**(93)**	(93)	—	**(1,385)**	149	591	(435)	(7)	—	—	—	(1,534)	(27)	(18)	(40)	(4)	(1)	(1,444)	**(72)**
Royalties and carbon tax	**(1,770)**	**—**	—	—	**(1,770)**	(1,625)	(924)	(691)	(10)	—	(135)	135	(145)	(73)	(115)	(46)	(5)	—	94	**—**
Profit before tax	**35,480**	**9,436**	8,382	1,054	**26,981**	26,219	3,056	12,838	4,723	261	1,792	3,549	762	741	1,498	214	(315)	1,891	(3,267)	**(937)**
Current taxation	**(5,374)**	**(976)**			**(4,353)**	(3,861)	(2,635)	92	(1,300)	(15)	(450)	447	(492)	(9)	9	(5)	—	(492)	5	**(45)**
Deferred taxation	**516**	**(682)**			**1,198**	958	98	951	(34)	(58)	(42)	43	240	(233)	(322)	(89)	—	(97)	981	**—**
Profit/(loss) for the year	**30,622**	**7,778**			**23,826**	23,316	519	13,881	3,389	188	1,300	4,039	510	499	1,185	120	(315)	1,302	(2,281)	**(982)**
Attributable to:																				
Owners of the parent	**29,312**	**7,778**			**22,516**	22,650	519	13,230	3,389	173	1,300	4,039	(134)	499	1,185	120	(315)	659	(2,282)	**(982)**
Non-controlling interest holders	**1,310**	**—**			**1,310**	666	—	651	—	15	—	—	644	—	—	—	—	643	1	**—**
Sustaining capital expenditure	**(2,817)**	**(798)**	(795)	(3)	**(2,019)**	(1,052)	(326)	(515)	(188)	(23)	(414)	414	(967)	(187)	(392)	(93)	—	(295)	—	**—**
Ore reserve development	**(4,150)**	**(1,239)**	(1,239)	—	**(2,911)**	(1,125)	(417)	(708)	—	—	—	—	(1,786)	(742)	(722)	(322)	—	—	—	**—**
Growth projects	**(2,649)**	**(2,385)**	(2,385)	—	**(264)**	(20)	—	—	—	(20)	—	—	(244)	—	(155)	—	—	(46)	(43)	**—**
Total capital expenditure	**(9,616)**	**(4,422)**	(4,419)	(3)	**(5,194)**	(2,197)	(743)	(1,223)	(188)	(43)	(414)	414	(2,997)	(929)	(1,269)	(415)	—	(341)	(43)	**—**

1 *Corporate and reconciling items represent the items to reconcile segment data to consolidated financial statement totals. This does not represent a separate segment as it does not generate mining revenue. Group corporate includes the Wheaton Stream transaction, corporate transaction costs and corporate tax*

2 *Net other cash costs consist of service entity income, sundry income (refer note 8.2) and other costs as detailed in profit or loss, excluding loss due to dilution of interest in joint operation (refer note 8.1). Lease payments (R148 million) are included in net other cash costs to conform with the adjusted EBITDA reconciliation disclosed in note 28.10*

3 *Net other consists of loss on financial instruments, loss on foreign exchange differences, change in estimate of environmental rehabilitation obligation, right of recovery receivable and payable (refer note 8.2) as detailed in profit or loss and the add back of the lease payment referred to in footnote 2 above. Corporate and reconciling items net other includes the share of results of equity-accounted investees after tax as detailed in profit or loss*

4 *Non-underlying items consists of gain on disposal of property, plant and equipment, impairments, loss on BTT early settlement, restructuring costs, transaction costs, loss on settlement of US$ Convertible Bond, income on settlement of legal dispute (refer note 8.2), non-cash loss with dilution of interest in joint operation (refer note 8.1) and occupational healthcare expense as detailed in profit or loss*

Notes to the consolidated financial statements *continued*
For the year ended 31 December 2021

Figures in million – SA rand	Group	Total US PGM operations	Underground	Recycling	Total SA operations	Total SA PGM	Rustenbur g	Marikana[1]	Kroondal	Platinum Mile	Mimosa	Corporate and reconcilin g items[2]	Total SA gold	Driefontein	Kloof	Beatrix	Cooke	DRD-GOLD	Corporate and reconciling items[2]	Group Corporate and reconciling items[2]
2019																				
Revenue	72,925	26,864	12,343	14,521	46,223	27,579	10,499	11,188	5,591	301	2,343	(2,343)	18,644	3,303	6,809	3,798	828	3,621	285	(162)
Underground	51,528	12,343	12,343	—	39,347	26,617	9,901	11,125	5,591	—	2,343	(2,343)	12,730	3,301	5,553	3,577	21	—	278	(162)
Surface	6,876	—	—	—	6,876	962	598	63	—	301	—	—	5,914	2	1,256	221	807	3,621	7	—
Recycling	14,521	14,521	—	14,521	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Cost of sales, before amortisation and depreciation	(56,100)	(19,569)	(5,601)	(13,968)	(36,531)	(18,197)	(6,467)	(8,440)	(3,076)	(214)	(1,336)	1,336	(18,334)	(4,439)	(6,873)	(3,669)	(617)	(2,736)	—	—
Underground	(36,520)	(5,601)	(5,601)	—	(30,919)	(17,208)	(5,692)	(8,440)	(3,076)	—	(1,336)	1,336	(13,711)	(4,429)	(5,741)	(3,525)	(16)	—	—	—
Surface	(5,612)	—	—	—	(5,612)	(989)	(775)	—	—	(214)	—	—	(4,623)	(10)	(1,132)	(144)	(601)	(2,736)	—	—
Recycling	(13,968)	(13,968)	—	(13,968)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Net other cash costs[3]	(1,869)	(4)	(4)	—	(1,865)	(585)	(156)	(300)	(103)	(25)	(8)	7	(1,280)	(197)	(153)	(180)	(569)	(31)	(150)	—
Adjusted EBITDA	14,956	7,291	6,738	553	7,827	8,797	3,876	2,448	2,412	62	999	(1,000)	(970)	(1,333)	(217)	(51)	(358)	854	135	(162)
Amortisation and depreciation	(7,214)	(2,286)	(2,286)	—	(4,928)	(1,919)	(914)	(500)	(495)	(5)	(219)	214	(3,009)	(920)	(1,201)	(640)	(15)	(172)	(61)	—
Interest income	560	145	145	—	415	146	45	31	67	1	2	—	269	60	53	31	40	64	21	—
Finance expense	(3,303)	(921)	(921)	—	(2,071)	(704)	(1,408)	(282)	(147)	—	(22)	1,155	(1,367)	(243)	(243)	(141)	(74)	(73)	(593)	(311)
Share-based payments	(363)	(53)	(53)	—	(310)	—	—	—	—	—	—	—	(310)	—	—	—	—	(64)	(246)	—
Net other[4]	(4,926)	8	8	—	(4,934)	(1,513)	(11,382)	13	—	1	(137)	9,992	(3,421)	18	31	13	(114)	81	(3,450)	—
Non-underlying items[5]	(566)	(74)	(74)	—	(123)	259	2	213	45	—	(27)	26	(382)	(170)	(35)	(112)	(7)	5	(63)	(369)
Royalties and carbon tax	(444)	—	—	—	(444)	(358)	(296)	(54)	(8)	—	(77)	77	(86)	(17)	(34)	(31)	(4)	—	—	—
Profit before tax	(1,300)	4,110	3,557	553	(4,568)	4,708	(10,077)	1,869	1,874	59	519	10,464	(9,276)	(2,605)	(1,646)	(931)	(532)	695	(4,257)	(842)
Current taxation	(1,849)	(481)			(1,368)	(1,305)	(780)	13	(536)	—	(136)	134	(63)	(23)	(5)	(13)	—	(69)	47	—
Deferred taxation	3,582	1,436			2,146	14	30	—	(1)	(16)	(6)	7	2,132	75	150	90	—	(130)	1,947	—
Profit/(loss) for the year	433	5,065			(3,790)	3,417	(10,827)	1,882	1,337	43	377	10,605	(7,207)	(2,553)	(1,501)	(854)	(532)	496	(2,263)	(842)
Attributable to:																				
Owners of the parent	62	5,065			(4,161)	3,355	(10,827)	1,823	1,337	39	377	10,606	(7,516)	(2,553)	(1,501)	(854)	(532)	189	(2,265)	(842)
Non-controlling interest holders	371	—			371	62	—	59	—	4	—	(1)	309	—	—	—	—	307	2	—
Sustaining capital expenditure	(2,039)	(322)	(322)	—	(1,717)	(1,202)	(316)	(660)	(213)	(13)	(343)	343	(515)	(163)	(238)	(71)	—	(43)	—	—
Ore reserve development	(3,402)	(1,036)	(1,036)	—	(2,366)	(1,030)	(501)	(529)	—	—	—	—	(1,336)	(513)	(590)	(233)	—	—	—	—
Growth projects	(2,265)	(2,035)	(2,035)	—	(230)	(15)	(2)	—	—	(13)	—	—	(215)	—	(109)	(2)	—	(39)	(65)	—
Total capital expenditure	(7,706)	(3,393)	(3,393)	—	(4,313)	(2,247)	(819)	(1,189)	(213)	(26)	(343)	343	(2,066)	(676)	(937)	(306)	—	(82)	(65)	—

1 *The SA PGM operations' results for the year ended 31 December 2019 include Marikana for the seven months since acquisition (refer to note 16.1)*

2 *Corporate and reconciling items represent the items to reconcile segment data to consolidated financial statement totals. This does not represent a separate segment as it does not generate mining revenue. Group corporate includes the Wheaton Stream transaction and corporate transaction costs.*

3 *Net other cash costs consist of other costs and other income as detailed in profit or loss, excluding change in estimate of environmental rehabilitation obligation and right of recovery receivable and payable (refer note 8.1). Lease payments (R132 million) are included in net other cash costs to conform with the adjusted EBITDA reconciliation disclosed in note 28.10*

4 *Net other consists of loss on financial instruments, gain on foreign exchange differences, change in estimate of environmental rehabilitation obligation, right of recovery receivable and payable (refer note 8.1) as detailed in profit or loss and the add back of the lease payment referred to in footnote 3 above. Corporate and reconciling items net other includes the share of results of equity-accounted investees after tax as detailed in profit or loss*

5 *Non-underlying items consists of gain on disposal of property, plant and equipment, impairments, gain on acquisition, occupational healthcare expense, restructuring costs and transaction costs as detailed in profit or loss*

Notes to the consolidated financial statements *continued*
For the year ended 31 December 2021

3. Revenue

Significant accounting judgements and estimates

Revenue from PGM mining activities

The determination of PGM concentrate sales revenue from the time of initial recognition of the sale on a provisional basis through to final pricing requires management to continuously re-estimate the fair value of the price adjustment features. Management determines this with reference to estimated forward prices using consensus forecasts.

Accounting policy

Revenue from mining activities

Revenue from gold sales is measured and recognised based on the consideration specified in a contract with a customer. The Group recognises revenue from gold sales when the customer obtains control of the gold. These criteria are typically met when the gold is credited to the customer's bullion account by Rand Refinery Proprietary Limited (Rand Refinery). The transaction price is determined based on the agreed upon market price and number of ounces delivered.

Revenue from PGM concentrate and metal sales is recognised when the buyer, pursuant to a sales contract, obtains control of the mined product which is typically upon delivery. The sales price is determined on a provisional basis at the date of delivery. Adjustments to the selling price occur based on changes in the metal content quantities and penalties, which represents variable transaction price components, as well as changes in the metal market price up to the date of final pricing. Final pricing is based on the monthly average market price in the month of settlement. For PGM metal sales, pricing is finalised within the month of sale. For PGM concentrate sales, the period between provisional invoicing and final pricing is typically between one and four months. Revenue on provisionally priced sales is initially recognised at the amount of consideration that the Group expects to be entitled to.

The revenue adjustment mechanism relating to changes in metal market prices, embedded within provisionally priced PGM concentrate sale arrangements, has the characteristics of a commodity derivative. Accordingly, the fair value of the final sales price adjustment is re- estimated continuously and changes in fair value are recognised as an adjustment to revenue in profit or loss and trade receivables in the statement of financial position. In all cases, fair value is determined with reference to estimated forward prices using consensus forecasts. Revenue arising from these price adjustments is disclosed separately from revenue from contracts with customers.

Revenue from PGM recycling consists of the sales of recycled palladium, platinum and rhodium derived from spent catalytic material and is recognised when control is transferred, which is when metal is transferred from the Group's metal account to the 3rd party's metal account. Revenue from PGM recycling also includes revenue from toll processing, which is recognised at the time the returnable metals are returned to the supplier at a third party refinery.

Wheaton streaming revenue

In 2018, Wheaton Precious Metals International Limited (Wheaton International) and the Group entered into a streaming transaction. 100% of refined mined gold and 4.5% of refined mined palladium from the Stillwater Mining Company (Stillwater) operations will be delivered to Wheaton International over the life-of-mine of the US PGM operations. Each ounce is identified as a separate performance obligation.

In exchange for this, Wheaton International paid the Group R6,555 million (US$500 million) on 25 July 2018. In addition to the advance payment, Wheaton International currently pays the Group 18% cash based on the value of gold and palladium deliveries each month (refer to note 32 for additional detail on the monthly cash percentage). The contract will be settled by the Group delivering metal credits to Wheaton International representing underlying refined, mined gold and palladium.

The transaction price, being the advance payment and the cash payment to be received, is recognised as revenue each month when the metal credit is allocated to the appropriate Wheaton International account. It is from this date that Wheaton International has effectively accepted the metal, has physical control of the metal and has the risk and reward of the metal (i.e. control has transferred).

Revenue will be recognised over the life-of-mine of the US PGM operations in line with the timing of control transfer discussed above. To the extent that the life-of-mine changes or other key inputs are changed (refer note 32), these changes are recognised prospectively as a cumulative catch-up in revenue in the year that the change occurs.

BTT streaming revenue

Lonmin entered into a metal streaming transaction in 2016 to deliver between 23% - 38% of 6E PGM from its BTT project based on a weighted 6E PGM basket price. Lonmin received $50 million upfront, which was recognised as deferred revenue. Lonmin received between $106 and $280 per ounce of 6E PGM metals based on basket price of 6E PGM for each ounce delivered. The performance obligations under the contract were to be satisfied through delivery of the 6E PGM metals ounces.

At the acquisition of Lonmin (2019), the Group accounted for the deferred revenue at fair value of R628 million under IFRS 3, including a significant financing component.

Notes to the consolidated financial statements *continued*

For the year ended 31 December 2021

The transaction price under IFRS 15 *Revenue from Contracts with Customers* (IFRS 15), being the advance payment and further cash payments received, were recognised as revenue when the metal ounces were delivered and Lonmin no longer had physical control of the metal, which is also when the risk and rewards were transferred (i.e. control has transferred).

Revenue was recognised over the life of the bulk tailing re-treatment project operations based on the ounces delivered. To the extent that the life of project changed or other key inputs changed (refer note 32), these changes were recognised prospectively as a cumulative catch-up in revenue in the year that the change occurred.

The BTT project was early cash-settled by the Group during March 2020 (refer note 32).

Other forward sale and prepayment transactions

The Group also enters into other forward sale or prepayment transactions with counterparties in which a cash payment is received in advance for future delivery of gold and PGM ounces to the relevant counterparty. Each ounce is identified as a separate performance obligation.

The transaction price under IFRS 15, being the advance payment and further cash payments received, is recognised as revenue when the metal ounces are delivered or credited to the customer's account and Sibanye-Stillwater no longer has physical control of the metal, which is also when the risk and rewards are transferred (i.e. control has transferred).

The Group's sources of revenue are:

Figures in million – SA rand	2021	2020	2019
Gold mining activities	**28,358**	27,869	18,644
PGM mining activities[1]	**102,099**	72,469	38,418
Recycling activities	**40,710**	25,296	14,521
Stream[1]	**625**	539	541
Toll treatment arrangement[2]	**521**	—	—
Total revenue from contracts with customers	**172,313**	126,173	72,124
Adjustments relating to sales of PGM concentrate[3]	**(119)**	1,219	801
Total revenue	**172,194**	127,392	72,925

[1] *The difference between revenue from PGM mining activities above and total revenue from PGM mining activities per the segment report relates to the separate disclosure of revenue from the gold and palladium streaming arrangement with Wheaton International (Wheaton Stream) in the above as well as the separate disclosure of revenue related to adjustments on the sales of PGM concentrate. Revenue relating to the Wheaton Stream is incorporated in the Group corporate segment as described in the segment report (refer note 2)*

[2] *This relates to revenue recognised in respect of a toll treatment arrangement entered into by Marikana (refer note 32)*

[3] *These adjustments relate to provisional pricing arrangements resulting in subsequent changes to the amount of revenue recognised*

Revenue per geographical region of the relevant operations:

Figures in million – SA rand	2021	2020	2019
Southern Africa	**113,512**	82,781	46,223
United States[1]	**58,682**	44,611	26,702
Total revenue	**172,194**	127,392	72,925

[1] *The difference between revenue generated by operations in the US and the revenue in the US PGM operations segment relates to the Wheaton Stream*

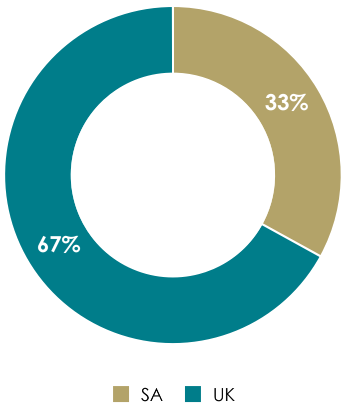
Notes to the consolidated financial statements *continued*

For the year ended 31 December 2021

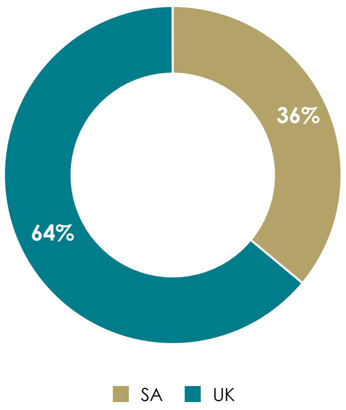
Percentage of revenue per segment based on the geographical location of customers purchasing from the Group:

Gold

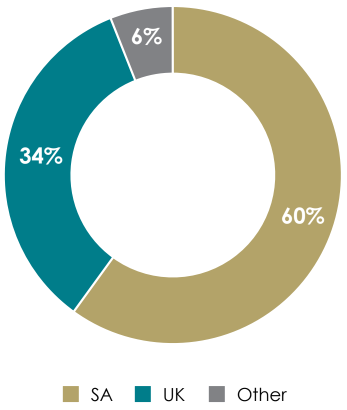
2021



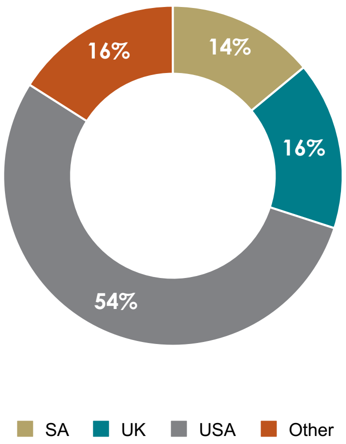
2020

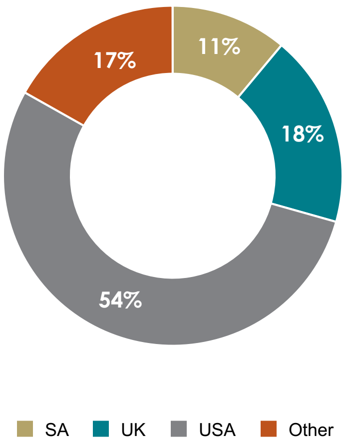


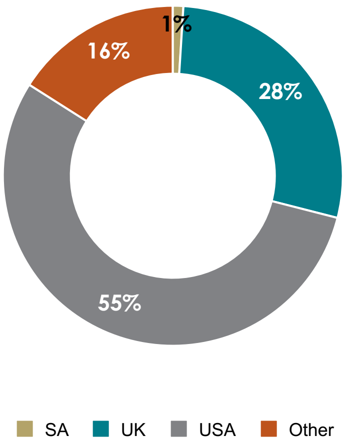
2019



PGM







Notes to the consolidated financial statements *continued*
For the year ended 31 December 2021

Revenue generated per product:

Figures in million – SA rand	2021	2020	2019
Gold	**29,533**	28,930	18,882
PGMs[1]	**137,958**	95,573	51,505
Platinum	**21,238**	17,054	13,013
Palladium	**52,859**	47,281	28,031
Rhodium	**59,828**	29,865	9,338
Iridium	**2,694**	815	650
Ruthenium	**1,339**	558	473
Chrome	**2,259**	1,573	1,749
Other[2]	**2,444**	1,316	789
Total revenue	**172,194**	127,392	72,925

[1] *In line with Sibanye-Stillwater's mine-to-market PGM strategy and according to the processing agreements entered into, the processing arrangement for SRPM production changed from a purchase of concentrate arrangement to a Toll processing arrangement from 1 January 2019*

[2] *Other primarily includes revenue from nickel, silver, cobalt and copper sales. For the year ended 31 December 2021, revenue from the Marikana toll treatment arrangement of R521 million is included (refer note 32)*

Major customers

During 2021, total revenue from customers A, B and C, which is reported in the Group's US PGM and SA PGM operating segments, amounted to approximately R52,128 million, R29,160 million and R28,056 million, respectively. During 2020, total revenue from customers A and B, which is reported in the Group's US PGM and SA PGM operating segments, amounted to approximately R49,455 million and R15,234 million, respectively. During 2019, total revenue from a single customer which is reported in the Group's US PGM and SA PGM operating segments, amounted to approximately R30,598 million.

Market risk

Foreign currency sensitivity

The US PGM operations' revenue (and expenses) are translated from its functional currency (US dollars) to the Group's presentation currency (SA rand) and, therefore, the Group's "presentation currency" earnings are sensitive to changes in the exchange rate. A one percentage point change in the SA rand average exchange rate for the year ended 31 December 2021 of R14.79/US$ would have changed profit for the year by approximately R75 million.

Notes to the consolidated financial statements *continued*
For the year ended 31 December 2021

4. Cost of sales

Accounting policy

Cost of sales include all costs generally associated with the production of inventory whereas other costs are disclosed separately or included in other costs. The carrying amount of metal inventory is recognised in cost of sales when the related sale is recognised. The cost of consumable stores is included in cost of sales when consumed. The accounting policy relating to inventory is included in note 23 and amortisation and depreciation in note 14 and note 15.

The following accounting policies relate to employee costs that are included in cost of sales:

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be reliably estimated.

Pension and provident funds

The Group operates a defined contribution retirement plan and contributes to a number of industry-based defined contribution retirement plans. The retirement plans are funded by payments from employees and Group companies.

Contributions to defined contribution funds are expensed as incurred.

Figures in million – SA rand	Notes	2021	2020	2019
Salaries and wages		**(26,214)**	(23,850)	(21,216)
Consumable stores	23	**(18,847)**	(16,404)	(12,784)
Utilities		**(8,099)**	(6,801)	(6,089)
Mine contracts		**(5,193)**	(3,790)	(3,566)
Recycling[1]		**(39,220)**	(24,418)	(13,968)
Other		**(8,975)**	(4,663)	(1,879)
Ore reserve development costs capitalised		**5,535**	4,150	3,402
Cost of sales, before amortisation and depreciation		**(101,013)**	(75,776)	(56,100)
Amortisation and depreciation	14,15	**(8,293)**	(7,593)	(7,214)
Total cost of sales		**(109,306)**	(83,369)	(63,314)

[1] *Recycling cost consists of cost relating to the purchasing of spent catalytic material and the cost incurred to convert the spent catalytic material into finished PGMs*

The SA region employees are members of various defined contribution retirement plans. The cost of providing retirement benefits for the year amounted to R1,520 million (2020: R1,351 million and 2019: R1,234 million).

5. Interest income and finance expense

Accounting policy

Interest income comprises interest income on cash deposits, rehabilitation obligation funds and the right of recovery asset. Interest income is recognised using the effective interest method.

Finance expense comprises interest on borrowings, lease liabilities, environmental rehabilitation obligation, occupational healthcare obligation, deferred payment, dissenting shareholder liability, deferred revenue, deferred consideration and the Marikana dividend obligation and is offset by borrowing costs capitalised on qualifying assets where applicable.

Interest payable on borrowings is recognised in profit or loss over the term of the borrowings using the effective interest method. Cash flows from interest paid are classified under operating activities in the statement of cash flows.

Notes to the consolidated financial statements *continued*
For the year ended 31 December 2021

5.1 Interest income

Figures in million – SA rand	Note	2021	2020	2019
Interest received on cash deposits		**948**	714	264
Interest received on rehabilitation obligation funds	21	**174**	245	265
Interest on right of recovery asset		**32**	16	16
Other		**48**	90	15
Total interest income		**1,202**	1,065	560

5.2 Finance expense

Figures in million – SA rand	Notes	2021	2020	2019
Interest charge on:				
Borrowings (interest)		**(801)**	(1,290)	(1,445)
Borrowings (accrued interest and unwinding of amortised cost)	28	**(302)**	(394)	(374)
Lease liabilities	29	**(29)**	(34)	(34)
Environmental rehabilitation obligation	30	**(615)**	(684)	(579)
Occupational healthcare obligation	31	**(77)**	(96)	(116)
Deferred Payment (related to the Rustenburg operation acquisition)	22.2	**(158)**	(187)	(179)
Dissenting shareholders		**—**	—	(21)
Deferred revenue[1]	32	**(309)**	(349)	(352)
Deferred consideration (related to Pandora acquisition)	22.2	**(54)**	(49)	(41)
Marikana dividend obligation	22.2	**(87)**	—	—
Other		**(64)**	(69)	(162)
Total finance expense		**(2,496)**	(3,152)	(3,303)

[1] *For the year ended 31 December 2021, interest expense includes non-cash interest of R309 million (2020: R322 million, 2019: R311 million) relating to the Wheaton Stream. In addition, interest expense for the year ended 31 December 2020 includes non-cash interest of R13 million (2019: R41 million) relating to the BTT project. Although there is no cash financing cost related to this arrangement, IFRS 15 requires the Group to recognise a notional financing charge due to the significant time delay between receiving the upfront streaming payment and satisfying the related performance obligations. A discount rate of 4.6% and 5.2% was used for the Wheaton palladium and gold stream respectively and 11.5% was used for the BTT stream in determining the finance costs to be recognised as part of the streaming transactions entered into. For the year ended 31 December 2020, interest expense also includes R14 million non-cash interest relating to the platinum forward sale entered into by WPL on 3 March 2020*

Notes to the consolidated financial statements *continued*
For the year ended 31 December 2021

6. Share-based payments

Significant accounting judgements and estimates

For cash-settled share-based payment instruments issued to B-BBEE shareholders, the measurement of the share-based payment obligations depend on various key inputs. These include estimates of future cash flows, which depend on inputs such as production profiles, future metal prices, exchange rates, loan repayments as well as estimates of appropriate discount rates. Changes in key inputs may result in changes in the recognised share-based payment obligations and are therefore regarded as significant judgements and estimates.

Accounting policy

Equity-settled share-based payments

The Group operates equity-settled compensation plans in which certain employees of the Group participate. The fair value of the equity-settled instruments is measured by reference to the fair value of the relevant equity instruments granted, taking into account the terms and conditions upon which those equity-settled instruments were granted. The fair value of equity-settled instruments granted is estimated using appropriate valuation models and appropriate assumptions at the grant date. Service and non-market performance conditions are not taken into account when estimating the fair value of the equity-settled instruments at grant date. Market conditions are taken into account in determining the fair value at grant date.

The grant date fair value of the equity-settled instruments is recognised as share-based payment expenses over the vesting period based on the Group's estimate of the number of instruments that will eventually vest, with a corresponding increase in the share-based payment reserve. Vesting assumptions for service and non-market performance conditions are reviewed at each reporting date to ensure they reflect current expectations.

Cash-settled share-based payments

The Group also operates cash-settled compensation plans in which certain employees of the Group participate. These awards entitle the participants to cash payments based on a relevant share price. The fair value of the cash-settled instruments is measured by reference to the fair value of the underlying shares using appropriate valuation models and assumptions, taking into account the terms and conditions upon which the instruments were granted.

The grant date fair value of the cash-settled instruments is recognised as share-based payment expenses over the vesting period based on the Group's estimate of the number of instruments that will eventually vest, with a corresponding increase in the share-based payment obligation. At each reporting date, the obligation is remeasured to the fair value of the instruments, to reflect the potential outflow of cash resources to settle the liability, with a corresponding adjustment to the share-based payment expense. Vesting assumptions for service and non-market performance conditions are reviewed at each reporting date to ensure they reflect current expectations.

The Group also issued cash-settled instruments to B-BBEE shareholders in terms of the Rustenburg operation B-BBEE transaction (refer note 6.5) and the Marikana B-BBEE transaction (refer note 6.6). The fair value of these instruments are determined using appropriate valuation models and assumptions, taking into account the terms and conditions upon which the instruments were granted. At each reporting date, the obligation is remeasured to the fair value of the instruments, to reflect the potential outflow of cash resources to settle the liability. There are no vesting conditions and fair value changes are recognised as part of gains or losses on financial instruments in profit or loss.

Modifications to share-based payment schemes

Where the terms of an equity-settled or a cash-settled award are modified, the originally determined expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification, which increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the participant as measured at the date of the modification.

6.1 Equity-settled share-based payments - Sibanye-Stillwater

On 21 November 2012, the shareholders of Sibanye-Stillwater approved the adoption of the Sibanye Gold Limited (SGL) 2013 share plan (2013 Share Plan) with effect from the date of the listing of SGL. The 2013 Share Plan provided for two methods of participation, namely Bonus Shares and Performance Shares. This plan sought to attract, retain, motivate and reward participating employees on a basis which seeks to align the interest of such employees with those of the shareholders. On 23 May 2017, the shareholders of Sibanye-Stillwater approved the adoption of the Sibanye-Stillwater 2017 share plan (2017 Share Plan) on essentially similar terms to the previous 2013 Share Plan. At the annual general meeting on 30 May 2018, the directors of Sibanye-Stillwater were authorised to issue and allot all or any of such shares required for the 2017 Share Plan, up to a maximum not exceeding 86,748,850 shares. Under the 2017 Share Plan, an individual participant's awards were limited to an aggregate 8,674,885 shares. From the implementation of a scheme of arrangement (refer note 26), any awards vesting under the equity-settled share plans are settled in the Company's shares. The 2017 Share Plan was replaced by the 2020 cash-settled plan (2020 Share Plan) for all awards issued from March 2020 (refer note 6.3).

Notes to the consolidated financial statements *continued*
For the year ended 31 December 2021

Bonus Shares - as part of the short-term incentive

The Remuneration Committee makes an annual award of Bonus Shares to eligible participants as a share-based component of the short-term incentive scheme, with the last awards granted in 2019.

The total annual bonus was determined by reference to the actual performance ratings of individuals against predetermined targets for the preceding cycle and comprised of cash plus the face value of restricted Bonus Shares in the ratio of 60:40.

In other words, 40% of the annual bonus was awarded using the Company's shares as the "currency", as opposed to cash, access to which is deferred. As such, the Bonus Shares vest in two equal tranches, nine months and 18 months after the award date. Except for the right to dispose of the shares, participants have full shareholder rights in the unvested Bonus Shares during the restricted period, including the right to receive dividends.

The number of shares awarded is determined by dividing the face value of the Bonus Shares portion of the annual bonus by the volume-weighted average price (VWAP) of the Company's shares over the three days immediately prior to the award date.

Performance Shares - for the long-term incentive

The Remuneration Committee made an annual award of Performance Shares to eligible participants as part of its long-term incentive scheme. The last of these awards were granted in 2019. The number of Performance Shares awarded to an employee was based on the employee's annual guaranteed pay and job grade combined with a factor related to the employee's assessed performance rating for the prior year and using the relevant share price calculation (as for the Bonus Shares) at the award date, with ultimate vesting of those awards subject to performance conditions as approved by the Remuneration Committee.

With effect from March 2016, in respect of the award of Performance Shares at that time and at any time thereafter (subject to any future agreed changes), an updated methodology was approved by the Remuneration Committee regarding the performance conditions applicable to the determination of the amount of Performance Shares that will vest at the end of the vesting period (which is three years from the date of the award).

Essentially, the number of shares that vest depends on the extent to which Sibanye-Stillwater has performed over the intervening three year period relative to two performance criteria, Total Shareholder Return (TSR) and Return on Capital Employed (ROCE). These are among the most widely acceptable vesting performance measures suited to aligning the outcome of long-term share incentive awards with shareholders' interests.

In addition, at the sole discretion of the Remuneration Committee, up to 20% of the determined number of vesting shares using the two performance criteria is liable to forfeiture in the event of any extreme environmental, social, and governance (ESG) incidents occurring during the vesting period.

The number of the Performance Shares awarded that will finally vest three years after the award will range between 0% and 100% dependent on the extent to which the two performance criteria have been met and whether the Remuneration Committee has applied its further discretion to reduce the award on the basis mentioned above.

The details of these two performance conditions are provided below.

Total Shareholder Return (TSR) - 70% Weighting

TSR has been widely recognised as an appropriate indicator of shareholder value creation. It is used extensively internationally and increasingly in South Africa, sometimes as a single metric but most often as one of two or three weighted performance metrics. In some company share plans, an absolute target is set, but more often it is referenced in relation to the company's share price relative to those of a group of peers or 'comparator companies'.

In Sibanye-Stillwater's case, the TSR element is measured against a benchmark of eight peer group mining and resource companies that can be deemed to collectively represent an alternative investment portfolio for Sibanye-Stillwater's shareholders (Peer Group). The Peer Group comprises similar market capitalisation companies that are reflective of the expected positioning of Sibanye-Stillwater over the medium term as a value driven multi-commodity resources company with a specific focus on gold and platinum.

Notes to the consolidated financial statements *continued*
For the year ended 31 December 2021

The Peer Group is set out in the table below.

Peer group companies for TSR comparison
AngloGold Ashanti Limited
Anglo American Platinum Limited
Gold Fields Limited
Impala Platinum Holdings Limited
Northam Platinum Limited
Exxaro Resources Limited
Harmony Gold Mining Company Limited
African Rainbow Minerals Limited

Sibanye-Stillwater's TSR over the vesting period is compared with the Peer Group TSR curve constructed on a market capitalisation weighted basis. The annualised TSR over the vesting period (TSRANN) is determined for each of the companies in the Peer Group. The Peer Group companies are sorted from lowest to highest TSRANN. The average market capitalisation based on daily closing price is determined for each company, and each peer company is assigned its proportion of the overall average market capitalisation of the Peer Group. The peer company TSR curve is plotted at the midpoint of each company's percentage of Peer Group market capitalisation on a cumulative basis above the worse performing companies in the Peer Group. In the event that one or more of the peer companies become ineligible for comparison, a peer company curve based on the companies remaining in the Peer Group is utilised.

The cumulative position of Sibanye-Stillwater's TSR_{ANN} is then mapped onto the TSR curve for the Peer Group to determine the percentile at which Sibanye-Stillwater performed over the vesting period. The performance curve governing vesting is set out in the table below with linear interpolation applied between the indicated levels.

TSR element of performance conditions Percentile on peer group TSR curve	% vesting
0%	0%
10%	0%
20%	0%
30%	5%
40%	20%
50%	35%
60%	55%
70%	75%
80%	90%
90%	100%
100%	100%

Return On Capital Employed (ROCE) - 30% Weighting

ROCE is a profitability metric that measures how efficiently a company generates profits from its capital employed. There is an increased focus on measuring the returns earned by businesses on the capital deployed by shareholders over and above the steady low risk returns typically available on financial markets.

For Sibanye-Stillwater, ROCE is evaluated against the company's cost of equity (Ke). A minimum threshold on the performance scale for ROCE is set as equalling the cost of equity, Ke, which would lead to the ROCE element contributing 0% towards the performance condition. Delivering a return that exceeds Ke by 6% or more would be regarded as a superior return representing the maximum 100% on the performance scale and full vesting in respect of the ROCE element. The performance curve governing vesting is set out in the table below, with linear interpolation between the indicated levels.

ROCE element of performance condition Annual ROCE	% vesting
≤Ke	0%
Ke + 1%	16.7%
Ke + 2%	33.3%
Ke + 3%	50.0%
Ke + 4%	66.7%
Ke + 5%	83.3%
Ke + 6%	100.0%

Notes to the consolidated financial statements *continued*

For the year ended 31 December 2021

The overall vesting is determined by applying the TSR performance condition to 70% of awarded shares element and the ROCE performance condition to 30% of awarded shares – plus any further discretionary reduction in the award based on the Remuneration Committee's judgement regarding ESG issues mentioned above.

Valuation model and inputs

A Monte Carlo Simulation model was used to value equity-settled share-based payment awards. The inputs to the valuation model for share awards granted were as follows:

	Performance shares				Bonus shares	
2019	**2020**	**2021**	**MONTE CARLO SIMULATION**	**2021**	**2020**	**2019**
54.82	n/a	**n/a**	Weighted average historical volatility (based on a statistical analysis of the share price on a weighted moving average basis for the expected term of the option) %	**n/a**	n/a	n/a
3	n/a	**n/a**	Expected term (years)	**n/a**	n/a	n/a
n/a	n/a	**n/a**	Expected term (months)	**n/a**	n/a	9 - 18
1.22	n/a	**n/a**	Expected dividend yield %	**n/a**	n/a	0.00
7.19	n/a	**n/a**	Weighted average three-year risk-free interest rate (based on SA interest rates) %	**n/a**	n/a	7.06 / 7.07
11.17	n/a	**n/a**	Weighted average fair value	**n/a**	n/a	15.58

Share awards granted, exercised and forfeited under the 2017 Share Plan

	Performance shares				Bonus shares	
2019	**2020**	**2021**	**Number of instruments**	**2021**	**2020**	**2019**
48,535,348	68,236,442	**62,597,425**	Outstanding at beginning of the year	**—**	2,582,489	3,269,210
			Movement during the year:			
30,512,439	—	**—**	Granted during the year	**—**	—	3,994,507
—	(1,005,668)	**(32,299,213)**	Vested	**—**	(2,541,680)	(5,823,174)
(10,811,345)	(4,633,349)	**(5,098,696)**	Forfeited	**—**	(40,809)	1,141,946
68,236,442	62,597,425	**25,199,516**	Outstanding at end of the year	**—**	—	2,582,489

Share awards granted, exercised and forfeited under the 2013 Share Plan

	Performance shares				Bonus shares	
2019	**2020**	**2021**	**Number of instruments**	**2021**	**2020**	**2019**
15,215,982	11,157,460	**—**	Outstanding at beginning of the year	**—**	—	—
			Movement during the year:			
—	—	**—**	Granted during the year	**—**	—	—
(467,017)	(5,055,647)	**—**	Vested	**—**	—	—
(3,591,505)	(6,101,813)	**—**	Forfeited	**—**	—	—
11,157,460	—	**—**	Outstanding at end of the year	**—**	—	—

Notes to the consolidated financial statements *continued*

For the year ended 31 December 2021

Directors' and prescribed officers' equity-settled instruments

The directors and prescribed officers of Sibanye-Stillwater held the following equity-settled instruments in the above 2017 Share Plan and 2013 Share Plan at 31 December 2021:

	2020[1]	Instruments granted	Equity-settled instruments vested during the year			Instruments forfeited	2021
	Number of instruments	Number of instruments	Number of instruments	Average price	Share proceeds (rand)[2]	Number of instruments	Number of instruments
Executive directors							
Neal Froneman[3]	7,367,415	—	4,002,071	66.04	264,277,984	438,753	**2,926,591**
Charl Keyter	3,537,172	—	2,037,730	62.99	128,348,469	223,401	**1,276,041**
Prescribed officers[4]							
Dawie Mostert	1,806,597	—	989,754	62.99	62,340,634	108,510	**708,333**
Themba Nkosi	1,545,938	—	795,975	62.99	50,135,281	87,265	**662,698**
Richard Stewart	2,092,644	—	1,135,892	62.99	71,545,294	124,531	**832,221**
Robert van Niekerk	2,977,711	—	1,633,445	62.99	102,884,170	175,258	**1,169,008**

[1] *Prior to the implementation of a scheme of arrangement (refer note 26), the share awards were issued and settled by SGL. From 24 February 2020, all share awards are settled by the Company. No new equity-settled instruments were issued since 2019*

[2] *Amounts represent earnings taxable in the hands of the participants. These were calculated by taking vesting date closing share prices of the Company multiplied by the number of vested units*

[3] *Numbers include American Depositary Receipts (ADRs) and JSE listed shares and as a result of the dual service contract*

[4] *In 2021, Sibanye-Stillwater introduced a new executive level of management (referred to as the C-suite). Therefore from 2021, only C-suite members are disclosed as prescribed officers of Sibanye-Stillwater. In 2020, the following individuals were also disclosed as prescribed officers:*

- *Chris Bateman - 827,604 number of instruments at 31 December 2020 (ceased performing an Executive Vice President (EVP) role on 6 September 2020)*
- *Shadwick Bessit - 1,319,721 number of instruments at 31 December 2020 (ceased performing an EVP role on 16 January 2021)*
- *Wayne Robinson - 1,848,201 number of instruments at 31 December 2020 (not a C-suite member)*

Notes to the consolidated financial statements *continued*
For the year ended 31 December 2021

6.2 Equity-settled share-based payments - DRDGOLD

On 2 December 2019, the shareholders of DRDGOLD approved a new equity-settled long-term incentive scheme (New DRDGOLD LTI Scheme) to replace the cash-settled long-term incentive scheme established in November 2015. Under the New DRDGOLD LTI Scheme, qualifying employees are awarded conditional shares on an annual basis, comprising performance shares (80% of the total conditional shares awarded) and retention shares (20% of the total conditional shares awarded). Conditional shares will vest 3 years after grant date and will be settled in the form of DRDGOLD shares at a zero-exercise price.

The first grant was made on 2 December 2019. 50% of the grant vested on 2 December 2021 and the remaining 50% will vest on the 3rd anniversary of the grant. The second and third grants under the New DRDGOLD LTI Scheme were made on 22 October 2020 and 20 October 2021 and will vest on their respective 3rd anniversaries, depending on performance conditions having been met.

The key conditions are as follows:

- Retention shares: 100% of the retention shares will vest if the employee remains in the employ of DRDGOLD at vesting date and individual performance criteria are met.
- Performance shares: Vesting is dependent on a total shareholder return measure referencing DRDGOLD's weighted average cost of capital and considering a peer group of companies.

6.3 Cash-settled share-based payments - Sibanye-Stillwater

2020 Share Plan and 2021 Revised Share Plan

With effect from the March 2020 remuneration cycle, long-term incentive awards are made on a cash-settled basis rather than equity- settled. This includes awards of both Forfeitable Share Units (FSUs) and Conditional Share Units (CSUs) (previously referred to as Bonus Shares and Performance Shares awards under the equity-settled schemes).

Apart from the change in manner of settlement to cash, the terms and conditions of 2020 Share Plan are the same as the 2017 Share Plan. The FSUs have the same terms as the previous Bonus Shares and CSUs have the same terms as the previous Performance Shares. The value of the cash settlement is therefore the same as the value of the shares that would have vested according to the rules in previous arrangements. Existing unvested equity-settled awards under the 2017 Share Plan remain unchanged and will be settled in the Company's shares to the extent that they vest.

Revisions were introduced to cash-settled awards from the March 2021 remuneration cycle for new awards granted (2021 Revised Share Plan). The 2021 Revised Share Plan is similar to the 2020 Share Plan as it remains cash-settled, consists of FSU and CSU awards and contain the same service conditions as the 2020 Share Plan. However, key revisions include updated peer companies, changes in the assessment of the total shareholders' return (TSR) performance condition, introduction of an Environmental, Social and Governance (ESG) performance condition and a change from return on capital employed (ROCE) to a return on invested capital (ROIC) performance condition. The weighting of the performance conditions for the TSR, ESG and ROIC measures are 50%, 20% and 30% respectively. The performance conditions also have super-stretch targets that could result in vesting of up to 250% of the relevant weighting if the target is achieved.

The key terms of each performance condition relating to the 2021 Revised Share Plan are as follows:

- TSR: The performance condition is similar to the 2020 Share Plan, except that it is measured on a weighted average basis following an index-like approach. Both platinum and gold companies are included in the peer group and performance is measured over the three year measurement period. In selecting the appropriate peer companies, factors such as market capitalisation, geographical exposure, listing on multiple exchanges as well as gold and platinum commodity exposure were taken into account.
- ROIC: Like ROCE, ROIC is a capital efficiency measure which calculates how efficiently the Group allocates its controllable capital to profitable investments. It provides an indication of the Group's quality of earnings with reference to the risk categorisation of its underlying asset portfolio. ROIC will be calculated on an annualised basis over the three year vesting period as net operating profit after tax divided by invested capital, which is defined as total assets less current liabilities less cash.
- ESG: Performance will be assessed over the three year performance period using an ESG scorecard, applicable to each year of the performance period. The performance condition on vesting will be determined as the average performance over the three years.

Notes to the consolidated financial statements *continued*
For the year ended 31 December 2021

The peer companies under the 2021 Revised Share Plan that relate to the TSR performance condition are as follows:

Peer group companies for TSR comparison
AngloGold Ashanti Limited
Anglo American Platinum Limited
Gold Fields Limited
Impala Platinum Holdings Limited
Northam Platinum Limited
Fresnilo Plc
Harmony Gold Mining Company Limited
Kinross Gold Corporation

At each reporting date, on vesting date and on settlement date, the liability for the cash payment relating to the FSUs and CSUs awarded is measured/ remeasured at fair value. Similar to the equity-settled schemes, fair value is determined using a Monte Carlo Simulation model, with key inputs including the Company's share price, risk free rate, dividend yield and volatility.

Awards granted, exercised and forfeited under the 2020 Share Plan

Conditional Share Units				Forfeitable Share Units		
2019	2020	2021	Number of units	2021	2020	2019
—	—	**15,319,984**	Outstanding at beginning of the year	**950,220**	—	—
			Movement during the year:			
—	16,199,788	**10,814**	Granted during the year	**125,693**	1,985,819	—
—	(10,891)	**(351,069)**	Vested	**(997,390)**	(965,294)	—
—	(868,913)	**(1,225,520)**	Forfeited	**(24,655)**	(70,305)	—
—	15,319,984	**13,754,209**	Outstanding at end of the year	**53,868**	950,220	—

Awards granted, exercised and forfeited under the 2021 Revised Share Plan

Conditional Share Units				Forfeitable Share Units		
2019	2020	2021	Number of units	2021	2020	2019
—	—	**—**	Outstanding at beginning of the year	**—**	—	—
			Movement during the year:			
—	—	**3,672,565**	Granted during the year	**1,510,599**	—	—
—	—	**—**	Vested	**(722,474)**	—	—
—	—	**(227,078)**	Forfeited	**(91,811)**	—	—
—	—	**3,445,487**	Outstanding at end of the year	**696,314**	—	—

Valuation model and inputs

A Monte Carlo Simulation model was used to value cash-settled share-based payment awards. The inputs to the valuation model for share awards granted were as follows:

Conditional Share Units				Forfeitable Share Units		
2019	2020	2021	MONTE CARLO SIMULATION	2021	2020	2019
-	70.10	**44.29 - 68.56**	Weighted average historical volatility (based on a statistical analysis of the share price on a weighted moving average basis for the expected term of the option) %	**n/a**	n/a	-
-	3	**1 - 3**	Expected term (years)	**n/a**	n/a	-
-	36	**14 - 36**	Expected term (months)	**9 - 18**	9 - 18	-
-	7.82	**4.62 - 8.99**	Expected dividend yield (USA/SA) %	**27.67/6.39**	12.92/6.66	-
-	3.62	**4.81 - 5.68**	Risk-free interest rate (USA/SA) %	**0.56/4.35**	0.14/3.40	-
-	R60.00	**R49.10**	Weighted average share price (ADR/JSE)	**US$12.54/ R49.10**	US$15.89/ R60	-
-	40.38	**29.95**	Weighted average fair value (SA rand)	**53.14**	67.72	-

Notes to the consolidated financial statements *continued*
For the year ended 31 December 2021

Directors' and prescribed officers' cash-settled instruments

The directors and prescribed officers of Sibanye-Stillwater held the following cash-settled instruments in the above 2020 Share Plan and 2021 Revised Share Plan as at 31 December 2021:

	2020	Instruments granted	Cash-settled instruments vested during the year			Instruments forfeited	2021
	Number of instruments	Number of instruments	Number of instruments	Average price	Cash proceeds (rand)[1]	Number of instruments	Number of instruments
Executive directors							
Neal Froneman[2]	1,633,633	468,784	162,869	54.20	8,827,342	—	**1,939,548**
Charl Keyter	729,148	233,594	78,423	53.91	4,227,681	—	**884,319**
Prescribed officers[3]							
Dawie Mostert	405,098	118,646	44,056	53.91	2,375,175	—	**479,688**
Themba Nkosi	326,499	94,611	38,113	53.90	2,054,441	—	**382,997**
Richard Stewart	407,957	165,783	44,285	53.92	2,387,830	—	**529,455**
Laurent Charbonnier	138,895	173,081	75,421	55.32	4,171,990	—	**236,555**
Lerato Legong	148,362	72,267	8,922	50.11	447,095	—	**211,707**
Robert van Niekerk	655,174	186,830	69,455	54.03	3,752,841	—	**772,549**

[1] *Amounts represents pre-tax earnings paid to participants. For South African participants, these amounts were calculated by taking the Company's VWAP share price on vesting date multiplied by the number of vested units*

[2] *Numbers include ADRs and JSE listed shares as a result of the dual service contract*

[3] *In 2021, Sibanye-Stillwater introduced a new executive level of management (referred to as the C-suite). Therefore from 2021, only C-suite members are disclosed as prescribed officers of Sibanye-Stillwater. In 2020, the following individuals were also disclosed as prescribed officers:*
- *Chris Bateman - 34,920 number of instruments at 31 December 2020 (ceased performing an EVP role on 6 September 2020)*
- *Shadwick Bessit - 458,278 number of instruments at 31 December 2020 (ceased performing an EVP role on 16 January 2021)*
- *Hartley Dikgale - 1,646 number of instruments at 31 December 2020 (ceased performing an EVP role on 31 March 2020)*
- *Wayne Robinson - 390,937 number of instruments at 31 December 2020 (not a C-suite member)*

6.4 Cash-settled share-based payments - DRDGOLD

DRDGOLD's outgoing cash-settled long-term incentive scheme (Cash-settled LTI Scheme) consisted of a grant made in November 2015 with a finite term of 5 years. No top-up awards were made as the awards vested. The awards were issued at an exercise price of nil and vested in three tranches of 20%, 30% and 50% on the 3rd, 4th and 5th anniversaries respectively, subject to individual service and performance conditions being met. The awards were settled at the 7 day volume weighted average price of the DRDGOLD share. The last tranche of the November 2015 grant vested during November 2020. The outgoing Cash-settled LTI Scheme was replaced by the New DRDGOLD LTI Scheme (refer 6.2 above).

6.5 Cash-settled share-based payments - Rustenburg B-BBEE transaction

In terms of the Rustenburg operation transaction, a 26% equity stake in SRPM was acquired by the B-BBEE SPV (the Rustenburg B-BBEE Transaction) by a vendor financed facility from Sibanye Platinum Proprietary Limited (Sibanye Platinum), on the following terms:

- Interest at up to 0.2% above Sibanye-Stillwater's highest cost of debt. Once the capped amount is reached, interest ceases to accrue so that the capped amount is not exceeded. However, once the facility reduces below R3.5bn, interest starts to accrue again
- Post payment of the annual Deferred Payment to Rustenburg Platinum Mines Limited (RPM) and in respect of any repayment by SRPM of shareholder loans or the distribution of dividends, 74% will be paid to Sibanye Platinum and 26% to B-BBEE SPV
- Of the 26% payment to B-BBEE SPV, 85% will be used to service the facility owing by B-BBEE SPV to Sibanye Platinum
- The remaining 15% of any such payment or 100%, once the facility owing by B-BBEE SPV to Sibanye Platinum is repaid, will be declared by B-BBEE SPV as a dividend to the B-BBEE SPV shareholders
- The facility will be capped at R3,500 million

The IFRS 2 expense is based on 44.8% of the 26% interest relating to Bakgatla-Ba-Kgafela Investment Holdings and Siyanda Resources Proprietary Limited, as the Rustenburg Mine Community Trust and Rustenburg Mine Employees Trust are controlled and consolidated by Sibanye-Stillwater. The 44.8% interest was based on the expected discounted future cash flows of the expected PGM reserves and costs to extract the PGMs.

Notes to the consolidated financial statements *continued*
For the year ended 31 December 2021

6.6 Cash-settled share-based payments - Marikana B-BBEE transaction

Effective 13 April 2021, the Group restructured the previously highly indebted Lonmin Limited (changed to Sibanye UK Limited on 25 March 2021) broad-based black economic empowerment (B-BBEE) structure in relation to WPL and EPL (collectively referred to as "Marikana"), so as to ensure the sustainability of the B-BBEE shareholding in Marikana and facilitate the realisation of value to the B-BBEE shareholders (Restructuring Transaction).

The Restructuring Transaction resulted in the cancellation of the previous preference share funding provided to a special purpose vehicle (Phembani SPV) held by the Phembani Group Proprietary Limited group (Phembani Group). As replacement, the Group subscribed for new preference shares at a nominal amount in Phembani SPV. These preference shares will earn dividends capped to R2.6 billion and will be funded through 90% of the dividends attributable to the Phembani Group as and when paid by Marikana. In addition, while the Sibanye UK Limited (Sibanye UK) loans to WPL are still outstanding, REO will subscribe for additional preference shares as an additional funding mechanism to ensure Phembani SPV receives a minimum level of cash flows (as determined in terms of a formula). In essence the subscription price of the preference shares will be in the form of a top up payment to a maximum of R22 million for any annual period where the dividend payable by Marikana to Phembani SPV is less than R22 million and will be added to the capped dividend amount of the preference shares. The preference shares will be redeemed at the earlier of 12.5 years from the issue date or when the capped dividend amount is reached.

The new arrangement provides the Marikana shareholders with access to distributable Marikana profits in the short and medium term through the introduction of a 10% trickle dividend while any Marikana shareholder loans or loans from Sibanye UK to WPL are outstanding. At the effective date of the transaction, the Sibanye UK loans to WPL amounted to R12,533 million (denominated in $722 million and R2,057 million). There were no Marikana shareholder loans outstanding at the effective date of the Restructuring Transaction. Once the loans from Sibanye UK have been settled and while there are no Marikana shareholder loans outstanding, the Marikana shareholders will have a right to participate fully in their attributable portion of Marikana's dividends over the remaining life-of-mine. However, a 90% portion of the Phembani Group's attributable dividends will continue to be applied against the preference dividends until the preference shares have been redeemed.

The obligations to pay dividends to entities controlled by the Group, being REO and the Marikana Trusts, eliminate on consolidation. At the effective date, the Restructuring Transaction resulted in the Group recognising the following liabilities:

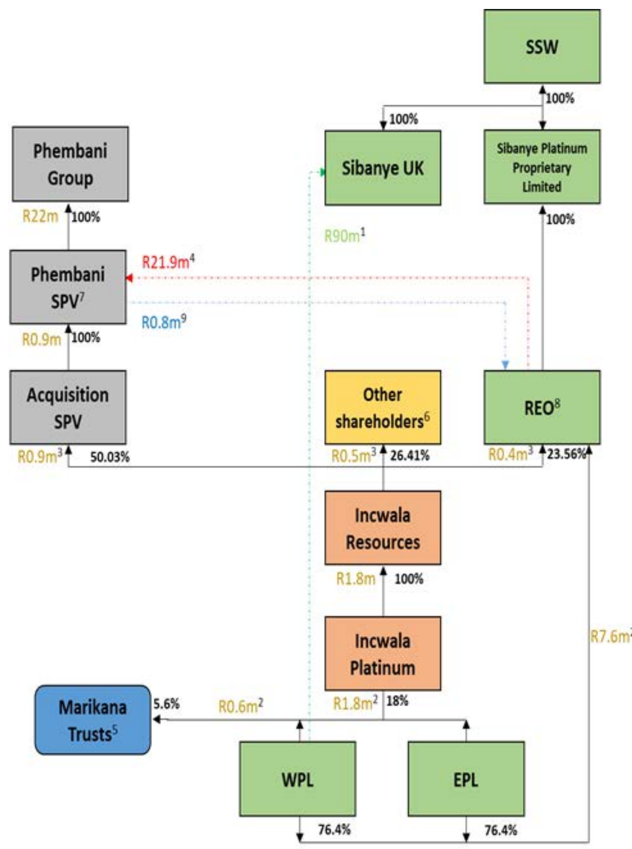
- Cash-settled share-based payment obligation under IFRS 2 *Share-based Payment* (IFRS 2) amounting to R404 million (refer table below)
- Marikana dividend obligation under IFRS 9 *Financial Instruments* (IFRS 9) amounting to R1,146 million (refer note 22.2)

Notes to the consolidated financial statements *continued*

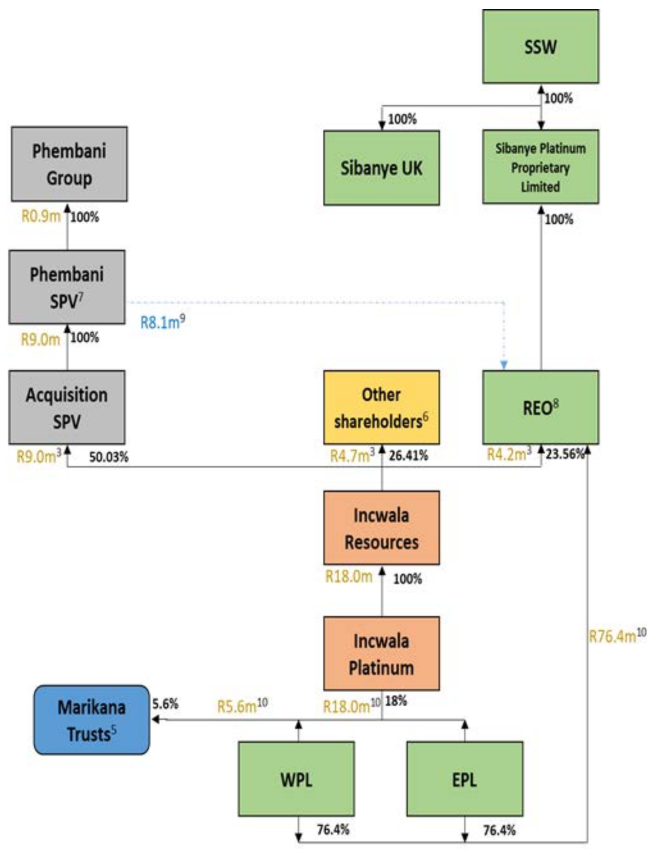
For the year ended 31 December 2021

The tables below set out the shareholding structure and, for **illustrative purposes only**, the flow of R100 million distributable profits from Marikana while any Marikana shareholder loans or Sibanye UK loans are still outstanding and after these loans have been settled:

Before shareholder loans and Sibanye UK loans repaid



After shareholder loans and Sibanye UK loans repaid



[1] *R90 million (or 90%) of the distributable profits of Marikana applied towards the repayment of the Sibanye UK loans (or Marikana shareholder loans if any)*

[2] *Distribution of remaining R10 million (10%) of the distributable profits of Marikana based on the proportionate shareholding*

[3] *Distribution of the Incwala Platinum Proprietary Limited (Incwala Platinum) dividend received from Marikana based on proportionate shareholding*

[4] *Subsequent subscription for additional "E" Preference Shares (top up payment) by REO in Phembani SPV, calculated in terms of the formula specified in the "E" Preference Shares subscription agreement for as long as the Sibanye UK loans are outstanding [R22 million less (R0.9 million Phembani SPV dividend – R0.8 million "E" Preference Share dividend)]*

[5] *These dividend obligations, calculated in terms of the estimated future cash flows of Marikana (applying the assumptions disclosed below), eliminate on consolidation against the receivables in these trusts that are consolidated by the Group*

[6] *The Group recognises IFRS 9 dividend obligations, calculated in terms of the estimated future cash flows of Marikana, included in other payables (refer note 22.2)*

[7] *The Group recognises an IFRS 2 cash-settled share-based payment obligation, calculated in terms of the estimated future cash flows of Marikana (applying the assumptions disclosed below) and reduced by the estimated future preference dividends, included in cash-settled share-based payment obligations (refer below)*

[8] *Dividends payable, directly by Marikana or indirectly through Incwala Resources Proprietary Limited (Incwala Resources), eliminate against the REO receivable on consolidation. The top up funding liability is calculated and recognised based on the estimated future cash flows of Marikana (applying the assumptions disclosed below) for as long as the Sibanye UK loan is outstanding. Management expects that the Sibanye UK loan will be repaid in full by 31 December 2022 and up to settlement do not expect that a top up payment will be required. Therefore, no obligation to subscribe for additional preference shares was recognised*

[9] *90% of the Marikana dividends indirectly received by Phembani SPV will be distributed to REO as an "E" Preference dividend until the earlier of 12.5 years from the issue date or when the capped dividend amount is reached. This receivable is recognised on a net basis against the Phembani SPV cash-settled share-based payment liability (refer footnote 7 above)*

[10] *Distribution of the Marikana distributable profits based on proportionate shareholding*

Notes to the consolidated financial statements *continued*
For the year ended 31 December 2021

Marikana's obligation to pay dividends to the Phembani Group through the Incwala Platinum holding structure is recognised as a cash-settled share-based payment liability measured at fair value. Changes in fair value is recognised in profit or loss.

The following assumptions were applied in the 31 December 2021 calculation:

		2021	2020	2019
Long-term PGM (4E) basket price	R/4Eoz	**23,957**	—	—
Real discount rate - South Africa	%	**13.2**	—	—
Inflation rate - South Africa	%	**6.0**	—	—
Life-of-mine	years	**18 - 50**	—	—

The following table summarises the changes in the Marikana B-BBEE cash-settled share-based payment obligation:

Figures in million – SA rand	2021	2020	2019
Balance at the beginning of the year	**—**	—	—
Initial recognition of the Marikana B-BBEE cash-settled share-based payment obligation[1]	**404**	—	—
Changes in fair value	**189**	—	—
Cash-settled share-based payments made	**(33)**	—	—
Balance at end of the year	**560**	—	—
Current portion of cash-settled share-based payment obligation	**(29)**	—	—
Non-current portion of cash-settled share-based payment obligation	**531**	—	—

[1] *Included in gains/loss on financial instruments*

6.7 Cash-settled share-based payments obligations

The following table shows a reconciliation of the total cash-settled share-based payment obligation of the Group for the year ended 31 December 2021:

Figures in million – SA rand	**Notes**	2021	2020	2019
Reconciliation of the cash-settled share-based payment obligations				
Balance at beginning of the year		**1,628**	1,425	226
Cash-settled share-based payments expense[1]		**232**	353	73
Fair value loss on recognition of Marikana B-BBEE cash-settled share-based payment obligation	6.6, 7	**404**	—	—
Fair value loss on obligations[2]	7	**860**	129	1,218
Cash-settled share-based payments paid[3]		**(240)**	(275)	(91)
Foreign currency translation		**3**	(4)	(1)
Balance at end of the year		**2,887**	1,628	1,425
Reconciliation of the cash-settled share-based payment obligations in the Group				
Cash-settled share-based payment - Rustenburg B-BBEE transaction		**2,067**	1,468	1,367
Cash-settled share-based payment - Marikana B-BBEE transaction		**560**	—	—
Cash-settled share-based payment - Employee incentive schemes		**260**	160	58
Balance at end of the year		**2,887**	1,628	1,425
Current portion of cash-settled share-based payment obligations		**(58)**	(33)	(82)
Non-current portion of cash-settled share-based payment obligations		**2,829**	1,595	1,343

[1] *Included in the amount is a cash-settled share-based payment expense for the year ended 31 December 2021 relating to the 2020 Share Plan and 2021 Revised Share Plan amounting to R232 million. For the year ended 31 December 2020, the expense includes cash-settled share-based payment expenses of Stillwater of R1 million (31 December 2019: R9 million) and DRDGOLD Limited of R128 million (31 December 2019: R64 million), with the remainder of FY2020 relating to the 2020 Share Plan*

[2] *The fair value adjustment relates to the Rustenburg and Marikana B-BBEE Transaction and is included in the loss on financial instruments in profit or loss*

[3] *Payments made during the year relate to vesting of cash-settled awards to employees, payments made on the Rustenburg and Marikana B-BBEE Transactions as well as the vesting of the last tranche of the November 2015 grant relating to DRDGOLD*

Notes to the consolidated financial statements *continued*
For the year ended 31 December 2021

6.8 Share-based payment expenses

Share based payment expenses for the year consisted of the following:

Figures in million – SA rand	Notes	2021	2020	2019
Sibanye-Stillwater 2020 Share Plan and 2021 Revised Share Plan (cash-settled scheme)	6.3	**(232)**	(226)	—
Sibanye-Stillwater 2017 Share Plan (equity-settled scheme)	6.1	**(132)**	(145)	(194)
Sibanye-Stillwater 2013 Share Plan (equity-settled scheme)	6.1	**—**	—	(96)
Stillwater (cash-settled scheme)		**—**	—	(9)
DRDGOLD (equity-settled scheme)	6.2	**(19)**	(13)	—
DRDGOLD (cash-settled scheme)	6.4	**—**	(128)	(64)
Total share-based payment expense		**(383)**	(512)	(363)
Reconciliation of the cash-settled and equity-settled share-based payment expense:				
Cash-settled share-based payment expense[1]		**(232)**	(354)	(73)
Equity-settled share-based payment expense		**(151)**	(158)	(290)
Total share-based payment expense		**(383)**	(512)	(363)

[1] *Included in the cash-settled share-based payment expense for the year ended 31 December 2021 are grant date fair value losses of R267 million (2020: R120 million) and fair value gains after grant date of R35 million (2020: fair value losses after grant date of R232 million) relating to the 2020 Share Plan and 2021 Revised Share Plan*

Notes to the consolidated financial statements *continued*
For the year ended 31 December 2021

7. Loss on financial instruments

Figures in million – SA rand	Notes	2021	2020	2019
Fair value loss on gold hedge contracts[1]		**—**	(458)	(110)
Fair value gain on palladium hedge contract[2]		**234**	36	—
Fair value loss on derivative financial instrument	28.6	**—**	(70)	(3,912)
Fair value loss on cash-settled share-based payment obligations (Rustenburg and Marikana B-BBEE transactions)	6.7	**(1,264)**	(129)	(1,218)
Loss on the revised cash flow of the Rustenburg Deferred Payment	22.2	**(4,653)**	(2,081)	(724)
(Loss)/gain on the revised cash flow of the Burnstone Debt	28.7	**(2)**	264	(97)
Loss on the revised cash flow of the Marikana dividend obligation	22.2	**(468)**	—	—
Other[3]		**(126)**	(12)	46
Total loss on financial instruments		**(6,279)**	(2,450)	(6,015)

[1] *On 9 March 2020, Sibanye-Stillwater concluded a gold hedge agreement which commenced on 1 April 2020, comprising the delivery of 1,800 kilograms of gold (150 kilograms per month) with a zero cost collar which establishes a minimum floor of R800,000 per kilogram and a maximum cap of R1,080,000 per kilogram. The gold hedge agreement concluded during March 2021. As hedge accounting is not applied, resulting gains or losses are accounted for as gains or losses on financial instruments in profit or loss*

[2] *On 17 January 2020, Stillwater Mining Company (wholly-owned subsidiary of Sibanye-Stillwater) concluded a palladium hedge agreement which commenced on 28 February 2020, comprising the delivery of 240,000 ounces of palladium over two years (10,000 ounces per month) with a zero cost collar which establishes a minimum and a maximum cap of US$1,500 and US$3,400 per ounce, respectively. On 24 March 2021, Stillwater Mining Company concluded an additional palladium hedge agreement commencing on 28 February 2022, comprising the delivery of 140,000 ounces of palladium over a 14-month period (10,000 ounces per month) with a zero cost collar which establishes a minimum floor and a maximum cap of US$1,800 and US$3,300 per ounce, respectively. For the year ended 31 December 2021 the combined unrealised gain was R234 million (2020: R36 million). As hedge accounting is not applied, resulting gains or losses are accounted for as gains or losses on financial instruments in profit or loss*

[3] *Included in the amount for the year ended 31 December 2021 is a gain on initial recognition of the investment in ioneer Limited of R51 million and a loss on initial recognition of the investment in New Century Resources Limited of R85 million (refer note 20)*

Notes to the consolidated financial statements *continued*
For the year ended 31 December 2021

8. Other costs and other income

8.1 Other costs

Figures in million – SA rand	2021	2020	2019
Care and maintenance	**(737)**	(814)	(766)
Change in estimate of environmental rehabilitation obligation, and right of recovery receivable and payable	**—**	—	(89)
Loss due to dilution of interest in joint operation	**(4)**	(30)	—
Non-recurring COVID-19 costs	**(3)**	(97)	—
Corporate and social investment costs	**(288)**	(258)	(150)
Cost incurred on employee and community trusts	**(744)**	(508)	(50)
Exploration costs	**(12)**	(33)	(11)
Non-mining royalties	**(327)**	(193)	(87)
Strike related costs	**—**	(1)	(402)
Service entity costs	**(534)**	(501)	(404)
Other	**(369)**	(292)	(351)
Total other costs	**(3,018)**	(2,727)	(2,310)

8.2 Other income

Figures in million – SA rand	2021	2020	2019
Income on settlement of legal dispute	**—**	580	—
Change in estimate of environmental rehabilitation obligation, and right of recovery receivable and payable	**167**	464	—
Service entity income	**398**	383	264
Sundry income	**183**	231	220
Profit on sale of St Helena	**16**	—	—
Total other income	**764**	1,658	484

9. Restructuring costs

Restructuring costs of R107 million (2020: R436 million, 2019: R1,252 million) were incurred in 2021 and included voluntary separation packages. The restructuring costs mainly related to the SA gold operations and the SA PGM operations, which amounted to R69 million (2020: R108 million, 2019: R357 million) and R27 million (2020: R310 million, 2019: R867 million), respectively.

Notes to the consolidated financial statements *continued*
For the year ended 31 December 2021

10. (Impairments)/reversal of impairments

Figures in million – SA rand	Note	2021	2020	2019
Impairment of mining assets		**(5,148)**	(1)	(6)
Impairment of goodwill	17	**—**	—	(54)
Reversal of impairment/(impairment) of equity-accounted investee		**—**	120	(12)
Other reversal of impairment		**—**	2	—
Impairment of loan to equity-accounted investee		**—**	—	(14)
Total (impairments)/reversal of impairments		**(5,148)**	121	(86)

31 December 2021

Impairment to the Driefontein, Kloof and Beatrix mining assets

At 31 December 2021, a number of factors were identified that negatively impact the ability of the Driefontein, Kloof and Beatrix operations to recover the carrying value of mining assets over their respective remaining life-of-mines. The impairment calculation detailed below is most sensitive to cost base changes, commodity prices, production levels, discount rates and rand/US dollar exchange rates.

Above inflationary increases are expected in major cost components, in particular electricity and labour cost increases which affect all three operations. Consensus commodity long-term prices indicate that forecast gold prices are lower than the spot price of US$1,829/oz at 31 December 2021. Lower commodity prices will have a significant adverse impact on the ability of these already marginal operations to generate positive cash flows when considering the continued increase in the cost base of the operations. In FY2020, there was an overall decrease in market interest rates, while these rates showed a marginal increase in H1 2021 and further increases in H2 2021. The continued increases in market interest rates negatively impacts the value in use calculation by increasing the cost of debt element of the discount rate applied. Furthermore, the long-term consensus forecast rand exchange rate against the US dollar shows a strengthening of the rand in FY2022 compared to prior year forecasts. Since the revenue of the operations is converted to rand, a stronger rand will have an adverse impact on the profitability of the operations.

The above considerations, coupled with ageing infrastructure and declining life-of-mines, impacted forecast cash flows and led to the recognition of impairment losses at 31 December 2021 on the Driefontein, Kloof and Beatrix reportable segments of R212 million, R3,642 million and R1,293 million, respectively. These operations are included under SA gold in the segment report (refer note 2) and each represent a separate cash-generating unit (CGU).

The CGUs were impaired to their respective recoverable amounts based on a value in use calculation in which future expected cash flows are discounted to a present value based on an appropriate discount rate.

The assumptions applied in the value in use impairment calculation as well as the recoverable amount for each of the CGUs are set out below:

		Driefontein	Kloof	Beatrix
Weighted average gold price[1]	R/kg	**770,182**	**764,176**	**816,271**
Exchange rate[1]		**15.0**	**15.0**	**15.0**
Inflation rate[2]	%	**6.0**	**6.0**	**6.0**
Nominal discount rate[3]	%	**13.3**	**13.5**	**11.5**
Life-of-mine[4]	years	**8**	**9**	**4**
Recoverable amount	R million	**3,905**	**2,815**	**210**

[1] *The weighted average gold prices and the exchange rate were derived by considering various bank and commodity broker consensus forecasts*

[2] *The inflation rate is based on historical mining inflation, projected electricity and labour cost increases and the forecast South African inflation rate*

[3] *The nominal discount rate is calculated as the weighted average cost of capital of the respective CGUs*

[4] *Periods longer than five years are considered appropriate based on the nature of the operations since a formally approved life-of-mine plan is used to determine cash flows over the life of each mine based on the available reserves*

Notes to the consolidated financial statements *continued*

For the year ended 31 December 2021

31 December 2020

Reversal of impairment on investment in Rand Refinery Proprietary Limited (Rand Refinery)

Historically recognised impairment of the Group's investment in the equity-accounted Rand Refinery amounting to R120 million was reversed at 31 December 2020 due to improvement in the investees financial position and forecasted return to stable dividend payments. The investment in Rand Refinery is accounted for in the SA gold corporate segment.

31 December 2019

Impairment of Qinisele Resources

The goodwill that arose on the acquisition of Qinisele Resources cannot be attributed to any current Sibanye-Stillwater operating CGUs (refer note 16.3). Qinisele Resources will perform an internal corporate function, mostly responsible for identifying, assessing and executing corporate actions. The business acquired will not generate external cash flows and has no future external mandates. Due to the factors mentioned, the recoverable amount of goodwill resulting from the application of IFRS 3 has been calculated at zero and fully impaired at year-end.

Notes to the consolidated financial statements *continued*
For the year ended 31 December 2021

11. Royalties, mining and income tax, and deferred tax

Significant accounting judgements and estimates

The Group is subject to income tax in South Africa, Zimbabwe, the United Kingdom (UK) and the US. Significant judgement is required in determining the liability for income tax due to the complexity of legislation. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on the best estimates of whether additional taxes will be due. The Group reassesses its judgements and estimates if facts and circumstances change. Where the facts and circumstances change or when the final tax outcome of these matters are different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

The Group recognises the net future tax benefit related to deferred tax assets to the extent that it is probable that the deductible temporary differences will reverse in the foreseeable future. Assessing the recoverability of deferred tax assets requires the Group to make significant estimates related to expectations of future taxable income. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Group to realise the net deferred tax assets recorded at the reporting date could be impacted.

The Group's gold mining operations are taxed on a variable rate that increases as the profitability of the operation increases. The deferred tax rate used to calculate deferred tax is based on the current estimate of future profitability when the temporary differences will reverse based on tax rates and laws that have been enacted or substantively enacted at the reporting date. Depending on the profitability of the operations, the deferred tax rate can consequently be significantly different from year to year. Calculating the future profitability of the operations is inherently uncertain and could materially change over time.

Additionally, future changes in tax laws in South Africa, Zimbabwe, the UK and the US could limit the ability of the Group to obtain tax deductions in future periods.

Accounting policy

Income tax comprises current and deferred tax. Current tax and deferred tax is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is measured on taxable income at the applicable statutory rate enacted or substantively enacted at the reporting date and is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any.

Deferred tax is provided on temporary differences existing at each reporting date between the tax values of assets and liabilities and their carrying amounts and reflects uncertainty related to income taxes, if any. Enacted and substantively enacted tax rates are used to determine future anticipated effective tax rates which in turn are used in the determination of deferred tax.

These temporary differences are expected to result in taxable or deductible amounts in determining taxable profits for future periods when the carrying amount of the asset is recovered or the liability is settled. The principal temporary differences arise from depreciation of property, plant and equipment, provisions, unutilised capital allowances and tax losses carried forward.

Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss
- temporary differences related to investments in subsidiaries, and interests in associates and joint ventures to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that these will not reverse in the foreseeable future
- taxable temporary differences arising on the initial recognition of goodwill

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Deferred tax assets relating to the carry forward of unutilised tax losses and/or unutilised capital allowances are recognised to the extent it is probable that future taxable profit will be available against which the unutilised tax losses and/or unutilised capital allowances can be recovered. Deferred tax assets are reviewed at each reporting date and are adjusted if recovery is no longer probable.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be utilised.

Notes to the consolidated financial statements *continued*
For the year ended 31 December 2021

11.1 Royalties

Revenue from mineral resources in South Africa are subject to the Mineral and Petroleum Resource Royalty Act 2008 (Royalty Act). The Royalty Act imposes a royalty on refined (mineral resources that have undergone a comprehensive level of beneficiation such as smelting and refining as defined in Schedule 1 of the Royalty Act) and unrefined (mineral resources that have undergone limited beneficiation as defined in Schedule 2 of the Royalty Act) minerals payable to the State. The royalty in respect of refined and unrefined minerals (which include gold refined to 99.5% and above, and PGMs) is calculated by dividing earnings before interest and taxes (EBIT) by the product of 12.5 times, in respect of refined, and 9 times, in respect of unrefined, gross revenue calculated as a percentage, plus an additional 0.5%. EBIT refers to taxable mining income (with certain exceptions such as no deduction for interest payable and foreign exchange losses) before assessed losses but after capital expenditure. A maximum royalty of 5% of mining revenue has been introduced on refined minerals and 7% on unrefined minerals. The effective rate of royalty tax payable for the year ended 31 December 2021 was approximately 0.6% (2020: 0.5% and 2019: 0.4%) of revenue at the SA gold operations and 3.0% (2020: 3.0% and 2019: 1.3%) of revenue at the SA PGM operations.

Figures in million – SA rand	2021	2020	2019
Current charge	**(2,923)**	(1,768)	(431)
SA gold royalties	**(167)**	(142)	(74)
SA PGM royalties	**(2,756)**	(1,626)	(357)
Prior year royalty tax refund	**209**	3	—
Total royalties	**(2,714)**	(1,765)	(431)

11.2 Mining and income tax

South African statutory tax rates

Gold mining, mining and non-mining tax

Gold mining tax is determined according to a formula which takes into account the profit and revenue attributable to gold mining operations. Mining taxable income (SA PGM and SA gold) is determined after the deduction of all mining capital expenditure, with the provision that this cannot result in an assessed loss. Capital expenditure amounts not deducted are carried forward as unredeemed capital expenditure to be deducted from future mining income. Accounting depreciation is ignored for the purpose of calculating mining tax. In the gold mining tax formula, the percentage rate of tax payable and the ratio of gold mining profit, after the deduction of redeemable capital expenditure, to gold mining revenue is expressed as a percentage.

Non-mining income consists primarily of interest income, third party gold processing and rental income and is taxed at the South African company tax rate of 28%.

Company tax rate

Companies, other than gold mining companies, are subject to the maximum South African company tax rate of 28%.

US statutory tax rates

The US PGM operations are subject to tax in the states of Montana, New Jersey and Pennsylvania. During the year ended 31 December 2018, the New Jersey Governor signed a number of bills that implement numerous tax changes which affected the US PGM operations. The most significant change in the law resulted in tax being calculated together on all US entities under common control (greater than 50% ownership). As a result of contract changes, US PGM operations experienced a shift of its state tax exposure out of New Jersey, effective 15 March 2019.

Uncertainty over Income Tax treatments

SRPM:

The previously reported uncertain tax treatment relating to SRPM on the deductibility of a portion of the purchase consideration for the acquisition of the SRPM assets was resolved during 2021. The outcome of the South African Revenue Services (SARS) audit was primarily in favour of SRPM and additional deductions were allowed.

Lonmin Management Services (LMS), South African branch of Sibanye UK:

During January 2021, SARS issued an assessment to the Group relating to a transfer pricing audit on LMS for the years of assessment 2011-2014. Applying the same principles as those applied by SARS, a further exposure could exist for subsequent years of assessment. Management is of the opinion that the basis on which the deductions under consideration were claimed was correct and is following due process on the matter. No material payment is anticipated.

Notes to the consolidated financial statements *continued*
For the year ended 31 December 2021

Mining and income tax

The components of mining and income tax are the following:

Figures in million – SA rand	Note	2021	2020	2019
Current tax		**(13,506)**	(5,374)	(1,849)
Mining tax		**(11,816)**	(4,442)	(1,364)
Non-mining tax		**(220)**	68	3
Company and capital gains tax		**(1,470)**	(1,000)	(488)
Deferred tax	11.3	**(255)**	516	3,582
Deferred tax charge		**(593)**	570	2,031
Prior year adjustment		**252**	—	—
Deferred tax rate adjustment[1]		**86**	(54)	1,551
Total mining and income tax		**(13,761)**	(4,858)	1,733

[1] *The deferred tax rate adjustment in South Africa and the US was:*

Figures in million – SA rand	*2021*	*2020*	*2019*
South Africa	***200***	*(54)*	*(23)*
United States	***(114)***	*—*	*1,574*
Deferred tax rate adjustment	***86***	*(54)*	*1,551*

The change in the estimated long-term deferred tax rate at which the temporary differences will reverse as a result of applying the mining tax formula at the SA gold operations, amounted to a deferred tax benefit of R200 million for the year ended 31 December 2021 (2020: charge of R54 million and 2019: charge of R23 million)

With contract changes during 2019, the US PGM operations experienced a shift of its state tax exposure out of New Jersey state resulting in a deferred tax rate adjustment of R1,574 million (benefit)

Reconciliation of the Group's mining and income tax to the South African statutory company tax rate of 28%:

Figures in million – SA rand	2021	2020	2019
Tax on (profit)/loss before tax at maximum South African statutory company tax rate (28%)	**(13,316)**	(9,934)	364
South African gold mining tax formula rate adjustment	**63**	118	(193)
US statutory tax rate adjustment	**466**	550	205
Non-deductible amortisation and depreciation	**(13)**	(14)	(15)
Non-taxable dividend received	**7**	21	2
Non-deductible finance expense[1]	**(108)**	89	(86)
Non-deductible share-based payments	**(42)**	(44)	(81)
Non-deductible loss on fair value of financial instruments	**(1,021)**	(890)	(571)
Non-taxable gain on foreign exchange differences	**47**	3	—
Non-taxable share of results of equity-accounted investees	**557**	476	202
(Non-deductible impairments)/non-taxable reversal of impairments	**(22)**	33	(22)
Non-taxable gain on acquisition	**—**	—	309
Non-deductible transaction costs	**(69)**	(50)	(94)
Tax adjustment in respect of prior periods	**386**	133	12
Net other non-taxable income and non-deductible expenditure	**351**	258	534
Change in estimated deferred tax rate	**86**	(54)	1,551
(Deferred tax assets derecognised)/unrecognised deferred tax assets utilised[2]	**(1,133)**	4,447	(384)
Mining and income tax	**(13,761)**	(4,858)	1,733
Effective tax rate	**29%**	14%	133%

[1] *The non-deductible finance expense for the year ended 31 December 2020 is presented net after the reversal of an uncertain income tax treatment amounting to R182 million. This represents the conclusion on the section 163(j) interest limitation provided for by the US PGM operations under IFRIC 23 Uncertainty over Income Tax Treatments as at 31 December 2019*

[2] *The amount for year ended 31 December 2021 include the derecognition of deferred tax assets of R837 million relating to deductible temporary differences, that can no longer be recognised due to the impairment of the mining assets in the SA gold operations*

Notes to the consolidated financial statements *continued*
For the year ended 31 December 2021

11.3 Deferred tax

Figures in million – SA rand	Note	2021	2020	2019
Included in the statement of financial position as follows:				
Deferred tax assets		**(906)**	(1,576)	(289)
Deferred tax liabilities		**7,818**	7,631	6,657
Net deferred tax liabilities		**6,912**	6,055	6,368
Reconciliation of the deferred tax balance:				
Balance at beginning of the year		**6,055**	6,368	10,076
Deferred tax recognised in profit or loss	11.2	**255**	(516)	(3,582)
Deferred tax recognised in other comprehensive income		**99**	6	—
Foreign currency translation		**503**	197	(126)
Balance at end of the year		**6,912**	6,055	6,368

The detailed components of the net deferred tax liabilities which result from the differences between the amounts of assets and liabilities recognised for financial reporting and tax purposes are:

Figures in million – SA rand	2021	2020	2019
Deferred tax liabilities			
Mining assets	**10,763**	11,910	9,759
Environmental rehabilitation obligation funds	**587**	962	682
Other	**300**	207	209
Gross deferred tax liabilities[1]	**11,650**	13,079	10,650
Deferred tax assets			
Environmental rehabilitation obligation	**(1,229)**	(1,704)	(1,109)
Occupational healthcare obligation	**—**	(275)	(333)
Other provisions	**(922)**	(1,143)	(483)
Financial instruments	**(19)**	(427)	(1,351)
Tax losses and unredeemed capital expenditure	**(2,518)**	(3,437)	(990)
Share-based payment obligation	**(50)**	(38)	(16)
Gross deferred tax assets[2,3]	**(4,738)**	(7,024)	(4,282)
Net deferred tax liabilities	**6,912**	6,055	6,368

[1] *The aggregate amount of temporary differences associated with investments in subsidiaries, for which no deferred tax liabilities have been recognised under the IAS 12.39 exemption at 31 December 2021, amounts to R7,599 million (2020: R25,955 million and 2019: R12,075 million)*

[2] *Historically, deferred tax assets in WPL and EPL were only recognised to the extent of deferred tax liabilities since it was not considered probable that taxable profit would be available against which the future tax deductions could be utilised. At 31 December 2020, management recognised deferred tax assets on WPL and EPL in excess of deferred tax liabilities for the first time since it became probable that sufficient future taxable profits will be available. In total, net deferred tax assets of R951 million was recognised at 31 December 2020. The deferred tax asset recognition is supported by the profit history of WPL and EPL and a positive future taxable profit outlook*

[3] *The amount of deductible temporary differences, unused tax losses as well as unredeemed capital expenditure for which no deferred tax asset is recognised in the statement of financial position, amounted to R43,061 million (2020: R36,408 million and 2019: R46,220 million). Tax losses are available to be utilised against income generated by the relevant tax entity and do not expire unless the tax entity concerned ceases to operate for a period of longer than one year for the South African operations. Under South African mining tax ring-fencing legislation, each tax entity is treated separately and as such these deductions can only be utilised by the tax entities in which the deductions have been generated. In Canada, tax losses expire after 20 years*

Notes to the consolidated financial statements *continued*
For the year ended 31 December 2021

11.4 Net tax, carbon tax and royalties (receivable)/payable

Figures in million – SA rand	Notes	2021	2020	2019
Included in the statement of financial position as follows:				
Tax receivable		**(1,245)**	(148)	(355)
Tax, carbon tax and royalties payable		**199**	797	509
Non-current portion of tax, carbon tax and royalties payable		**10**	9	59
Current portion of tax, carbon tax and royalties payable		**189**	788	450
Net tax, carbon tax and royalties (receivable)/payable		**(1,046)**	649	154
Reconciliation of the net tax, carbon tax and royalties payable/ (receivable) balance:				
Balance at beginning of the year		**649**	154	(395)
Royalties, carbon tax and current tax	11.1, 11.2	**16,224**	7,145	2,293
Royalties and tax paid		**(17,894)**	(6,525)	(1,819)
Royalties paid		**(3,055)**	(1,707)	(412)
Tax paid		**(14,839)**	(4,818)	(1,407)
Tax payable on acquisition of subsidiaries		**—**	—	69
Other		**—**	—	19
Foreign currency translation		**(25)**	(125)	(13)
Balance at end of the year		**(1,046)**	649	154

Notes to the consolidated financial statements *continued*
For the year ended 31 December 2021

12. Earnings per share

Accounting policy

Headline earnings is presented as an additional earnings number allowed by IAS 33 *Earnings per Share* (IAS 33) and is calculated based on the requirements set out in SAICA Circular 1/2021. Earnings, as determined in IAS 33, is the starting point and certain remeasurements net of related tax (current and deferred) and NCI are excluded. A remeasurement is an amount recognised in profit or loss relating to any change (whether realised or unrealised) in the carrying amount of an asset or liability that arose after the initial recognition of such asset or liability.

12.1 Basic earnings per share

Basic earnings per share (EPS) is calculated by dividing the profit or loss attributable to owners of Sibanye-Stillwater by the weighted average number of ordinary shares in issue during the year.

	2021	2020	2019
Weighted average number of shares			
Ordinary shares in issue ('000)	**2,808,406**	2,923,571	2,670,030
Adjustment for weighting of ordinary shares in issue ('000)	**90,398**	(194,680)	(162,447)
Weighted average number of shares ('000)	**2,898,804**	2,728,891	2,507,583
Profit attributable to owners of Sibanye-Stillwater (SA rand million)	**33,054**	29,312	62
Basic EPS (cents)	**1,140**	1,074	2

12.2 Diluted earnings per share

Diluted EPS is calculated by dividing the profit attributable to owners of Sibanye-Stillwater by the diluted number of ordinary shares in issue during the year.

Dilutive shares are the number of potentially dilutive ordinary shares that could be issued as a result of share awards granted to employees under the equity-settled share-based payment schemes (refer note 6). The US$ Convertible Bond was converted during October 2020 and was antidilutive for the years ended 31 December 2020 and 2019.

	2021	2020	2019
Diluted weighted average number of shares			
Weighted average number of shares ('000)	**2,898,804**	2,728,891	2,507,583
Potential ordinary shares ('000)	**28,442**	49,061	71,371
Diluted weighted average number of shares ('000)	**2,927,246**	2,777,952	2,578,954
Diluted basic EPS (cents)	**1,129**	1,055	2

Notes to the consolidated financial statements *continued*
For the year ended 31 December 2021

12.3 Headline earnings per share

Headline EPS is calculated by dividing the headline earnings attributable to owners of Sibanye-Stillwater by the weighted average number of ordinary shares in issue during the year.

Reconciliation of profit attributable to owners of Sibanye-Stillwater to headline earnings:

Figures in million – SA rand unless otherwise stated	Notes	Gross	Net of tax
2021			
Profit attributable to owners of Sibanye-Stillwater			33,054
Gain on disposal of property, plant and equipment		(36)	(27)
Impairments	10	5,148	3,861
Profit on sale of St Helena		(16)	(12)
Derecognition of property, plant and equipment in Marathon project	14	2	2
Re-measurement items, attributable to NCI			—
Headline earnings			36,878
Weighted average number of shares ('000)			2,898,804
Headline EPS (cents)			1,272
2020			
Profit attributable to owners of Sibanye-Stillwater			29,312
Gain on disposal of property, plant and equipment		(99)	(74)
Reversal of impairment	10	(121)	(121)
Derecognition of property, plant and equipment in Marathon project	14	37	28
Re-measurement items, attributable to NCI			1
Headline earnings			29,146
Weighted average number of shares ('000)			2,728,891
Headline EPS (cents)			1,068
2019			
Profit attributable to owners of Sibanye-Stillwater			62
Gain on disposal of property, plant and equipment		(77)	(58)
Impairments	10	86	67
Impairment of equity accounted associate		21	21
Gain on acquisition	16.1	(1,103)	(1,103)
Re-measurement items, attributable to NCI			3
Headline earnings			(1,008)
Weighted average number of shares ('000)			2,507,583
Headline EPS (cents)			(40)

Notes to the consolidated financial statements *continued*
For the year ended 31 December 2021

12.4 Diluted headline earnings per share

Diluted headline EPS is calculated by dividing the headline earnings attributable to owners of Sibanye-Stillwater by the diluted weighted average number of ordinary shares in issue during the year.

	2021	2020	2019
Diluted headline earnings (R' million)	**36,878**	29,146	(1,008)
Diluted weighted average number of shares ('000)	**2,927,246**	2,777,952	2,578,954
Diluted headline EPS (cents)	**1,260**	1,049	(40)

13. Dividends

Accounting policy

Dividends are recognised as a liability on the date on which such dividends are declared.

Dividends withholding tax is a tax on shareholders receiving dividends and is applicable to all dividends paid which are subject to dividend withholding tax based on the relevant tax requirements. The Group withholds dividend tax on behalf of its shareholders at a rate of 20% on dividends paid. Amounts withheld are not recognised as part of the Group's tax charge but rather as part of the dividend paid, recognised in equity.

Cash flows from dividends paid are classified under operating activities in the statement of cash flows.

The below table illustrates the dividends declared and paid:

Figures in million – SA rand unless stated otherwise	2021	2020	2019
Dividend declared and paid (interim)	**8,347**	1,338	—
Dividend declared after 31 December (final)	**5,252**	9,485	—
Total dividends declared for the year	**13,599**	10,823	—
Dividend per share (interim) - cents	**292**	50	—
Dividend per share (final) - cents	**187**	321	—
Dividends declared and paid during the financial year	**17,832**	1,338	—
Dividends declared and paid to NCI of subsidiaries during the financial year	**344**	360	85
Total dividends declared and paid for the year	**18,176**	1,698	85

Dividend policy

Sibanye-Stillwater's dividend policy is to return at least 25% to 35% of normalised earnings to shareholders and after due consideration of future requirements the dividend may be increased beyond these levels. The Board, therefore, considers normalised earnings in determining what value will be distributed to shareholders. The Board believes normalised earnings provides useful information to investors regarding the extent to which results of operations may affect shareholder returns.

Normalised earnings is defined as earnings attributable to the owners of Sibanye-Stillwater excluding gains and losses on financial instruments and foreign exchange differences, impairments, gain/loss on disposal of property, plant and equipment, occupational healthcare expense, restructuring costs, transactions costs, share-based payment on B-BBEE transactions, gain on acquisition, net other business development costs, share of results of equity-accounted investees, after tax and the impact of NCI, and changes in estimated deferred tax rate.

In line with Sibanye-Stillwater's capital allocation framework, the Board of Directors resolved to pay a final dividend of 187 (2020: 321) SA cents per share. Together with the interim dividend of 292 (2020: 50) SA cents per share, which was declared and paid, this brings the total dividend for the year ended 31 December 2021 to 479 (2020: 371) cents per share and this amounts to a payout of 35% (2020: 35%) of normalised earnings.

Notes to the consolidated financial statements *continued*
For the year ended 31 December 2021

Reconciliation of profit attributable to the owners of Sibanye-Stillwater to normalised earnings:

Figures in million – SA rand	2021	2020	2019
Profit attributable to the owners of Sibanye-Stillwater	**33,054**	29,312	62
Adjusted for:			
Loss on financial instruments	**6,279**	2,450	6,015
(Gain)/loss on foreign exchange differences	**(1,149)**	255	(325)
Gain on disposal of property, plant and equipment	**(36)**	(99)	(77)
Impairments/(reversal of impairments)	**5,148**	(121)	86
Gain on acquisition	**—**	—	(1,103)
Restructuring costs	**107**	436	1,252
Transaction costs	**140**	139	448
Occupational healthcare (gain)/expense	**(14)**	52	(40)
Loss on BTT early settlement	**—**	186	—
Income on settlement of legal dispute	**—**	(580)	—
Loss due to dilution of interest in joint operation	**4**	30	—
Early redemption premium on the 2025 Notes	**196**	—	—
Loss on settlement of US$ Convertible Bond	**—**	1,507	—
Change in estimated deferred tax rate	**(86)**	54	(1,551)
Share of results of equity-accounted investees after tax	**(1,989)**	(1,700)	(721)
Profit on sale of St Helena	**(16)**	—	—
Tax effect of the items adjusted above	**(2,755)**	(1,277)	(1,644)
NCI effect of the items listed above	**—**	(37)	(42)
Normalised earnings[1]	**38,883**	30,607	2,360

[1] *Normalised earnings is a pro forma performance measure and is not a measure of performance under IFRS, may not be comparable to similarly titled measures of other companies, and should not be considered in isolation or as alternatives to profit before tax, profit for the year, cash from operating activities or any other measure of financial performance presented in accordance with IFRS*

Notes to the consolidated financial statements *continued*
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14. Property, plant and equipment

Significant accounting judgements and estimates

Carrying value of property, plant and equipment

All mining assets are amortised using the units-of-production method where the mine operating plan calls for production from proved and probable Mineral Reserves.

Mobile and other equipment are depreciated over the shorter of the estimated useful life of the asset or the estimate of mine life based on proved and probable Mineral Reserves.

The calculation of the units-of-production rate of amortisation could be impacted to the extent that actual production in the future is different from current forecast production based on proved and probable Mineral Reserves. This would generally result from the extent that there are significant changes in any of the factors or assumptions used in estimating Mineral Reserves.

These factors could include:
- changes in proved and probable Mineral Reserves
- differences between actual commodity prices and commodity price assumptions
- unforeseen operational issues at mine sites
- changes in capital, operating, mining, processing and reclamation costs, discount rates and foreign exchange rates
- changes in Mineral Reserves could similarly impact the useful lives of assets depreciated on a straight-line basis, where those lives are limited to the life of the mine

The recoverable amounts of cash generating units (CGUs) and individual assets have been determined based on the higher of value in use calculations and fair value less cost to sell. These calculations require the use of estimates and assumptions. It is reasonably possible that the gold and PGM price assumptions may change which may then impact the Group estimated life-of-mine determinant and may then require a material adjustment to the carrying value of property, plant and equipment.

The Group reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable by comparing expected future cash flows to these carrying values. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows of each group of assets. Expected future cash flows used to determine the value in use and fair value less costs to sell of property, plant and equipment are inherently uncertain and could materially change over time. They are significantly affected by a number of factors including reserves and production estimates, together with economic factors such as spot and future gold and PGM prices, discount rates, foreign currency exchange rates, estimates of costs to produce reserves and future capital expenditure (refer note 10).

Pre-production

The Group assesses the stage of each mine construction project to determine when a mine moves into the production stage. The criteria used to assess the start date are determined based on the unique nature of each mine construction project. The Group considers various relevant criteria to assess when the mine is substantially complete, ready for its intended use and moves into the production stage. Some of the criteria would include, but are not limited to the following:
- the level of capital expenditure compared to the construction cost estimates
- ability to produce metal in saleable form (within specifications)
- ability to sustain commercial levels of production of metal

When a mine construction project moves into the production stage, the capitalisation of certain mine construction costs ceases and costs are expensed, except for capitalisable costs related to mining asset additions or improvements, underground mine development or ore reserve development.

Mineral Reserves estimates

Mineral Reserves are estimates of the amount of product that can be economically and legally extracted from the Group's properties. In order to calculate the reserves, estimates and assumptions are required about a range of geological, technical and economic factors, including but not limited to quantities, grades, production techniques, recovery rates, production costs, transport costs, commodity demand, commodity prices and exchange rates.

Estimating the quantity and grade of the Mineral Reserves requires the size, shape and depth of ore bodies to be determined by analysing geological data such as the logging and assaying of drill samples. This process may require complex and difficult geological judgements and calculations to interpret the data.

The Group is required to determine and report, inter alia, on the Mineral Reserves in accordance with the South African Code for Reporting of Exploration Results, Mineral Resources and Mineral Reserves (SAMREC Code).

Notes to the consolidated financial statements *continued*
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Estimates of Mineral Reserves may change from period to period due to the change in economic assumptions used to estimate Mineral Reserves and due to additional geological data becoming available during the course of operations. Changes in reported proven and probable reserves may affect the Group's financial results and position in a number of ways, including the following:

- asset carrying values may be affected due to changes in estimated cash flows
- depreciation and amortisation charges to profit or loss may change where these are calculated on the units-of production method, or where the useful lives of assets change
- decommissioning site restoration and environmental provisions may change where changes in ore reserves affect expectations about the timing or cost of these activities
- the carrying value of deferred tax assets may change due to changes in estimates of the likely recovery of the tax benefits

Accounting policy

Mineral and surface rights

Mineral and surface rights are recorded at cost less accumulated amortisation and accumulated impairment losses. When there is little likelihood of a mineral right being exploited, or the carrying amount has exceeded its recoverable amount, impairment is recognised in profit or loss in the year that such determination is made.

Mine development and infrastructure

Mining assets, including mine development and infrastructure costs and mine plant facilities, are recorded at cost less accumulated depreciation and accumulated impairment losses.

Costs include the purchase price of assets used in the construction of the mine, expenditure incurred to evaluate and develop new ore bodies, as well as expenditure to define mineralisation in existing ore bodies and to establish or expand productive capacity. These costs are capitalised until commercial levels of production are achieved, at which times the costs are amortised as set out below.

Development of ore bodies includes the development of shaft systems and waste rock removal that allows access to reserves that are economically recoverable in the future. Subsequent to this, costs are capitalised if the criteria for recognition as an asset are met. Access to individual ore bodies exploited by the Group is limited to the time span of the respective mining leases.

Land

Land is shown at cost and is not depreciated.

Other assets

Non-mining assets are recorded at cost less accumulated depreciation and accumulated impairment losses, except for land which is not depreciated. These assets include the assets of the mining operations that are not included in mine development and infrastructure. It also includes borrowing costs, mineral and surface rights, land and all the assets of the non-mining operations.

Amortisation and depreciation of mining assets

Amortisation and depreciation is determined to give a fair and systematic charge in profit or loss taking into account the nature of a particular ore body and the method of mining that ore body. To achieve this, the following calculation methods are used:

- Mining assets, including mine development and infrastructure costs, mine plant facilities and evaluation costs, are amortised over the life of the mine using the units-of-production method, based on estimated proved and probable Mineral Reserves
- Proved and probable Mineral Reserves reflect estimated quantities of economically recoverable reserves, which can be recovered in future from known mineral deposits
- Certain mining plant and equipment included in mine development and infrastructure is depreciated on a straight-line basis over their estimated useful lives
- For certain shafts, which have a short life and/or are marginal, the depreciation is accelerated based on an adjustment to the reserves for accounting purposes

Notes to the consolidated financial statements *continued*
For the year ended 31 December 2021

Depreciation of non-mining assets

Non-mining assets are recorded at cost and depreciated on a straight-line basis over their current expected useful lives to their residual values as follows:

- Vehicles: 5 years
- Computers: 3 years
- Furniture and equipment: 1 - 10 years

The assets' useful lives, depreciation methods and residual values are reassessed at each reporting date and adjusted if appropriate.

Impairment

Recoverability of the carrying values of long-term assets or CGUs of the Group are reviewed whenever events or changes in circumstances indicate that such carrying value may not be recoverable. To determine whether a long-term asset or CGU may be impaired, the higher of value in use (defined as: the present value of future cash flows expected to be derived from an asset or CGU) or fair value less costs to sell (defined as: the price that would be received to sell an asset in an orderly transaction between market participants at the measured rate, less the costs of disposal) is compared to the carrying value of the CGU.

A CGU is defined by the Group as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Generally for the Group this represents an individual operating mine, including mines which are part of a larger mine complex. The costs attributable to individual shafts of a mine are impaired if the shaft is closed.

Impairment losses are recognised in profit or loss. Impairment recognised in respect of a CGU is allocated first to goodwill to that particular CGU and thereafter to the individual assets in the CGU.

When any infrastructure is closed down or placed on care and maintenance during the year, any carrying value attributable to that infrastructure is impaired. Expenditure incurred on care and maintenance is recognised in profit or loss.

When the review of the events or changes in circumstances of an asset or CGU that was previously impaired indicate that such historical carrying value is recoverable, the impairment is reversed. The reversal is limited so that the carrying value of the asset does not exceed its recoverable amount, nor exceed what the historical carrying amount would have been should the asset not have been impaired. Reversal of impairment losses are recognised in profit or loss. Reversal of impairment recognised in respect of a CGU is allocated to the individual assets in the CGU.

Derecognition of property, plant and equipment

Property, plant and equipment is derecognised on disposal or closure of a shaft when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of an item of property, plant and equipment (calculated as the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

Exploration and evaluation expenditure

All exploration and evaluation expenditure, prior to obtaining the legal rights to explore a specific area, is recognised in profit or loss. After the legal rights to explore are obtained, exploration and evaluation expenditure, comprising the costs of acquiring prospecting rights and directly attributable exploration expenditure, is capitalised as a separate class of property, plant and equipment or intangible assets, on a project-by-project basis, pending determination of the technical feasibility and commercial viability.

The technical feasibility and commercial viability of extracting a mineral resource is generally considered to be determinable through a feasibility study and when proven reserves are determinable to exist. Upon determination of proven reserves, exploration and evaluation assets attributable to those reserves are first tested for impairment and then reclassified from exploration and evaluation assets to another appropriate class of property, plant and equipment. Subsequently, all cost directly incurred to prepare an identified mineral asset for production is capitalised to mine development assets. Amortisation of these assets commences once these assets are available for use, which is expected to be when the mine is in commercial production. These assets will be measured at cost less accumulated amortisation and impairment losses.

Notes to the consolidated financial statements *continued*

For the year ended 31 December 2021

Figures in million – SA rand	Notes	Total	Mine development, infrastructure and other	Land, mineral rights and rehabilitation	Exploration and evaluation assets
2021					
Cost					
Balance at beginning of the year		115,954	90,093	23,823	2,038
Additions[1]		12,809	12,794	(3)	18
Change in estimates of rehabilitation assets[2]		(612)	29	(639)	(2)
Disposals		(254)	(231)	(23)	—
Derecognition of property, plant and equipment[3]		(2,065)	(2,062)	(3)	—
Transfers between classes of property, plant and equipment		—	161	105	(266)
Assets derecognised on loss with dilution of interest in joint operation		(2)	—	—	(2)
Assets dercognised on classification to other investments		(22)	—	—	(22)
Foreign currency translation		4,138	2,432	1,695	11
Balance at end of the year		129,946	103,216	24,955	1,775
Accumulated depreciation, amortisation and impairment					
Balance at beginning of the year		55,354	48,657	4,998	1,699
Amortisation and depreciation	4	8,181	7,467	650	64
Impairment	10	5,120	5,025	94	1
Disposals		(210)	(189)	(21)	—
Derecognition of property, plant and equipment		(2,056)	(2,056)	—	—
Depreciation capitalised to inventory		120	120	—	—
Foreign currency translation		943	694	238	11
Balance at end of the year		67,452	59,718	5,959	1,775
Carrying value at end of the year		62,494	43,498	18,996	—

1 *During the year, amortisation and depreciation on assets used in the development of the Blitz project was capitalised. As a result, additions include non-cash additions (or amortisation and depreciation capitalised) of R69 million*

2 *Includes a decrease to the environmental rehabilitation obligation of R638 million (refer note 30), decrease to the right of recoverability liability of R9 million and a decrease to the right of recoverability asset of R35 million*

3 *During the year, short-term ore reserve development, which was capitalised up to 31 December 2019 and fully depreciated by 2021, was derecognised as no future economic benefits are expected from its use*

Notes to the consolidated financial statements *continued*

For the year ended 31 December 2021

Figures in million – SA rand	Notes	Total	Mine development, infrastructure and other	Land, mineral rights and rehabilitation	Exploration and evaluation assets
2020					
Cost					
Balance at beginning of the year		**107,285**	82,046	23,210	2,029
Additions[1]		**9,712**	9,656	14	42
Change in estimates of rehabilitation assets[2]		**(384)**	(108)	(270)	(6)
Disposals		**(63)**	(43)	(20)	—
Derecognition of property, plant and equipment[3]		**(1,968)**	(1,905)	(63)	—
Transfers between classes of property, plant and equipment		**—**	(29)	29	—
Transfers to right-of-use assets		**(2)**	(2)	—	—
Assets derecognised on loss with dilution of interest in joint operation		**(37)**	—	(1)	(36)
Foreign currency translation		**1,411**	478	924	9
Balance at end of the year		**115,954**	**90,093**	**23,823**	**2,038**
Accumulated depreciation, amortisation and impairment					
Balance at beginning of the year		**49,805**	43,877	4,303	1,625
Amortisation and depreciation	4	**7,468**	6,647	753	68
Impairment	10	**1**	—	—	1
Disposals		**(60)**	(41)	(19)	—
Derecognition of property, plant and equipment		**(1,968)**	(1,905)	(63)	—
Depreciation capitalised to inventory		**117**	117	—	—
Foreign currency translation		**(9)**	(38)	24	5
Balance at end of the year		**55,354**	**48,657**	**4,998**	**1,699**
Carrying value at end of the year		**60,600**	**41,436**	**18,825**	**339**

1 *During the year, amortisation and depreciation on assets used in the development of the Blitz project was capitalised. As a result, additions include non-cash additions (or amortisation and depreciation capitalised) of R96 million*

2 *Includes a decrease to the environmental rehabilitation obligation of R318 million (refer note 30), decrease to the right of recoverability liability of R40 million and an increase to the right of recoverability asset of R26 million*

3 *During the year, short-term ore reserve development, which was capitalised up to 31 December 2018 and fully depreciated by 2020, was derecognised as no future economic benefits are expected from its use*

Notes to the consolidated financial statements *continued*

For the year ended 31 December 2021

Figures in million – SA rand	Notes	Total	Mine development, infrastructure and other	Land, mineral rights and rehabilitation	Exploration and evaluation assets
2019					
Cost					
Balance at beginning of the year		**99,995**	72,811	25,096	2,088
Additions[1]		**7,803**	7,791	—	12
Change in estimates of rehabilitation assets[2]		**101**	(99)	200	—
Disposals		**(282)**	(281)	(1)	—
Derecognition of property, plant and equipment[3]		**(2,410)**	(695)	(1,715)	—
Transfers between classes of property, plant and equipment		**—**	(95)	95	—
Transfers to right-of-use assets		**(19)**	(19)	—	—
Assets acquired on acquisition of subsidiaries		**3,159**	3,152	7	—
Assets derecognised on loss of control of subsidiary		**(63)**	—	—	(63)
Foreign currency translation		**(999)**	(519)	(472)	(8)
Balance at end of the year		**107,285**	**82,046**	**23,210**	**2,029**
Accumulated depreciation, amortisation and impairment					
Balance at beginning of the year		**45,437**	38,576	5,277	1,584
Amortisation and depreciation	4	**7,102**	6,275	788	39
Impairment	10	**5**	—	—	5
Disposals		**(257)**	(257)	—	—
Derecognition of property, plant and equipment		**(2,410)**	(695)	(1,715)	—
Transfers to right-of-use assets		**(16)**	(16)	—	—
Depreciation capitalised to inventory		**111**	111	—	—
Foreign currency translation		**(167)**	(117)	(47)	(3)
Balance at end of the year		**49,805**	**43,877**	**4,303**	**1,625**
Carrying value at end of the year		**57,480**	**38,169**	**18,907**	**404**

[1] *During the year, amortisation and depreciation on assets used in the development of the Blitz project was capitalised. As a result, additions include non-cash additions (or amortisation and depreciation capitalised) of R86 million*

[2] *Includes an increase to the environmental rehabilitation obligation of R105 million (refer note 30), decrease to the right of recoverability liability of R11 million and a decrease to the right of recoverability asset of R7 million*

[3] *During the year, short-term ore reserve development, which was capitalised up to 31 December 2017 and fully depreciated by 2019, was derecognised as no future economic benefits are expected from its use*

Notes to the consolidated financial statements *continued*
For the year ended 31 December 2021

15. Right-of-use assets

Accounting policy

Right-of-use assets comprise mining equipment, vehicles and office rentals (included in the mine development, infrastructure and other asset class) of which none meet the definition of investment property. These right-of-use assets comprise the initial measurement of the corresponding lease liability, any initial direct costs incurred by the lessee, and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset.

Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses if applicable. The assets are depreciated over the shorter period of the lease term and useful life of the underlying asset.

If a lease transfers ownership of the underlying asset, or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

Refer to the lease liabilities note (refer note 29) for additional detail.

Figures in million – SA rand	Notes	2021	2020	2019
Balance at beginning of the year		**296**	361	—
Impact of adopting IFRS 16 on 1 January 2019		**—**	—	302
Additions and modifications		**65**	66	44
Right-of-use assets acquired on acquisition of subsidiaries (Lonmin acquisition)	16.1	**—**	—	133
Impairment of mining assets	10	**(28)**	—	—
Depreciation		**(112)**	(124)	(112)
Transfers and other movements		**—**	(8)	(6)
Foreign currency translation		**1**	1	—
Balance at end of the year		**222**	296	361

Notes to the consolidated financial statements *continued*
For the year ended 31 December 2021

16. Acquisitions

Significant accounting judgements and estimates

Expected future cash flows used to determine the fair value of, inter alia, property, plant and equipment and contingent consideration are inherently uncertain and could materially change over time. The fair value is significantly affected by a number of factors including reserves and production estimates, together with economic factors such as the expected commodity price, foreign currency exchange rates, and estimates of production costs, future capital expenditure and discount rates.

Accounting policy

Business combinations

The acquisition method of accounting is used to account for business combinations by the Group. The consideration transferred for the acquisition of a business is the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Any contingent consideration is measured at fair value at the date of acquisition. Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any NCI in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets. Subsequently, the carrying amount of NCI is the amount of the interest at initial recognition plus the NCI's share of the subsequent changes in equity, plus or minus changes in the portion of interest of the equity of the subsidiary not attributable, directly or indirectly, to Sibanye-Stillwater shareholders.

The excess of the consideration transferred, the amount of any NCI in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is a gain recognised directly in profit or loss.

Statement of cash flows

The acquisition date fair value of deferred payments and contingent consideration relating to business combinations is part of the aggregate consideration for obtaining control of the underlying net assets. Therefore, unless the obligations are clearly part of the borrowing structure of the group, repayments of the acquisition date fair value are classified as investing activities. Additional deferred/ contingent payments in excess of the grant date fair value are considered to be operating activity cash flows by nature.

16.1 Lonmin acquisition

On 14 December 2017, Sibanye-Stillwater announced that it had reached an agreement with Lonmin Plc (Lonmin) on the terms of a recommended all-share offer to acquire the entire issued and to be issued ordinary share capital of Lonmin (the Lonmin Acquisition). The Lonmin Acquisition was effected by means of a scheme of arrangement between Lonmin and the Lonmin shareholders under Part 26 of the UK Companies Act. Under the initial terms of the Lonmin Acquisition, each Lonmin shareholder was entitled to receive: 0.967 new Sibanye-Stillwater shares for each Lonmin share (Initial offer).

On 15 May 2018, Sibanye-Stillwater received South African Reserve Bank approval for the proposed acquisition of Lonmin and on 28 June 2018, the proposed Lonmin transaction was unconditionally cleared by the UK Competition and Markets Authority. On 21 November 2018, Sibanye-Stillwater announced that the Competition Tribunal had approved the proposed acquisition of Lonmin, subject to specific conditions. In addition to the conditions agreed between Sibanye-Stillwater and the Competition Commission, a further condition had been imposed by the Competition Tribunal, namely a moratorium on retrenchments at the Lonmin operations for a period of six months from the implementation date.

On 25 April 2019, the boards of Sibanye-Stillwater and Lonmin reached agreement on the terms of an increased recommended all-share offer pursuant to which Sibanye-Stillwater, and/or a wholly owned subsidiary of Sibanye-Stillwater, was to acquire the entire issued and to be issued ordinary share capital of Lonmin (the Increased Offer). Under the terms of the Increased Offer, Lonmin shareholders was entitled to receive one new Sibanye-Stillwater share for each Lonmin share.

The Lonmin Transaction (or scheme) was approved by the UK Court and on 7 June 2019 (effective date) and all the conditions precedent to the Lonmin Transaction were fulfilled. Sibanye-Stillwater obtained control of Lonmin on this date. The effective date of the implementation of the Lonmin Transaction was 10 June 2019, when Lonmin's listing on the Financial Conduct Authority's Official List and the trading of Lonmin shares on the London Stock Exchange's Main Market for listed securities was suspended, and 290,394,531 new Sibanye-Stillwater shares were listed on the Johannesburg Stock Exchange.

Notes to the consolidated financial statements *continued*

For the year ended 31 December 2021

The year end of Lonmin has been changed to 31 December 2019 and Lonmin was consolidated from the effective date. For the seven months ended 31 December 2019, the Marikana operations contributed revenue of R11,188 million and a net profit of R1,881 million to the Group's results.

The purchase price allocation (PPA) on the effective date was prepared on a provisional basis in accordance with IFRS 3 Business Combinations. During the measurement period, management provisionally revised the initial PPA due to new information obtained in accordance with IFRS 3. Since provisionally revising the initial PPA and up to one year of the acquisition date, no further information was obtained that required adjustments to the amounts recognised.

Consideration

The fair value of the consideration is as follows:

Figures in million – SA rand	2019
Equity instruments (290,394,531 ordinary shares)	**4,307**
Total consideration	**4,307**

Acquisition related costs

The Group incurred total acquisition related costs of R437 million (2020: R8 million, 2019: R284 million, 2018: R117 million, and prior to 2018: R28 million) on advisory and legal fees. These costs are recognised as transaction costs in profit or loss during the period in which incurred.

Identified assets acquired and liabilities assumed

The following table summarises the recognised amounts of assets acquired and liabilities assumed at the acquisition date:

Figures in million – SA rand	Notes	2019
Property, plant and equipment	14	**3,159**
Right-of-use assets	15	**133**
Other investments		**321**
Environmental rehabilitation obligation funds	21	**443**
Other non-current assets		**395**
Inventories		**5,220**
Trade and other receivables		**925**
Other current assets		**15**
Cash and cash equivalents		**2,999**
Lease liabilities	29	**(133)**
Environmental rehabilitation obligation and other provisions	30	**(1,697)**
Other non-current liabilities		**(863)**
Borrowings	28	**(2,575)**
Trade and other payables		**(2,586)**
Other current liabilities		**(99)**
Total fair value of identifiable net assets acquired[1]		**5,657**

[1] *Fair value of assets and liabilities excluding property, plant and equipment, inventories, borrowings, non-current liabilities and environmental rehabilitation obligation approximate the carrying value*

The fair value of property, plant and equipment was based on the expected discounted cash flows of the expected ore reserves and costs to extract the ore discounted at a real discount rate of 13.5% for the Marikana operations, an average platinum price of US$1,025/oz and an average palladium price of US$1,170/oz

The fair value of inventories was based on the estimated selling price less costs to complete and costs to sell

The fair value of borrowings is based on the settlement price. The Group restructured the Lonmin group entities funding arrangements to optimise financing costs. The Lonmin Pangaea Investments Management Limited (PIM) prepayment arrangement of US$174.3 million was fully settled by cash on hand and available within the Lonmin group on 5 July 2019

The fair value of other non-current liabilities is calculated based on a discounted cash flows using an effective discount rate of 12.5%

The fair value of environmental rehabilitation obligation is calculated with updated life-of-mines used in the discounted cash flows of property, plant and equipment

Notes to the consolidated financial statements *continued*
For the year ended 31 December 2021

Gain on acquisition

A gain on acquisition has been recognised as follows:

Figures in million – SA rand	2019
Consideration	4,307
Fair value of identifiable net assets acquired	(5,657)
Non-controlling interest, based on the proportionate interest in the recognised amounts of assets and liabilities[1]	247
Gain on acquisition	**(1,103)**

[1] *The amount recognised as NCI represents the NCI holders' effective proportionate share in the fair value of the identifiable net assets acquired*

The excess of the fair value of the net assets acquired over the consideration is recognised immediately in profit or loss as a gain on acquisition. The gain on acquisition is attributable to the transaction being attractively priced, and is consistent with the statement by the boards of Sibanye-Stillwater and Lonmin, that the purchase price reflected the recovery in PGM prices at the time of the increased offer, balanced against the fact that Lonmin, pre-acquisition, was financially constrained and unable to fund the significant investment required to sustain its business and associated employment.

16.2 SFA (Oxford) acquisition

On 21 February 2019, Sibanye-Stillwater announced it had agreed to acquire SFA (Oxford) Limited (SFA Oxford), an established analytical consulting company that is a globally recognised authority on PGMs and has for several years provided in-depth market intelligence on battery materials and precious metals for industrial, automotive, and smart city technologies.

The purchase consideration comprised an upfront payment of GBP4 million (R74.7 million) at the closing of the transaction and a deferred payment (contingent consideration), subject to a maximum payment of GBP6 million (refer note 22.2).

The acquisition was subject to the fulfilment of various conditions precedent which were completed on 4 March 2019. Sibanye-Stillwater obtained control (100%) on this date.

The PPA was prepared on a provisional basis in accordance with IFRS 3 at the effective date. No new information was obtained within one year of the acquisition date that required adjustments to the amounts recognised.

Figures in million – SA rand	2019
Consideration	127
Fair value of identifiable net assets acquired	(4)
Goodwill	**123**

The goodwill is attributable to the talent and skills of SFA (Oxford)'s workforce.

The goodwill has been allocated to the Stillwater, Rustenburg and Kroondal cash generating units (refer note 17). None of the goodwill recognised is expected to be deducted for tax purposes.

16.3 Qinisele Resources acquisition

On 29 October 2019, Sibanye-Stillwater entered in to a sale of shares agreement to buy the entire issued share capital of Qinisele Resources, a boutique advisory company that specialises in corporate finance, investor relations and research for a total of R55 million.

The acquisition was subject to the fulfilment of various conditions precedent which were completed on 31 October 2019 and Sibanye- Stillwater obtained control (100%) on 1 November 2019 (acquisition date).

The PPA was prepared on a provisional basis in accordance with IFRS 3 at the effective date. No new information was obtained within one year of the acquisition date that required adjustments to the amounts recognised.

Figures in million – SA rand	2019
Consideration	55
Fair value of identifiable net assets acquired	(1)
Goodwill	**54**

The goodwill is attributable to the experience and skills of Qinisele's workforce (refer note 17).

Notes to the consolidated financial statements *continued*
For the year ended 31 December 2021

17. Goodwill

Significant accounting judgements and estimates

Goodwill is tested for impairment on an annual basis and whenever impairment indicators are identified. Expected future cash flows used to determine the recoverable amount of property, plant and equipment and goodwill are inherently uncertain and could materially change over time. The recoverable amount is significantly affected by a number of factors including reserves and production estimates, together with economic factors such as the expected commodity price, foreign currency exchange rates, and estimates of production costs, future capital expenditure and discount rates.

An individual operating mine does not have an indefinite life because of the finite life of its reserves. The allocation of goodwill to an individual mine will result in an eventual goodwill impairment due to the wasting nature of the mine.

Accounting policy

Goodwill is stated at cost less accumulated impairment losses. In accordance with the requirements of IAS 36 *Impairment of Assets*, the Group performs its annual impairment review of goodwill at each financial year end or whenever there are impairment indicators to establish whether there is any indication of impairment to goodwill. Goodwill is allocated to CGUs for the purpose of impairment testing. The allocation is made to those CGUs or groups of CGUs that are expected to benefit from the business combination in which the goodwill arose. An impairment is made if the carrying amount exceeds the recoverable amount. The recoverable amount is determined as the higher of "value in use" and "fair value less cost to sell", based on the cash flows over the life of the CGUs and discounted to present value at an appropriate discount rate. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill allocated to the entity sold.

Figures in million – SA rand	Note	2021	2020	2019
Balance at beginning of the year		**7,165**	6,855	6,890
Impairment	10	**—**	—	(54)
Goodwill on acquisition of subsidiaries		**—**	—	177
Foreign currency translation		**562**	310	(158)
Balance at end of the year		**7,727**	7,165	6,855

The goodwill arose on the acquisition of Cooke, Aquarius, Stillwater, DRDGOLD, SFA (Oxford) and Qinisele Resources. The goodwill on acquisition of:

- SFA (Oxford), amounting to R123 million, is attributable to the talent and skills of SFA (Oxford)'s workforce. At year-end, the goodwill on acquisition of SFA (Oxford) is allocated to the Stillwater (R60 million), Rustenburg (R44 million) and Kroondal (R18 million) CGUs, where it is tested for impairment. No impairment has been recognised
- Qinisele Resources, amounting to R54 million, cannot be attributed to any current Sibanye-Stillwater operating cash generating units. Qinisele Resources will perform an internal corporate function, mostly responsible for identifying, assessing and executing corporate actions. The business acquired will not generate external cash flows and has no future external mandates. None of the goodwill recognised is expected to be deducted for tax purposes. Due to the factors mentioned, the recoverable amount of goodwill resulting from the application of IFRS 3 has been calculated at zero at acquisition in 2019 and fully impaired at year-end (refer note 10)
- Cooke, amounting to R737 million, was attributable to the synergies at the Group's other operations, and the underlying assets of Cooke and the West Rand Tailings Retreatment Project (WRTRP). During the year ended 31 December 2016, the goodwill allocated to the Cooke CGU was impaired by R201 million. During the year ended 31 December 2017, the goodwill allocated to the WRTRP CGU was impaired by R99 million. During the year ended 31 December 2018, the goodwill allocated to the Driefontein, Kloof and Beatrix CGUs was impaired by R436 million
- Aquarius, amounting to R401 million, was attributable to the synergies between the PGM assets in the Rustenburg area. At year end, the goodwill on acquisition of Aquarius is allocated to the Kroondal (R134 million) and the Rustenburg operation (R267 million) CGUs, where it is tested for impairment. No impairment has been recognised
- Stillwater, amounting to R5,874 million (US$450 million), was attributable to the premium paid, and the talent and skills of Stillwater's workforce, and is allocated to the Stillwater CGU, where it is tested for impairment. No impairment has been recognised
- DRDGOLD, amounting to R35 million, was attributable to DRDGOLD's proven surface retreatment capabilities, and is allocated to the DRDGOLD CGU, where it is tested for impairment. No impairment has been recognised

The recoverable amount of goodwill was calculated based on the value in use of the CGUs to which to goodwill was allocated.

None of the goodwill recognised is expected to be deductible for tax purposes.

Notes to the consolidated financial statements *continued*

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The Group's estimates and assumptions used in the 31 December 2021 impairment testing include:

PGM operations						Gold operations[1]		
2019	2020	2021				2021	2020	2019
				Average gold price[2]	R/kg	**773,398**	733,037	686,225
20,600	23,278	**24,422**	R/4Eoz	Average PGM (4E) basket price				
1,250	1,202	**1,180**	US$/2Eoz	Average PGM (2E) basket price				
13.6	18.8 - 19.7	**20.0**	%	Nominal discount rate – South Africa[3]	%	**11.5 - 13.5**	9.7 - 13.6	12.4
7.6	8.8	**8.3**	%	Nominal discount rate – US				
5.0	6.0	**6.0**	%	Inflation rate – South Africa[2]	%	**6.0**	6.0	5.0
2.0	2.0	**2.0**	%	Inflation rate – US				
13 - 35	12 - 39	**17 - 50**	years	Life-of-mine[2]	years	**4 - 9**	3 - 13	6 - 14

[1] *Include the operating gold mines Driefontein, Kloof and Beatrix*

[2] *The estimates and assumptions used in the impairment assessment of the Burnstone project include an average gold price of R729,270/kg (2020: R733,037/kg, 2019: R686,225/kg), inflation rate of 6% (2020: 6%, 2019: 5%) and life-of-mine of 24 years (2020: 21 years, 2019: 18 years)*

[3] *Nominal discount rate for the Burnstone project is 15.3% (2020: 16.8%, 2019: 17.1%) and for the equity-accounted joint venture Mimosa, 24.4% (2020: 28.4%, 2019: 23.3%)*

The cash flows are based on the annual life-of-mine plan that takes into account the following:

- Proved and probable ore reserves of the CGUs
- Cash flows are based on the life-of-mine plan
- Sustaining capital expenditure estimates over the life-of-mine plan

Results of impairment assessments for other gold operations, PGM operations and goodwill allocated to CGUs

No impairment was identified for the Group's PGM CGUs or any CGUs with allocated goodwill. Sufficient headroom exists for all CGUs with allocated goodwill. Except for the impaired SA gold operations (refer note 10), management believes that currently there are no reasonably possible changes in any of the above assumptions, which would lead to an impairment for any CGUs not impaired during the year.

Notes to the consolidated financial statements *continued*
For the year ended 31 December 2021

18. Equity-accounted investments

Significant accounting judgements and estimates

Joint arrangements

Judgement is required to determine when the Group has joint control, which requires an assessment of the relevant activities and when the decisions in relation to those activities require unanimous consent. The Group has determined that the relevant activities for its joint arrangements are those relating to the operating and capital decisions of the arrangement, such as the approval of the capital expenditure programme for each year, and appointing, remunerating and terminating the key management personnel or service providers of the joint arrangement. The considerations made in determining joint control are similar to those necessary to determine control over subsidiaries.

Judgement is also required to classify a joint arrangement as either a joint operation or a joint venture. Classifying the arrangement requires the Group to assess their rights and obligations arising from the arrangement. Specifically, it considers:

- The structure of the joint arrangement – whether it is structured through a separate vehicle
- When the arrangement is structured through a separate vehicle, the Group also considers the rights and obligations arising from:
  - the legal form of the separate vehicle
  - the terms of the contractual arrangement

This assessment often requires significant judgement, and a different conclusion on joint control and also whether the arrangement is a joint operation or a joint venture may materially impact the accounting.

Carrying value of Mimosa and related Mineral Reserves and Mineral Resources estimates

The Group reviews and tests the carrying value when events or changes in circumstances suggest that the carrying amount may not be recoverable by comparing expected future cash flows to the carrying value. Expected future cash flows used to determine the value in use and fair value less costs to sell of Mimosa are inherently uncertain and could materially change over time. These are significantly affected by a number of factors including reserves and production estimates, together with economic factors such as spot and future PGM prices, discount rates, foreign currency exchange rates, estimates of costs to produce reserves and future capital expenditure. Mineral resources outside the approved mine plans are valued based on the in situ 4E ounce value. Comparable market transactions are used as a source of evidence adjusting specifically for the nature of each underlying ore body.

Mimosa functional currency

The functional currency of Mimosa, which is domiciled in Zimbabwe, has been determined as US dollar. The local currency in Zimbabwe changed to RTGS dollar during February 2019. As a result of this change, management reassessed whether there is a change in the functional currency of Mimosa. This assessment depends on the primary economic environment in which the company operates, which is considered to be the environment in which it generates and expends cash. These considerations include the currency primarily influencing sales prices, the country whose competitive forces and regulations mainly determine sales prices and the currency that influences labour, material and other costs of production. Judgements and assumptions made in determining the functional currency may have a significant impact on the results presented for the Group.

The determining factors in the above assessment were:

- The currency that mainly influences sales prices: Sales are invoiced and settled in US dollar;
- The currency of the country whose competitive forces and regulations mainly determine the sales prices: The competitive forces and regulations of the US primarily influences sales prices; and
- The currency that mainly influences labour, material and other costs: The majority of operating costs are settled in US dollar.

Accounting policy

The Group's interest in equity-accounted investees comprise interests in associates and joint ventures.

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. Joint ventures are arrangements in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and joint ventures are accounted for using the equity method. The interests are initially recognised at cost using the same principles as with business combinations. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and other comprehensive income of equity-accounted investees until the date on which significant influence or joint control ceases.

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Results of associates and joint ventures are equity-accounted using the results of their most recent audited annual financial statements or unaudited management accounts. Any losses from associates are brought to account in the consolidated financial statements until the interest in such associates is written down to zero. The interest includes any long-term interests that in substance form part of the entity's net investment in the equity-accounted investee, for example long-term receivables for which settlement is neither planned nor likely to occur in the foreseeable future. Thereafter, losses are accounted for only insofar as the Group is committed to providing financial support to such associates.

The carrying value of an equity-accounted investment represents the cost of the investment, including goodwill, the proportionate share of the post-acquisition retained earnings and losses, any other movements in reserves, any impairment losses and loans to or from the equity-accounted investee. The carrying value together with any long-term interests that in substance form part of the net investment in the equity-accounted investee is assessed annually for existence of indicators of impairment and if such exist, the carrying amount is compared to the recoverable amount, being the higher of value in use or fair value less costs to sell. If an impairment in value has occurred, it is recognised in the period in which the impairment arose. Indicators of impairment include a significant or prolonged decline in the investments fair value below its carrying value.

The Group holds the following equity-accounted investments:

Figures in million – SA rand	Notes	2021	2020	2019
Rand Refinery[1]	18.1	**649**	691	397
Mimosa[2]	18.2	**5,413**	3,929	2,688
Peregrine[2]	18.3	**1,086**	1,001	954
Keliber Oy (Keliber)[1]	18.4	**446**	—	—
Other equity-accounted investments		**-***	-*	-*
Total equity-accounted investments		**7,594**	5,621	4,039

1 *Associate*
2 *Joint venture*
* *Less than R1 million*

18.1 Rand Refinery

Sibanye-Stillwater has a 44.4% interest in Rand Refinery Proprietary Limited (Rand Refinery), a company incorporated in South Africa, which is involved in the refining of bullion and by-products sourced from, inter alia, South African and foreign gold producing mining companies. Rand Refinery is accounted for using the equity method.

On 18 December 2014, Rand Refinery drew down R1.029 billion under a R1.2 billion subordinated shareholders loan (the Facility), with Sibanye-Stillwater's proportional share being R385 million. Amounts drawn down under the Facility were repayable within two years from the first draw down date. If the loan was not repaid within two years, it would automatically convert into equity in Rand Refinery. During February 2017, Rand Refinery resolved to convert the Facility to redeemable preference shares.

There were no fixed repayment terms for the preference shares. The preference shares had a preferential right to distributions. No ordinary dividends could be declared by Rand Refinery until the preference shares have been fully redeemed. The preference shareholders did not have voting rights at shareholders' meetings. The Group accounted for the preference shares as part of the investment in Rand Refinery. The preference shares were fully redeemed during 2020.

Historical impairment of R120 million on Rand Refinery was reversed at 31 December 2020 (refer note 10).

The equity-accounted investment in Rand Refinery movement for the year is as follows:

Figures in million – SA rand	Note	2021	2020	2019
Balance at beginning of the year		**691**	397	239
Share of results of equity-accounted investee after tax[1]		**287**	400	345
Dividends received		**(329)**	(112)	—
Preference shares redeemed		**—**	(114)	(187)
Reversal of impairment	10	**—**	120	—
Balance at end of the year		**649**	691	397

1 *Rand Refinery is equity accounted based on its latest management accounts for the period ended 30 November, since Rand Refinery has a 31 August year end*

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For the year ended 31 December 2021

The Group's interest in the summarised financial statements of Rand Refinery are:

Figures in million – SA rand	2021	2020	2019
Revenue	**1,276**	1,131	811
Total comprehensive income	**646**	903	777
Non-current assets	**524**	724	667
Current assets	**2,022**	2,079	1,433
Non-current liabilities	**(87)**	(56)	(111)
Current liabilities	**(475)**	(462)	(104)
Net assets (100%)	**1,984**	2,285	1,885
Reconciliation of the total investment in Rand Refinery with attributable net assets:			
Net assets (44.4%)	**882**	1,016	837
Preference shares redeemed	**—**	(114)	(187)
Dividend received[1]	**(156)**	(112)	(8)
Fair value adjustment[2]	**(36)**	(36)	(36)
Impairment	**—**	—	(120)
Redeemable preference shares below 44.4% interest[3]	**—**	—	15
Reconciling items[4]	**(41)**	(63)	(104)
Total investment in Rand Refinery	**649**	691	397

[1] *The dividend received relates to the dividend received from Rand Refinery after 30 November 2021, total dividend received for 2021 of R329 million*

[2] *The investment in equity-accounted investee was fair valued at 1 July 2002, the date when significant influence was obtained*

[3] *Sibanye-Stillwater took up 37.4% of the Facility, which is less than its current proportional interest in Rand Refinery. Rand Refinery converted the Facility into redeemable preference shares, classified within equity, and therefore Sibanye-Stillwater shares in less than its current 44.4% proportional interest of the net asset value of Rand Refinery*

[4] *Reconciling items relate to adjustments on consolidation of DRDGOLD's interest in Rand Refinery*

18.2 Mimosa

Sibanye-Stillwater has a 50% interest in Mimosa Investments Limited (Mimosa), which owns and operates the Mimosa mine, which is a Platinum mine situated in Zimbabwe and has a functional currency of US dollar.

The equity-accounted investment in Mimosa movement for the year is as follows:

Figures in million – SA rand	2021	2020	2019
Balance at the beginning of the year	**3,929**	2,688	2,492
Share of results of equity-accounted investee after tax	**1,702**	1,300	376
Dividends received	**(667)**	(103)	(111)
Foreign currency translation	**449**	44	(69)
Balance at end of the year	**5,413**	3,929	2,688

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For the year ended 31 December 2021

The Group's interest in the summarised financial statements of Mimosa are:

Figures in million – SA rand	2021	2020	2019
Revenue	**8,786**	7,789	4,685
Amortisation and depreciation	**(549)**	(563)	(437)
Interest income	**24**	8	5
Finance expense	**(10)**	(28)	(44)
Income and royalty tax	**(1,503)**	(1,254)	(436)
Income tax	**(1,183)**	(984)	(282)
Royalty tax	**(320)**	(270)	(154)
Profit or loss	**3,405**	2,599	754
Other comprehensive income	**896**	89	(141)
Total comprehensive income	**4,301**	2,688	613
Non-current assets	**6,095**	5,178	4,724
Property, plant and equipment[1]	**6,095**	5,178	4,705
Right-of-use assets	**—**	—	19
Current assets	**6,728**	4,635	2,535
Cash and cash equivalents	**1,131**	469	28
Other current assets	**5,597**	4,166	2,507
Non-current liabilities	**(1,443)**	(1,304)	(1,236)
Non-current financial liabilities[2]	**—**	(12)	(129)
Other non-current liabilities	**(1,443)**	(1,292)	(1,107)
Current liabilities	**(456)**	(556)	(554)
Current financial liabilities[2]	**(334)**	(476)	(447)
Other current liabilities	**(122)**	(80)	(107)
Net assets (100%)	**10,924**	7,953	5,469
Reconciliation of the total investment in Mimosa with attributable net assets:			
Net assets (50%)	**5,462**	3,977	2,735
Reconciling items[1]	**(49)**	(48)	(47)
Total investment in Mimosa	**5,413**	3,929	2,688

1 *The reconciling items include the difference between the carrying amount and fair value of the Mimosa's identifiable assets and liabilities on acquisition less accumulated amortisation, and foreign exchange differences on translation of assets and liabilities of the foreign joint venture*

2 *Non-current and current financial liabilities (excluding trade and other payables and provisions) amounted to Nil (2020: R12 million, 2019: R129 million) and R9 million (2020: R53 million, 2019: R32 million), respectively*

Repatriation of funds from Zimbabwe is subject to regulatory approval in Zimbabwe.

18.3 Peregrine

On 29 June 2018, Sibanye-Stillwater announced that it had entered into an agreement with Regulus Resources Inc. (Regulus) and a newly formed subsidiary of Regulus, Aldebaran Resources Inc. (Aldebaran), creating a strategic partnership in order to unlock value at its Altar copper-gold project in San Juan Province, Argentina (Altar Project), currently held in the US PGM operations. Under the terms of the agreement, Stillwater Canada LLC, an indirect, wholly-owned subsidiary of Sibanye-Stillwater (Stillwater Canada), entered into an option and joint venture agreement with Aldebaran, whereby Aldebaran has the option to earn into a maximum 80% interest in a wholly-owned subsidiary of Stillwater Canada, Peregrine Metals Limited (Peregrine) which owns the Altar Project (Arrangement Agreement).

The consideration for Aldebaran to acquire up to an 80% interest in the Altar Project, included:

- An upfront cash payment of US$15 million to Sibanye-Stillwater on closing of the Arrangement Agreement
- 19.9% of the shares of Aldebaran
- A commitment from Aldebaran to carry the next US$30 million of spend at the Altar Project over a maximum of five years (inclusive of 2018 drilling that was conducted between February and May of 2018) as an initial earn-in of a 60% interest in the Altar Project (the Initial Earn-in)

Pursuant to the Arrangement Agreement, Aldebaran may also elect to earn-in an additional 20% interest in the Altar Project by spending an additional US$25 million over a three-year period following the Initial Earn-in.

Notes to the consolidated financial statements *continued*
For the year ended 31 December 2021

Peregrine was a subsidiary of Stillwater Canada. On 25 October 2018, Aldebaran issued an aggregate of 15,449,555 Aldebaran shares to Sibanye-Stillwater, representing 19.9% of the current 77,635,957 issued and outstanding Aldebaran shares, and made an upfront cash payment of US$15 million to Sibanye-Stillwater in accordance with the Arrangement Agreement. From this date, Stillwater Canada and Aldebaran act together to direct the relevant activities of and, therefore, collectively control Peregrine. As a result of the loss of control, Peregrine was derecognised as a subsidiary and accounted for as an equity-accounted investment. At 31 December 2021, the Group had a 100% legal interest in Peregrine, which is subject to an Initial Earn-in arrangement of 60% as described above (2020: 100%; 2019: 100%). At 31 December 2021, Aldebaran who is earning into the Altar Project, was not in breach of the earn-in requirements.

The equity-accounted investment in Peregrine movement for the year is as follows:

Figures in million – SA rand	2021	2020	2019
Balance at the beginning of the year	**1,001**	954	978
Foreign currency translation	**85**	47	(24)
Balance at end of the year	**1,086**	1,001	954

The Group's interest in the summarised financial statements of Peregrine is:

Figures in million – SA rand	2021	2020	2019
Non-current assets	**2,788**	1,541	1,472
Current assets	**—**	7	3
Non-current liabilities	**(409)**	(382)	(369)
Current liabilities	**(15)**	(18)	(1)
Net assets (100%)	**2,364**	1,148	1,105
Reconciliation of the total investment in Peregrine with attributable net assets:			
Net assets (40%)[1]	**946**	459	442
Reconciling items[2]	**140**	542	512
Total investment in Peregrine	**1,086**	1,001	954

[1] *Disclosed on the basis that Aldebaran will successfully complete their earn-in obligation in terms of the agreement as described above*

[2] *The reconciling items include the difference between the carrying amount and fair value of the Peregrine's identifiable assets and liabilities on acquisition less accumulated amortisation, and foreign exchange differences on translation of assets and liabilities of the foreign equity-accounted investment*

18.4 Keliber

On 23 February 2021, Keliber and the Group entered into an investment agreement that enables Keliber to significantly advance its lithium project in Central Ostrobothnia, Finland. The Keliber project consists of several advanced stage lithium spodumene deposits, with significant exploration upside in close proximity to the existing project. Based on a feasibility study completed in 2019 and improved in 2020, Keliber currently has 12.3 million tonnes of ore reserves. The planned annual production is 15,000 tonnes of battery grade lithium hydroxide. The project includes the development of a chemical plant in Kokkola, approximately 50 kilometres from the mining area, which will produce battery grade lithium hydroxide.

Under the investment agreement, the Group will make an initial phased equity investment of €30 million for an approximate 30% equity shareholding into Keliber. In the first tranche the Group subscribed for shares in Keliber for €15 million and simultaneously, on the same terms as Sibanye-Stillwater's €30 million phased investment, a further €10 million equity issuance was offered to the existing Keliber shareholders, which was fully subscribed. The investment agreement allows the Group to finance development work of a further €15 million in two tranches over a twelve-month period. The second tranche subscription payment was made on 16 September 2021 and the third tranche payment on 14 March 2022 (refer note 41.9). In addition to, and subject to the completion of the initial investment and funding, the Group has a guaranteed option to achieve the majority shareholding in Keliber, should it wish to do so, by contributing further equity financing for the development of the project.

The investment in Keliber resulting from the €15 million subscription in the first tranche and the €10 million in the second tranche was treated as an equity accounted associate from 17 March 2021, being the date on which the closing conditions on the first tranche subscription were met. The first and second tranche subscriptions resulted in an aggregate 26.6% shareholding as at 31 December 2021, which allows for representation on the board of Keliber as well as significant involvement in the technical committee of the company. The transaction was entered into at fair value, and the difference between the net asset value and the fair value paid by the Group was attributed to the mineral reserve.

Notes to the consolidated financial statements *continued*

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The equity-accounted investment in Keliber movement for the year is as follows:

Figures in million – SA rand	2021	2020	2019
Balance at the beginning of the year	—	—	—
Acquisition of Keliber investment	446	—	—
Balance at end of the year	**446**	—	—

The Group's interest in the summarised financial statements of Keliber is:

Figures in million – SA rand	2021	2020	2019
Non-current assets	445	—	—
Current assets	388	—	—
Non-current liabilities	(71)	—	—
Current liabilities	(90)	—	—
Net assets (100%)	**672**	—	—
Reconciliation of the total investment in Keliber with attributable net assets:			
Net assets (26.6%)	179	—	—
Reconciling items[1]	267	—	—
Total investment in Keliber	**446**	—	—

[1] *The reconciling items are due to the difference between the net asset value and the fair value paid by the Group which was attributed to the mineral reserve as well as foreign exchange differences on translation of assets and liabilities of the foreign equity-accounted investment*

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19. Interests in joint operations

Accounting policy

A joint operation is a joint arrangement in which the parties that share joint control have rights to the assets, and obligations for the liabilities, relating to the arrangement.

In relation to the Group's interests in joint operations, the following are recognised in the financial statements:
- the Group's share of the jointly controlled assets, classified according to the nature of the assets
- any liabilities that the Group has incurred
- the Group's share of any liabilities incurred jointly with the other ventures in relation to the joint operation
- any income from the sale or use of the Group's share of the output of the joint operation, together with the Group's share of any expenses incurred by the joint operation
- any expenses that the Group has incurred in respect of its interest in the joint operation

The Group's interests in joint operations includes a 50% interest in two joint operations each referred to as the "Notarial Pooling and Sharing Agreements". The principal activities of the joint operations are to extend the Kroondal mine over the boundary of the properties covering the Kroondal mine and expand the Marikana mine operations through mineral rights contributed by Anglo American Platinum Limited through its subsidiary, RPM (refer note 41.4).

The Group's share of the assets, liabilities, revenue and expenses of the joint operations which are included in the consolidated financial statements is as follows:

Kroondal Mine

Figures in million – SA rand	2021	2020	2019
Gain/(loss) on foreign exchange differences	**127**	(16)	(63)
Profit before tax	**6,557**	4,814	2,062
Profit for the year	**6,556**	4,814	2,061
Non-current assets	**636**	800	946
Current assets	**3,357**	3,894	2,303
Non-current liabilities	**(13)**	(7)	—
Current liabilities	**(493)**	(436)	(353)
Net assets (50%)	**3,487**	4,251	2,896

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20. Other investments

Accounting policy

On initial recognition of an equity investment that is not held for trading, the Group may make an irrevocable election to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis. These investments are subsequently measured at fair value, with dividends recognised in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI (in the mark-to-market reserve) and are never reclassified to profit or loss.

Judgement on other investments

Where the Group holds a close to 20% interest in a company, the assessment of whether there is significant influence and hence an equity-accounted investment may involve judgement. These judgements typically include the extent of representation on the board of directors, other involvement in the company such as technical committee, any other contractual arrangements as well as the effective influence that the particular shareholding interest provides. A different conclusion could have a significant impact in the measurement, presentation and disclosure of the particular investment.

The Group holds the following investments measured at fair value through OCI:

Figures in million – SA rand	2021	2020	2019
Rand Mutual Assurance Company Limited	**140**	158	112
Furuya Metals Company Limited	**668**	343	303
Aldebaran Resources Inc.	**241**	98	78
Generation Mining Limited	**144**	101	33
Ioneer Limited[1]	**1,353**	—	—
New Century Resources Limited[2]	**698**	—	—
Other	**123**	147	73
Total other investments	**3,367**	847	599

[1] *On 28 October 2021, the Group successfully completed its US$70 million (R1,066 million) strategic investment in ioneer Limited (ioneer) following approval by ioneer's shareholders at an extraordinary general meeting on 21 October 2021, and approval from the Financial Surveillance Department of the South African Reserve Bank received on 13 October 2021. Payment was made on 27 October 2021, which is the day on which all conditions precedent were met, and the shares were allotted on 28 October 2021. The initial fair value of the investment was R1,117 million, excluding transaction costs of R17 million which were capitalised to the investment. The Group recognised a gain on initial recognition of R51 million. The Group holds approximately 145.9 million fully paid ordinary shares, or 7.12%, in ioneer*

[2] *On 27 October 2021, Sibanye-Stillwater announced that it had entered into a subscription agreement with New Century Resources Limited (New Century) where the Group agreed to purchase ordinary shares as part of a capital raising by New Century. The aggregate investment represents a 19.99% ownership interest obtained through a phased equity investment programme, which was completed in December 2021. Management concluded that the ownership interest does not represent significant influence due to a lack of representation on the board. The aggregate subscription price for the 19.99% investment in New Century was R695 million. The initial fair value of the investment was R610 million, excluding transaction costs of R19 million which were capitalised to the investment. The Group recognised a loss on initial recognition of R85 million*

Asset held for sale

During November 2020, Gen Mining increased its interest in the Marathon project (Marathon) to 80% following delivery of a preliminary economic assessment and completing the sole expenditure requirement of CAD10 million. Since then, the Group has elected to dilute its interest in Marathon rather than contribute proportionally to the continued expenditure to be incurred. As a result, the Group's current direct participation interest in Marathon equates to 16.5%. The parties subsequently reached an agreement through which Generation PGM Inc., a subsidiary of Gen Mining, would acquire from Stillwater Canada Inc. (a wholly-owned subsidiary of the Group) its 16.5% participation interest in Marathon in exchange for shares in Gen Mining, increasing the Group's effective interest in Gen Mining to 19.1%. The transaction became effective during January 2022. The investment in Marathon was classified as held for sale at 31 December 2021, and measured at fair value in accordance with IFRS 9 *Financial Instruments*. The fair value of the investment at 31 December 2021 was R280 million.

Fair value of other investments

Other investments consists primarily of other listed investments and other short-term investment products, which are measured at fair value or which carrying amounts approximates fair value. The fair values of non-listed investments included in other investments are determined through valuation techniques that include inputs that are not based on observable market data. Fair value measurements of listed investments are categorised as level 1 under the fair value hierarchy and non-listed investments as level 3 (refer note 36.1).

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21. Environmental rehabilitation obligation funds

Accounting policy

The Group's rehabilitation obligation funds includes equity-linked investments that are fair valued at each reporting date. The fair value is calculated with reference to underlying equity instruments using industry valuation techniques and appropriate models.

Annual contributions are made to dedicated environmental rehabilitation obligation funds to fund the estimated cost of rehabilitation during and at the end of the life of the relevant mine. The amounts contributed to these funds are included under non-current assets and are measured at fair value through profit or loss. Interest earned on monies paid to rehabilitation funds is accrued on a time proportion basis and is recorded as interest income.

In addition, bank guarantees are provided for funding shortfalls of the environmental rehabilitation obligations.

Figures in million – SA rand	**Notes**	**2021**	**2020**	**2019**
Balance at beginning of the year		**4,934**	4,602	3,999
Contributions made		**72**	64	13
Payments received		**(10)**	(7)	(152)
Interest income	5.1	**174**	245	265
Fair value gain[1]		**32**	30	34
Environmental rehabilitation obligation funds on acquisition of subsidiaries	16.1	**—**	—	443
Balance at end of the year		**5,202**	4,934	4,602
Environmental rehabilitation obligation funds comprise of the following:				
Restricted cash[2]		**1,135**	703	610
Funds		**4,067**	4,231	3,992

[1] *The environmental rehabilitation trust fund includes equity-linked investments that are fair valued at each reporting date*

[2] *The funds are set aside to serve as collateral against the guarantees made to the Department of Minerals and Resources for environmental rehabilitation obligations*

Fair value of environmental rehabilitation obligation funds

Environmental rehabilitation obligation funds comprise fixed income portfolio of bonds as well as fixed and call deposits. The environmental rehabilitation obligation funds are stated at fair value based on the nature of the fund's investments (refer note 36.1).

Credit risk

The Group is exposed to credit risk on the total carrying value of the investments held in the environmental rehabilitation obligation funds. The Group has reduced its exposure to credit risk by investing in funds with a limited number of major financial institutions.

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22. Other receivables and other payables

Significant accounting judgements and estimates

Expected future cash flows used to determine the carrying value of the other payables (namely the Deferred Payment, right of recovery payable, Marikana dividend obligation and contingent consideration) and the right of recovery receivable are inherently uncertain and could materially change over time. The expected future cash flows are significantly affected by a number of factors including reserves and production estimates, together with economic factors such as the expected commodity price, currency exchange rates, and estimates of production costs, future capital expenditure and discount rates.

Accounting policy

Financial instruments included in other receivables are categorised as financial assets measured at amortised cost and those included in other payables are categorised as other financial liabilities as applicable. These assets and liabilities are initially recognised at fair value. Subsequent to initial recognition, financial instruments included in other receivables and other payables are measured at amortised cost, except where fair value through profit or loss measurement is appropriate (for example, contingent consideration and derivative financial instruments).

Reimbursements, such as rehabilitation reimbursements from other parties are not financial instruments, and are recognised as a separate asset where recovery is virtually certain. The amount recognised is limited to the amount of the relevant rehabilitation provision. If the party that will make the reimbursement cannot be identified, then the reimbursement is generally not virtually certain and cannot be recognised. If the only uncertainty regarding the recovery relates to the amount of the recovery, the reimbursement amount often qualifies to be recognised as an asset.

Other receivables and payables that do not arise from contractual rights and obligations, such as receivables on rates and taxes, are recognised and measured at the amount expected to be received or paid.

22.1 Other receivables

Figures in million – SA rand	2021	2020	2019
Right of recovery receivable	**319**	340	187
Rates and taxes receivable	**106**	105	103
Pre-paid royalties	**336**	364	393
Palladium hedge derivative asset	**286**	—	—
Other	**127**	49	52
Total other receivables	**1,174**	858	735
Reconciliation of the non-current and current portion of the other receivables:			
Other receivables	**1,174**	858	735
Current portion of other receivables	**(523)**	(37)	(51)
Non-current portion of other receivables	**651**	821	684

22.2 Other payables

Figures in million – SA rand	2021	2020	2019
Deferred Payment (related to Rustenburg operations acquisition)	**6,920**	4,355	2,826
Contingent consideration (related to SFA (Oxford) acquisition)	**100**	88	56
Right of recovery payable	**32**	39	79
Deferred consideration (related to Pandora acquisition)	**400**	308	276
Marikana dividend obligation	**1,539**	—	—
Other	**373**	367	212
Total other payables	**9,364**	5,157	3,449
Reconciliation of the non-current and current portion of the other receivables:			
Other payables	**9,364**	5,157	3,449
Current portion of other payables	**(4,765)**	(2,246)	(761)
Non-current portion of other payables	**4,599**	2,911	2,688

Notes to the consolidated financial statements *continued*

For the year ended 31 December 2021

Right of recovery receivable and payable

Based on the first and second Notarial Pooling and Sharing agreements (PSAs) with Anglo American Platinum, Kroondal (previously Aquarius Platinum (South Africa) Proprietary Limited) holds a contractual right to recover 50% of the rehabilitation obligation relating to environmental rehabilitation resulting from PSA operations from RPM (subsidiary of Anglo American Platinum), where this rehabilitation relates to property owned by Kroondal Operations. Likewise RPM holds a contractual right to recover 50% of the rehabilitation obligation relating to environmental rehabilitation resulting from PSA operations from Kroondal Operations, where the rehabilitation relates to property owned by RPM. With respect to the opencast section of the Marikana mine that is on Kroondal Operations' property, RPM have limited the contractual liability to approximately R194 million (2020: R185 million, 2019: R179 million), being a negotiated liability in terms of an amendment to the second PSA.

Deferred Payment (related to Rustenburg operations acquisition)

In terms of the Rustenburg operations transaction, the purchase consideration includes a Deferred Payment, calculated as being equal to 35% of the distributable free cash flow generated by the Rustenburg operation over a six year (1 January 2017 to 31 December 2022) period from inception (latest of transaction closing or 1 January 2017), subject to a minimum payment of R3.0 billion. The distributable free cash flow has been derived from forecast cash flow models. These models use several key assumptions, including estimates of future sales volumes, PGM prices, operating costs and capital expenditure.

The Deferred Payment movement for the year is as follows:

Figures in million – SA rand	Note	2021	2020	2019
Balance at the beginning of the year		**4,355**	2,826	2,206
Interest charge	5.2	**158**	187	179
Payment of Deferred Payment		**(2,246)**	(739)	(283)
Loss on revised estimated cash flows[1]		**4,653**	2,081	724
Balance at end of the year		**6,920**	4,355	2,826

[1] *The loss on revised estimated cash flows for the year ended 31 December 2021 is primarily as a result of changes in the life-of-mine, changes in price inputs for 2022 life-of-mine and a significant increase in the FY2021 actual profitability compared to the 2021 life-of-mine due to the high price environment that existed in FY2021, which will impact the FY2022 payment*

Deferred consideration (related to Pandora acquisition)

Lonmin acquired the remaining 50% stake in Pandora Joint Venture in 2017. The purchase price included a deferred and contingent consideration element. The deferred payment element represents a minimum consideration of R400 million, which is settled through a cash payment based on 20% of the distributable free cash flows generated from the Pandora E3 operations on an annual basis for a period of 6 years, ending on 30 November 2023. The fair value of the deferred consideration at acquisition of Lonmin by the Group was determined using the present value of the future cash flows at a discount rate of 12.5%. The contingent consideration element is based on the extent to which 20% of the distributable free cash flows exceed R400 million. This element was valued at R124 million at 31 December 2021. The distributable free cash flow has been derived from forecast cash flow models. These models use several key assumptions, including estimates of future sales volumes, PGM prices, operating costs and capital expenditure.

The Pandora deferred consideration movement for the year is as follows:

Figures in million – SA rand	Note	2021	2020	2019
Balance at the beginning of the year		**308**	276	—
Deferred consideration on acquisition of subsidiary		**—**	—	235
Interest charge	5.2	**54**	49	41
Loss on revised estimated cash flows		**123**	—	—
Payment made		**(85)**	(17)	—
Balance at end of the year		**400**	308	276

Marikana dividend obligation

The Marikana dividend obligation relates to amounts payable to other shareholders through the Incwala Platinum holding structure. The obligation is classified as a financial liability measured at amortised cost. At year end the dividend obligation, except for the discount rates of 11.64% (EPL) and 11.71% (WPL) which remains consistent over the life of the obligation, was measured applying the same assumptions as set out in note 6.6. Refer note 6.6 for additional detail regarding the Marikana B-BBEE transaction.

Notes to the consolidated financial statements *continued*

For the year ended 31 December 2021

The following table summarises the changes in the Marikana dividend obligation:

Figures in million – SA rand	Notes	2021	2020	2019
Balance at the beginning of the year		**—**	—	—
Initial recognition of the Marikana dividend obligation		**1,146**	—	—
Interest - unwinding of amortised cost	5.2	**87**	—	—
Loss on revised estimated cash flows[1]	7	**468**	—	—
Payments made		**(162)**	—	—
Balance at end of the year		**1,539**	—	—

[1] *The loss on revised estimated cash flow is primarily as a result of an increase in the long-term PGM basket price*

Fair value of other receivables and other payables

Due to the approaches applied in calculating the carrying values as described above, the fair values approximate the carrying value (refer note 36.1).

Market risk

The Deferred Payment relating to Rustenburg, the deferred consideration relating to Pandora and the Marikana dividend obligation are sensitive to changes in the 4E basket price. A one percentage point increase in the 4E basket price would have impacted profit or loss by R101 million (2020: R74 million, 2019: R96 million).

Credit risk

The carrying value of the other receivables represents the maximum credit risk exposure of the Group in relation to these receivables. The Group has reduced its exposure to credit risk by dealing with a limited number of approved counterparties (refer note 36.2).

Notes to the consolidated financial statements *continued*
For the year ended 31 December 2021

23. Inventories

Significant accounting judgements and estimates

Inventory is held in a wide variety of forms across the value chain reflecting the stage of refinement. Prior to production as final metal, the inventory is always contained within a carrier material. As such, inventory is typically sampled and assays taken to determine the metal content and how this is split by metal. Measurement and sampling accuracy can vary quite significantly depending on the nature of the vessels and the state of the material. An allowance for estimation uncertainty is applied to the various categories of inventory and is dependent on the degree to which the nature and state of material allows for accurate measurement and sampling. The range used for the estimation allowance varies based on the stage of refinement. The range is based on independent metallurgists' level of confidence obtained from the outcome of the stocktake. Those results are applied in arriving at the appropriate quantities of inventory.

Accounting policy

Inventory is valued at the lower of cost and net realisable value. The Group values ore stockpiles and metal-in-process when it can be reliably measured. Cost is determined on the following basis:

- Gold reef ore stockpiles and gold-in-process are valued using weighted average cost. Cost includes production, amortisation, depreciation and related administration costs
- PGM inventory is valued using weighted average cost by allocating cost, based on the joint cost of production, apportioned according to the relative sales value of each of the PGMs produced. The group recognises the metal produced in each development phase in inventory with an appropriate proportion of cost. Cost includes production, amortisation, depreciation and related administration costs
- By-product metals are valued at the incremental cost of production from the point of split-off from the PGM processing stream
- Consumable stores are valued at weighted average cost after appropriate provision for surplus and slow-moving items

Figures in million – SA rand	2021	2020	2019
Consumable stores[1]	**1,923**	1,627	1,581
PGM ore and mill inventory	**189**	142	128
PGM in process[2]	**13,081**	13,742	10,497
Gold in process	**819**	616	310
PGM finished goods	**9,012**	8,710	2,959
Other	**56**	115	28
Total inventories	**25,080**	24,952	15,503

[1] *The cost of consumable stores consumed during the year and included in operating cost amounted to R18,847 million (2020: R16,404 million and 2019: R12,784 million)*

[2] *Included in PGM in process, is R4,725 million (2020: R4,225 million, 2019: R3,827 million) relating to the Marikana operations. It also includes R4,357 million (2020: R3,847 million, 2019: R4,182 million) relating to SRPM operations due to the change of certain processing arrangements from a purchase of concentrate arrangement to a toll processing arrangement from 1 January 2019*

Notes to the consolidated financial statements *continued*
For the year ended 31 December 2021

24. Trade and other receivables

Accounting policy

Trade and other receivables, excluding trade receivables for PGM concentrate sales, prepayments and value added tax, are non-derivative financial assets categorised as financial assets measured at amortised cost.

The above non-derivative financial assets are initially recognised at fair value and subsequently carried at amortised cost less allowance for impairment. Estimates made for impairment are based on a review of all outstanding amounts at year end in line with the impairment policy described in note 36. Irrecoverable amounts are written off during the period in which they are identified.

In addition to other types of PGM sales, trade receivables include actual invoiced sales of PGM concentrate, as well as sales not yet invoiced for which deliveries have been made and the control has transferred. The PGM concentrate receivables are financial assets measured at fair value through profit or loss, as the solely payments of principle and interest criteria is not met. The receivable amount calculated for the PGM concentrate delivered but not yet invoiced is recorded at the fair value of the consideration receivable at the date of delivery. At each subsequent reporting date the receivable is restated to reflect the fair value movements in the pricing mechanism which are recognised in revenue. Foreign exchange movements on foreign currency denominated receivables are recognised as a foreign exchange gain or loss in profit or loss subsequent to the recognition of a sale.

Figures in million – SA rand	**2021**	**2020**	**2019**
Trade receivables - gold sales	**44**	42	—
Trade receivables - PGM sales	**4,823**	4,655	2,681
PGM sales concentrate	**3,794**	4,030	2,342
PGM sales other	**1,029**	625	339
Other trade receivables	**904**	1,021	889
Payroll debtors	**322**	268	251
Interest receivable	**54**	57	15
Financial assets	**6,147**	6,043	3,836
Prepayments	**335**	369	443
Value added tax	**929**	454	356
Total trade and other receivables	**7,411**	6,866	4,635

Fair value of trade and other receivables

The fair value of trade receivables for PGM concentrate sales are determined based on ruling market prices, volatilities and interest rates, and constitutes level 2 on the fair value hierarchy (refer note 36.1).

The fair value of trade and other receivables measured at amortised cost approximate the carrying value due to the short maturity.

Credit risk

The Group is exposed to credit risk on the total carrying value of trade and other receivables.

Trade receivables measured at amortised cost are reviewed on a regular basis and an allowance for impairment is raised when they are not considered recoverable based on an expected credit loss assessment. The Group transacts exclusively with a limited number of large international institutions and other organisations with strong credit ratings and the negligible historical level of customer default. Trade receivables are currently in a sound financial position and no impairment has been recognised.

The below table summarises the impairment allowance raised on other receivables that are considered to be impaired:

Figures in million – SA rand	**2021**	**2020**	**2019**
Balance at beginning of the year	**199**	140	16
Lonmin acquisition	**—**	—	95
Impairment allowance recognised in profit or loss for the year	**3**	59	29
Impaired financial assets recovered during the year	**(1)**	—	—
Balance at end of the year	**201**	199	140

Notes to the consolidated financial statements *continued*
For the year ended 31 December 2021

Commodity price risk

The Group is exposed to commodity price risk on PGM concentrate receivables that are still subject to provisional pricing adjustments after the reporting date. A change in the 4E basket price of one percent would impact revenue and the related PGM concentrate receivables by R28 million.

Foreign currency sensitivity

Certain of the Group's components with SA rand as their functional currency have trade and other receivables which are settled in US dollars. The balances are sensitive to changes in the rand/US dollar exchange rate. A one percentage point change in the SA rand closing exchange rate of R15.94/US$ would have impacted profit for the year by R42 million.

25. Cash and cash equivalents

Accounting policy

Cash and cash equivalents comprise cash on hand, demand deposits and short-term, highly liquid investments readily convertible to known amounts of cash and subject to insignificant risk of changes in value, and are measured at amortised cost which is deemed to be fair value due to its short-term maturity.

Figures in million – SA rand	2021	2020	2019
Cash at the bank and on hand	**30,292**	20,240	5,619
Total cash and cash equivalents	**30,292**	20,240	5,619

Fair value of cash and cash equivalents

The fair value of cash and cash equivalents approximate the carrying value due to the short maturity.

Credit risk

The Group is exposed to credit risk on the total carrying value of cash and cash equivalents. The Group has reduced its exposure to credit risk by dealing and investing with a number of major financial institutions.

Notes to the consolidated financial statements *continued*
For the year ended 31 December 2021

26. Stated share capital

Accounting policy

Ordinary share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

Scheme of arrangement

On 4 October 2019, SGL and the Company, a previously dormant wholly owned subsidiary of SGL, announced the intention to implement a scheme of arrangement to reorganise SGL's operations under a new parent company, the Company (the "Scheme"). The Scheme was implemented through the issue of the Company's shares (tickers: JSE – SSW and NYSE – SBSW) in exchange for the existing shares of SGL (previous tickers: JSE – SGL and NYSE – SBGL). On 23 January 2020 SGL and Sibanye-Stillwater announced that all resolutions for the approval of the Scheme, were passed by the requisite majority votes at the Scheme meeting held at the SGL Academy. The Scheme was implemented on 24 February 2020.

Sibanye-Stillwater determined that the acquisition of SGL did not represent a business combination as defined by IFRS 3. This is because neither party to the Scheme could be identified as an accounting acquirer in the transaction, and post the implementation there would be no change of economic substance or ownership in the SGL Group.

The SGL shareholders have the same commercial and economic interest as they had prior to the implementation of the Scheme and no additional new ordinary shares of SGL were issued as part of the Scheme. Following the implementation of the Scheme, the consolidated financial statements of Sibanye-Stillwater therefore reflects that the arrangement is in substance a continuation of the existing SGL Group. SGL is the predecessor of the Company for financial reporting purposes and following the implementation of the Scheme, Sibanye- Stillwater's consolidated comparative information is presented as if the reorganisation had occurred before the start of the earliest period presented.

In order to affect the reorganisation in the Group at the earliest period presented in the 31 December 2020 consolidated financial statements, a reorganisation reserve was recognised at 31 December 2017 to adjust the previously stated share capital of SGL of R34,667 million to reflect the stated share capital of the Company of R1 at that date. The reorganisation reserve was adjusted for previously recognised movements in the stated share capital of SGL between 31 December 2017 and 24 February 2020. The issue of shares at the effective date of the Scheme, was recorded at an amount equal to the net asset value of the unconsolidated SGL company at that date, with the difference recognised as a reorganisation reserve.

Since the consolidated financial statements of Sibanye-Stillwater are in substance a continuation of the existing SGL Group, the shares used in calculating the weighted average number of issued shares (refer note 12.1) was based on the issued stated share capital of the listed entity at that stage.

As a result of the above, earnings per share measures are based on SGL's issued shares for the 31 December 2019 comparative period. For purposes of Sibanye-Stillwater's earnings per share measures for 31 December 2020, shares issued as part of the Scheme were treated as issued from the beginning of the reporting period so as to reflect the unchanged continuation of the Group. No weighting was required in 2020 as there were no changes in the issued share capital of SGL from the beginning of 2020 up to the effective date of the Scheme. Shares issued after the implementation of the Scheme were time-weighted as appropriate.

Authorised and issued

Although the Scheme was retrospectively implemented for accounting purposes, the roll forward below shows the movement of the legally issued shares of the Company and SGL for the periods indicated.

Notes to the consolidated financial statements *continued*

For the year ended 31 December 2021

	Company		SGL
Figures in thousand	**2021**	**2020**	**2019**
Authorised number of shares	**10,000,000**	10,000,000	10,000,000
Reconciliation of issued number of shares:			
Number of shares in issue at beginning of the year[1]	**2,923,571**	-*	2,266,261
Scheme implemented[2]	**—**	2,670,030	—
Shares issued under Sibanye-Stillwater/SGL Share Plan[3]	**32,535**	6,932	4,442
Issued upon conversion of US$ Convertible Bond[4]	**—**	248,040	—
Shares delisted (share buy-back)[5]	**(147,700)**	(1,431)	—
Shares issued for cash[6]	**—**	—	108,932
Shares issued with acquisition of subsidiary[7]	**—**	—	290,395
Number of shares in issue at end of the year	**2,808,406**	2,923,571	2,670,030

1 *Since the Scheme was retrospectively implemented when it became effective in FY2020, the stated share capital presented in the consolidated statement of changes in equity reflects the legally issued shares of the Company from the earliest period presented, being one ordinary share at 31 December 2018 and 31 December 2019*

2 *From 1 January 2020 to 23 February 2020, shares of the listed entity presented for the Group were those of SGL. From 24 February 2020, these were exchanged for shares of the Company retrospectively presented for the Group in the consolidated statement of changes in equity. The Scheme was implemented on a share-for-share basis with no change in the total number of issued listed shares*

3 *Upon implementation of the Scheme, the SGL equity-settled share plan was transferred to the Company and is settled in the Company's shares from the effective date onwards (refer note 6.1)*

4 *Refer note 28.6*

5 *The Group entered into a repurchase and cancellation of shares transactions with certain shareholders which resulted in the total issued shares of Sibanye-Stillwater decreasing by 147,700,000 shares in 2021 and 1,431,197 shares in 2020 (refer below)*

6 *On 15 April 2019, Sibanye-Stillwater raised net capital of R1.7 billion from a placing of 108,932,356 new ordinary no par value shares to existing and new institutional investors*

7 *On 10 June 2019, 290,394,531 shares were issued to the shareholders of Lonmin Limited (refer note 16.1)*

** Less than one thousand*

The Company's ordinary no par value shares rank pari passu in all respects, there being no conversion or exchange rights attached thereto, and all of the ordinary shares will have equal rights to participate in capital, dividend and profit distributions by the Company.

Notes to the consolidated financial statements *continued*

For the year ended 31 December 2021

Retrospective roll forward of stated share capital and reorganisation reserve:

	SGL		Scheme impact	Regorganisation reserve	Company	
	Amount (million)	Shares (thousand)	Amount (million)	Amount (million)	Amount (million)	Shares (thousand)
Balance at 31 December 2018	34,667	2,266,261	(34,667)	34,667	-*	-*
Shares issued for cash	1,688	108,932	(1,688)	1,688	—	—
Shares issued on Lonmin acquisition	4,307	290,395	(4,307)	4,307	—	—
Shares issued under SGL Share Plan	—	4,442	—	—	—	—
Balance at 31 December 2019	40,662	2,670,030	(40,662)	40,662	-*	-*
Scheme implemented[1]				(17,661)	17,661	2,670,030
Shares issued under Company Share Plan				—	—	6,932
Issued upon conversion of US$ Convertible Bond[2]				—	12,573	248,040
Shares delisted (share buy-back)				—	(84)	(1,431)
Balance at 31 December 2020				23,001	30,150	2,923,571
Shares issued under Company Share Plan					—	32,535
Shares delisted (share buy-back)					(8,503)	(147,700)
Balance at 31 December 2021				**23,001**	**21,647**	**2,808,406**

[1] *The stated share capital value of the Company on Scheme implementation amounts to the net asset value of the unconsolidated SGL company on the effective date of the Scheme. The reorganisation reserve is the balance between the previously presented stated share capital and the revised stated share capital value of the Company. There was no change in the issued share capital of the SGL Group from 31 December 2019 to the effective date of the Scheme*

[2] *Refer note 28.6*

* *Less than R1 million or one thousand shares as indicated*

Repurchase of shares

On 2 November 2020, the directors of the Company decided to make an offer to certain holders of the Company's ordinary shares, via an Odd-lot offer to holders of fewer than 100 shares of the Company and a specific repurchase in terms of the JSE Listings Requirements and the South African Companies Act, 2008 to holders of 100 to 400 Company shares. This resulted in a total repurchase to the value of R84 million including directly attributable incremental transaction costs and a decrease of 1,431,197 in the issued shares of the Company. The average price paid for the repurchased shares amounted to R58.80 per share.

The Group commenced with a share buy-back programme on 2 June 2021 to repurchase up to 5% of its ordinary shares as at 31 May 2021 representing a maximum of 147,700,000 shares. The programme concluded on 4 October 2021 when the maximum number of shares were reached. The total cost amounted to R8,503 million, including transaction cost. The average cost per share repurchased amounted to R57.57.

Notes to the consolidated financial statements *continued*
For the year ended 31 December 2021

27. Non-controlling interests

Accounting policy

Non-controlling interests

The Group recognises any NCI in an acquiree either at fair value or at the NCI's proportionate share of the acquiree's net assets on an acquisition-by-acquisition basis. Subsequently, the carrying amount of NCI is the amount of the interest at initial recognition plus the NCI's subsequent share of changes in equity.

Transactions with non-controlling interests

The Group treats transactions with NCI as transactions with equity owners of the Group. For purchases from NCI, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to NCI where control is not lost are also recorded in equity. Where control is lost over a subsidiary, the gains or losses are recognised in profit or loss.

The Group's NCI relates to the following subsidiaries:

Figures in million – SA rand	**2021**	**2020**	**2019**
NCI of DRDGOLD	**1,395**	1,224	1,135
NCI of Platinum Mile[1]	**—**	37	21
NCI of Group Technical Security Management	**5**	5	6
NCI of Marikana[2]	**8**	970	306
Total NCI	**1,408**	2,236	1,468

[1] *On 29 June 2021, the 8.3% shareholding held by non-controlling shareholders in Platinum Mile was repurchased for a consideration of R128 million*

[2] *Included in Marikana's NCI is NCI of WPL amounting to Rnil (2020: R690 million, 2019: R253 million). Refer below*

DRDGOLD is a company incorporated in South Africa with its head office in Johannesburg. DRDGOLD's primary listing is on the JSE Limited and its secondary listing is on the New York Stock Exchange. It's gold production is derived from retreatment of surface tailings in South Africa. Following Sibanye-Stillwater's exercise of its option to acquire an additional 12.05% in DRDGOLD effective 10 January 2020, NCI held a 49.90% at 31 December 2021 (2020: 49.90% and 2019: 61.95%) with an effective holding of 49.51% at 31 December 2021 (2020: 49.34% and 2019: 61.40%) after considering the impact of treasury shares held by DRDGOLD. The Group calculated the net asset value of DRDGOLD at the effective date of the option exercise, to which the additional ownership percentage was applied to determine the re-attribution between NCI and the Group amounting to R220 million.

WPL, acquired as part of the Lonmin acquisition, consists of PGM mining and processing operations located on the Western Limb of the Bushveld Complex, close to the town of Rustenburg, in the North West province of South Africa and smelting and refining operations located in Brakpan, East of Johannesburg. As a result of the Marikana B-BBEE transaction (refer note 6.6), the NCI's equity interest changed to a right to receive dividends. Therefore, a cash-settled share-based payment obligation and dividend obligation was recognised at 31 December 2021, instead of NCI (refer note 6.6 and 22.2). At 31 December 2021, NCI hold an effective 0% (2020: 4.75%, 2019: 4.75%) interest in WPL. The same considerations apply to EPL. The remaining NCI is attributable to small non-operating entities.

Notes to the consolidated financial statements *continued*

For the year ended 31 December 2021

The summarised financial information of these subsidiary groups is provided below. This information is based on amounts before intercompany eliminations.

Figures in million – SA rand	2021	2020	2019
DRDGOLD Limited			
Revenue	**4,790**	5,051	3,621
Profit for the year	**987**	1,255	460
Total comprehensive income	**907**	1,485	459
Profit attributable to NCI	**487**	619	285
Net increase in cash and cash equivalents	**70**	1,626	334
Dividends paid	**338**	359	85
Non-current assets	**3,741**	3,620	3,393
Current Assets	**2,821**	2,671	972
Non-current liabilities	**(1,120)**	(1,055)	(1,109)
Current liabilities	**(553)**	(593)	(463)
Net assets	**4,889**	4,643	2,793
Western Platinum Proprietary Limited			
Revenue	**-***	26,781	11,125
Profit for the year	**-***	7,239	764
Total comprehensive income	**-***	7,251	764
Profit attributable to NCI	**-***	444	17
Net increase/(decrease) in cash and cash equivalents	**-***	6,249	(2,070)
Dividends paid	**-***	—	—
Non-current assets	**-***	5,094	7,750
Current Assets	**-***	14,737	6,832
Non-current liabilities	**-***	(20,738)	(22,462)
Current liabilities	**-***	(2,626)	(2,202)
Net assets	**-***	(3,533)	(10,082)

** Since NCI reduced to zero in FY2021, no summarised financial information is provided*

Notes to the consolidated financial statements *continued*
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28. Borrowings and derivative financial instrument

Significant accounting judgements and estimates

Borrowings

Expected future cash flows used to determine the carrying amount of the Burnstone Debt are inherently uncertain and could materially change over time. They are significantly affected by a number of factors including reserves and production estimates, together with economic factors such as the expected commodity price, foreign currency exchange rates, and estimates of production costs, future capital expenditure and discount rates.

Derivative financial instrument

Up to the date of settlement, gains and losses on the derivative financial instrument were attributable to changes in various valuation inputs, including the movement in the Company share price, change in US dollar/ rand exchange rate, bond market value and credit risk spreads. Although many inputs into the valuation are observable, the valuation method separates the fair value of the derivative from the quoted fair value of the US$ Convertible Bond by adjusting certain observable inputs. These adjustments require the application of judgement and certain estimates. Changes in the relevant inputs impact the fair value gains and losses recognised.

Accounting policy

Borrowings

Borrowings are non-derivative financial liabilities categorised as other financial liabilities. Borrowings are recognised initially at fair value, net of transaction costs incurred, where applicable and subsequently measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Derivative financial instruments

Derivatives are initially recognised at fair value using option pricing methodologies. Any directly attributable transaction costs are recognised in profit or loss as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes are recognised in profit or loss.

For assets and liabilities that are recognised at fair value in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the fair value hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Borrowings

Figures in million – SA rand	Notes	2021	2020	2019
US$600 million RCF	28.1	**—**	6,978	5,712
R6.0 billion RCF	28.2	**—**	—	—
R5.5 billion RCF	28.3	**—**	—	2,500
2022 and 2025 Notes	28.4	**—**	10,136	9,610
2026 and 2029 Notes	28.5	**18,785**	—	—
US$ Convertible Bond	28.6	**—**	—	4,579
Burnstone Debt	28.7	**1,507**	1,263	1,330
Other borrowings	28.8	**—**	—	—
Franco-Nevada liability		**2**	2	2
Stillwater Convertible Debentures		**4**	4	3
Total borrowings		**20,298**	18,383	23,736
Reconciliation of the non-current and current portion of the borrowings:				
Borrowings		**20,298**	18,383	23,736
Current portion of borrowings		**(107)**	(886)	(38)
Non-current portion of borrowings		**20,191**	17,497	23,698

The current portion of borrowings will be repaid out of operational cash flows or it will be refinanced by utilising available Group facilities.

Notes to the consolidated financial statements *continued*

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Derivative financial instrument

Figures in million – SA rand	Note	2021	2020	2019
Reconciliation of the non-current and current portion of the derivative financial instrument:				
Derivative financial instrument	28.6	—	—	4,145
Non-current portion of derivative financial instrument		—	—	4,145

Roll forward of borrowings in the current year were as follows:

Figures in million - SA rand	Notes	2021	2020	2019
Balance at beginning of the year		**18,383**	23,736	24,505
Borrowings acquired on acquisition of subsidiary	16.1	**—**	—	2,575
Loans raised[1]		**20,622**	16,289	18,982
Loans repaid		**(20,252)**	(18,335)	(22,008)
US$ Convertible Bond converted into shares		**—**	(5,578)	—
Unwinding of loans recognised at amortised cost	5.2	**302**	394	374
Accrued interest (related to the 2022 and 2025 Notes, 2026 and 2029 Notes, and US$ Convertible Bond)		**622**	858	770
Accrued interest paid		**(527)**	(866)	(778)
Early redemption premium on the 2025 Notes	28.4	**196**	—	—
Loss/(gain) on the revised cash flow of the Burnstone Debt	28.7	**2**	(264)	97
Loss/(gain) on foreign exchange differences and foreign currency translation		**950**	2,149	(781)
Balance at end of the year		**20,298**	18,383	23,736

[1] *At 31 December 2021, the portion of transaction costs accrued for and not yet settled in respect of the 2026 and 2029 Notes amounted to R29 million*

28.1 US$600 million RCF

On 21 May 2018, Sibanye-Stillwater cancelled and refinanced the US$350 million revolving credit facility (RCF) by drawing under the US$600 million RCF. The purpose of the facility was to refinance the US$350 million RCF, finance ongoing capital expenditure and working capital.

Terms of the US$600 million RCF

Facility:	US$600 million
Interest rate:	LIBOR
Interest rate margin:	1.85% if net debt to adjusted EBITDA is equal to or less than 2.50x
	2.00% if net debt to adjusted EBITDA is greater than 2.50x
Term of facility:	Three years, subject to two one-year extensions at the lenders option. As at 31 December 2021, all lenders in the facility have extended the maturity date to April 2023.
Borrowers:	The Company, SGL, Stillwater, Kroondal, SRPM and WPL.
Security and/or guarantors:	The facility is unsecured and guaranteed by the Company, SGL, Stillwater, Kroondal, SRPM and WPL.

Figures in million – SA rand	2021	2020	2019
Balance at beginning of the year	**6,978**	5,712	2,727
Loans raised	**703**	7,218	9,067
Loans repaid	**(7,728)**	(6,802)	(5,826)
Loss on foreign exchange differences	**—**	—	6
Loss/(gain) on foreign exchange differences	**47**	850	(262)
Balance at end of the year	**—**	6,978	5,712

Notes to the consolidated financial statements *continued*
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28.2 R6.0 billion RCF

On 15 November 2016, Sibanye-Stillwater cancelled and refinanced a R4.5 billion Facility by drawing under the R6.0 billion RCF. The purpose of the facility was to refinance the R4.5 billion Facility, finance ongoing capital expenditure, working capital and general corporate expenditure requirements which may include the financing of future acquisitions of business combinations. This facility was refinanced and cancelled in November 2019.

Terms of the R6.0 billion RCF

Facility:	R6.0 billion
Interest rate:	JIBAR
Interest rate margin:	A margin of between 2.4% and 2.9% dependent on the net debt to adjusted EBITDA ratio.
Term of facility:	Three years
Borrowers:	SGL, SRPM and Kroondal
Security and/or guarantors:	The facility was unsecured and guaranteed by SGL, Stillwater, SRPM and Kroondal.

Figures in million – SA rand	**2021**	**2020**	**2019**
Balance at beginning of the year	—	—	5,896
Loans raised	—	—	1,150
Loans repaid	—	—	(5,046)
Inter Bank transfer	—	—	(2,000)
Balance at end of the year	—	—	—

28.3 R5.5 billion RCF

Sibanye-Stillwater refinanced its R6.0 billion Revolving Credit Facility (RCF), which matured on 15 November 2019, by entering into a new R5.5 billion RCF on 25 October 2019 and drawing under the new RCF on 11 November 2019. The purpose of the facility was to refinance facilities, finance ongoing capital expenditure and general corporate expenditure requirements.

Terms of the R5.5 billion RCF

Facility:	R5.5 billion
Interest rate:	JIBAR
Interest rate margin:	A margin of between 2.4% and 2.9% dependent on the net debt to adjusted EBITDA ratio.
Term of facility:	Three years, subject to two one-year extensions at the lenders option. All facility lenders have approved the first and second extension with the loan facility now maturing on 11 November 2024.
Borrowers:	The Company, SGL, Kroondal, SRPM and WPL.
Security and/or guarantors:	The facility is unsecured and guaranteed by the Company, SGL, Stillwater, Kroondal, SRPM and WPL.

Figures in million –SA rand	**2021**	**2020**	**2019**
Balance at beginning of the year	—	2,500	—
Loans raised	—	5,000	500
Loans repaid	—	(7,500)	—
Inter Bank transfer	—	—	2,000
Balance at end of the year	—	—	2,500

28.4 2022 and 2025 Notes

On 27 June 2017, Stillwater completed a two-tranche international corporate bond offering 6.125% Notes due on 27 June 2022 (the 2022 Notes) and 7.125% Notes due on 27 June 2025 (the 2025 Notes) (together the 2022 and 2025 Notes) with the proceeds applied towards the partial repayment of the Stillwater Bridge Facility, raised for the acquisition of Stillwater. On 19 September 2018, Sibanye-Stillwater concluded the repurchase of a portion of the 2022 and 2025 Notes issued by Stillwater. The total purchase price was US$345 million (nominal value of US$349 million) and was funded from existing cash resources, including the US$500 million advance proceeds from the Wheaton Stream.

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Given surplus liquidity within the Group and in line with the Group's capital allocation framework, it elected to redeem the 2022 Notes on 2 August 2021 (the Redemption Date). The redemption price was the principal amount of the 2022 Notes, plus accrued and unpaid interest on the 2022 Notes up to, but excluding, the Redemption Date, amounting to US$355.8 million and was settled on 2 August 2021. During December 2021, the Group also elected to redeem the 2025 Notes at a redemption price of 103.6% of the principal amount of the 2025 Notes, plus accrued and unpaid interest on the 2025 Notes, amounting to US$370.2 million which includes an early settlement premium of R196 million recognised as an early redemption premium on the 2025 Notes in profit or loss. The 2025 Notes were settled on 6 December 2021.

Terms of the 2022 and 2025 Notes

Facility:	US$500 million 6.125% Senior Notes due 2022 (the 2022 Notes)
	US$550 million 7.125% Senior Notes due 2025 (the 2025 Notes)
Outstanding nominal value:	2022 Notes: Nil
	2025 Notes: Nil
Interest rate:	2022 Notes: 6.125%
	2025 Notes: 7.125%
Term of the Notes:	2022 Notes: Five years
	2025 Notes: Eight years
Issuer:	Stillwater
Guarantors:	Each of the Notes were fully and unconditionally guaranteed, jointly and severally by the Guarantors (the Company, SGL, Kroondal, SRPM and WPL). The Guarantees rank equally in right of payment to all existing and future senior debt of the Guarantors.

Figures in million – SA rand	2021	2020	2019
Balance at beginning of the year	**10,136**	9,610	9,809
Loans repaid	**(10,840)**	—	—
Accrued interest paid	**(527)**	(741)	(672)
Interest charge	**523**	764	665
Unwinding of amortised cost	**169**	59	48
Early redemption premium on the 2025 Notes	**196**	—	—
Loss/(gain) on foreign exchange differences	**343**	444	(240)
Balance at end of the year	**—**	10,136	9,610

28.5 2026 and 2029 Notes

On 16 November 2021 the Group completed a two-tranche corporate bond offering 4.0% Notes (US$675 million) due 16 November 2026 (the 2026 Notes) and 4.5% Notes (US$525 million) due 16 November 2029 (the 2029 Notes) (together the 2026 and 2029 Notes). The proceeds were applied towards the redemption of the 2025 Notes and will also be applied for general corporate purposes, including advancing the Group's green metals strategy through investments and accretive acquisitions. The bonds were issued through the Group's wholly-owned subsidiary Stillwater Mining Company.

Terms of the 2026 and 2029 Notes

Facility:	US$675 million 4.0% Senior Notes due 2026
	US$525 million 4.5% Senior Notes due 2029
Interest rate:	2026 Notes: 4.0%
	2029 Notes: 4.5%
Term of the Notes:	2026 Notes: Five years
	2029 Notes: Eight years
Issuer:	Stillwater
Guarantors:	Each of the Notes are fully and unconditionally guaranteed, jointly and severally by the Guarantors (the Company, SGL, Kroondal, SRPM and WPL). The Guarantees rank equally in right of payment to all existing and future senior debt of the Guarantors.

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Figures in million – SA rand	2021	2020	2019
Balance at beginning of the year	—	—	—
Loans raised	18,208	—	—
Interest charge	99	—	—
Unwinding of amortised cost	8	—	—
Loss on foreign exchange differences	470	—	—
Balance at end of the year	**18,785**	—	—

28.6 US$ Convertible Bond

The US$ Convertible Bond was launched and priced on 19 September 2017 with the proceeds applied towards the partial repayment of the Stillwater Bridge Facility, raised for the acquisition of Stillwater (the "Bonds"). On 11 September 2018, Sibanye-Stillwater concluded the repurchase of a portion of the Bonds. An aggregate principal amount of US$66 million for a total purchase price of approximately US$50 million was repurchased. Following the repurchase, the outstanding nominal value amounted to US$384 million.

On 11 September 2020 a bondholder elected to convert a US$200,000 bond into 127,967 ordinary shares of the Company. On 18 September 2020, SGL issued notice to exercise its rights to redeem all the Bonds in full on 19 October 2020 (Optional Redemption Notice). Following the issue of the Optional Redemption Notice and subject to the conditions of the Bonds, bondholders could still exercise their conversion rights by delivering a conversion notice. Following receipt of the conversion notices, SGL could elect to settle the Bonds in shares of the Company or in cash to the value of the shares, subject to the conditions of the Bonds. Conversion notices were received for Bonds with a nominal value of US$383 million and all converted bonds were settled through the issue of 247,912,467 ordinary shares in the Company. No conversion notices were received for Bonds to the value of $0.8 million and these were redeemed for cash at nominal value, including unpaid accrued interest.

Upon implementation of the Scheme on 24 February 2020, SGL became a subsidiary of the Company, which in turn became the new holding company of the Group (refer note 26). Consequently, the converted Bonds were settled in shares of the Company.

The Bonds consisted of two components under IFRS. The conversion option component was recognised as a derivative financial liability measured at fair value through profit or loss. The bond component was recognised as a financial liability measured at amortised cost using the effective interest method. Both financial liabilities were extinguished upon settlement of the Bonds. Before derecognition, interest was accrued up to the settlement date on the amortised cost component based on the original effective interest rate.

The loss on settlement was attributed to the derivative component and measured as the difference between the fair value of the Company shares issued on the respective settlement dates, the carrying amount of the amortised cost component immediately before settlement and the carrying amount of the derivative component. Company shares issued on settlement of the Bonds were measured at the fair value on the dates of issue to the bondholders by applying a volume weighted average price (VWAP) on the day.

Terms of the US$ Convertible Bond

Issue size:	US$450 million
Outstanding nominal value:	Nil
Coupon:	1.875%
Maturity date:	Original maturity date: 26 September 2023 (six years), early redemption finalised: 19 October 2020
Conversion premium:	35%
Reference share price:	US$1.2281, being the volume weighted average price of a share on the JSE from launch to pricing on 19 September 2017, converted at a fixed exchange rate.
Initial conversion price:	US$1.6580
Issuer:	SGL
Guarantors:	The Company, Stillwater and Kroondal

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The table below sets out the details relating to the settlement of the Bonds:

	2020
Number of shares issued ('thousands)	248,040
Number of bonds settled	1,916
Fair value of Company shares issued ('millions)	12,573
Range of VWAPs on settlement (ZAR)	46.5 - 51.5
Cash redemption amount ('millions)	13
Derivative element settlement value ('millions)	6,995
Bond element settlement value ('millions)	5,578

The tables below illustrate the movement in the amortised cost element and the derivative element respectively:

Convertible bond at amortised cost

Figures in million – SA rand	**2021**	**2020**	**2019**
Balance at beginning of the year	—	4,579	4,497
Loans repaid[1]	—	(13)	—
Loans converted into shares[2]	—	(5,578)	—
Accrued interest paid	—	(125)	(106)
Interest charge	—	94	105
Unwinding of amortised cost	—	187	197
Loss/(gain) on foreign exchange differences	—	856	(114)
Balance at end of the year	—	—	4,579

[1] *The amount for the year ended 31 December 2020 relates to the redemption of Bonds for which no conversion notice was received*
[2] *Calculated as the amortised cost on the date of settlement*

Derivative financial instrument at fair value

Figures in million – SA rand	**Note**	**2021**	**2020**	**2019**
Balance at beginning of the year		—	4,145	409
Loss on financial instruments[1]	7	—	70	3,912
Settlement of derivative financial instrument		—	(6,995)	—
Loss on settlement of US$ Convertible Bond[2]		—	1,507	—
Loss/(gain) on foreign exchange differences		—	1,273	(176)
Balance at end of the year		—	—	4,145

[1] *The loss on the financial instrument is attributable to changes in various valuation inputs, including in the movement in the Company's share price, change in USD/ZAR exchange rate, bond market value and credit risk spreads*
[2] *Relates to the difference between the fair value of the Company shares issued on date of settlement, carrying value of the derivative liability before settlement and the carrying value of the amortised cost element on date of settlement*

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28.7 Burnstone Debt

Sibanye Gold Eastern Operations (SGEO) has bank debt of US$178 million (the Burnstone Debt) outstanding as part of the net assets acquired on 1 July 2014.

Terms of the Burnstone Debt

Facility:	A1: US$0.2 million
	A2: US$7.8 million
	A3: US$51.0 million
	A4: US$119.1 million
Interest rate:	A1 and A2: Interest free
	A3 and A4: Interest free until 1 July 2017, then at LIBOR
Interest rate margin:	A3 and A4: 4% from 1 July 2017
Term of loan:	No fixed term
Repayment period:	A1: Repaid on 1 July 2014
	A2: From 1 July 2017 the first 50% of Burnstone's free cash flow (as defined in the settlement agreement) will be used to repay the Wits Gold Loan and the balance of 50% to repay A2.
	A3 and A4: On settlement of A2, 90% of Burnstone's free cash flow will be used to repay the Wits Gold Loan and the balance of 10% to repay the Burnstone Debt. On settlement of the Wits Gold Loan and interest, 30% of Burnstone's free cash flow will be used to repay the Burnstone Debt and the balance will be distributed to Wits Gold.
	The Bank Lenders will continue to participate in 10% of Burnstone's free cash flow after the Burnstone Debt has been repaid in full to a maximum amount of US$63.0 million under a revenue participation agreement.
Security:	The Burnstone Debt is fully secured against the assets of Burnstone (of R2.0 billion) and there is no recourse to the Group. The security package includes a cession over the bank accounts, insurance policies' proceeds, special and general notarial bonds over movable assets and mortgage bonds over property.

The Burnstone Debt facilities of US$178 million were initially recognised at the acquisition fair value using level 3 assumptions, being R1,008 million, in terms of IFRS 13 at acquisition date. The expected free cash flows to repay the loan as detailed above were based on the estimates and assumptions to determine the fair value at acquisition:

- A US$ swap forward curve adjusted with the 4% interest rate margin above
- The annual life-of-mine plan that takes into account the following:
  - Proved and probable ore reserves of Burnstone
  - Cash flows are based on the life-of-mine plan of 20 years
  - Capital expenditure estimates over the life-of-mine plan

Figures in million – SA rand	Note	2021	2020	2019
Balance at beginning of the year		**1,263**	1,330	1,145
Accrued interest and unwinding of amortised cost		**125**	148	120
Loss/(gain) on revised estimated cash flows[1]	7	**2**	(264)	97
Loss/(gain) on foreign exchange differences		**117**	49	(32)
Balance at end of the year		**1,507**	1,263	1,330

[1] *At 31 December 2021, the expected free cash flows expected to repay the loan as detailed above were revised as a result of revised cash flows over the life-of-mine plan due to:*

- *Revised forecast costs and capital expenditure; and*
- *Revised weighted average gold prices 2021: R729,270/kg (2020: R733,037/kg and 2019: R686,225/kg) and exchange rates 2021: R15.00/US$ (2020: R16.00/US$ and 2019: R14.00/US$) based on a LOM of 24 years. A2 is discounted using a 5.9% discount rate and A3 and A4 is discounted at 9.5%*

Notes to the consolidated financial statements *continued*
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28.8 Other borrowings

Short-term credit facilities

Sibanye-Stillwater has committed and uncommitted short term loan facilities with various banks to fund capital expenditure and working capital requirements at its operations. These facilities have no fixed terms, are short-term in nature and interest rates are market related.

Figures in million – SA rand	2021	2020	2019
Balance at beginning of the year	**—**	—	425
Loans raised	**1,711**	4,071	8,265
Loans repaid	**(1,684)**	(4,020)	(11,136)
Unwinding of amortised cost	**—**	—	10
Borrowings acquired on acquisition of subsidiary	**—**	—	2,575
Other	**—**	—	1
Gain on foreign exchange differences	**(27)**	(51)	(140)
Balance at end of the year	**—**	—	—

28.9 Fair value of financial instruments and risk management

Fair value of borrowings

The fair value of variable interest rate borrowings approximates its carrying amounts as the interest rates charged are considered marked related. Fair value of fixed interest rate borrowings was determined through reference to ruling market prices and interest rates.

The table below shows the fair value and carrying amount of borrowings where the carrying amount does not approximate fair value:

	Carrying value	Fair value		
Figures in million - SA rand		**Level 1**	**Level 2**	**Level 3**
31 December 2021				
2026 and 2029 Notes[1]	**18,785**	**18,664**	**—**	**—**
Burnstone Debt[2]	**1,507**	**—**	**—**	**2,996**
Total	**20,292**	**18,664**	**—**	**2,996**
31 December 2020				
2022 and 2025 Notes[1]	10,136	10,637	—	—
Burnstone Debt[2]	1,263	—	—	2,075
Total	11,399	10,637	—	2,075
31 December 2019				
2022 and 2025 Notes[1]	9,610	10,138	—	—
US$ Convertible Bond[3]	4,579	—	4,725	—
Burnstone Debt[2]	1,330	—	—	1,441
Total	15,519	10,138	4,725	1,441

[1] *The fair value is based on the quoted market prices of the notes*

[2] *The fair value of the Burnstone Debt has been derived from discounted cash flow models. These models use several key assumptions, including estimates of future sales volumes, gold prices, operating costs, capital expenditure and discount rate. The fair value estimate is sensitive to changes in the key assumptions, for example, increases in the market related discount rate would decrease the fair value if all other inputs remain unchanged. The extent of the fair value changes would depend on how inputs change in relation to each other*

[3] *The fair value of the amortised cost component of the US$ Convertible Bond is based on the quoted price of the instrument after separating the fair value of the derivative component*

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Liquidity risk

The following are contractually due, undiscounted cash flows resulting from maturities of financial liabilities including interest payments:

Figures in million – SA rand	Total	Within one year	Between one and five years	After five years
31 December 2021				
Other payables	**12,661**	**4,915**	**4,060**	**3,686**
Trade and other payables	**10,443**	**10,443**	**—**	**—**
Borrowings				
- Capital				
2026 and 2029 Notes	**19,129**	**—**	**10,760**	**8,369**
Burnstone Debt	**1,158**	**—**	**—**	**1,158**
Franco-Nevada liability	**2**	**2**	**—**	**—**
Stillwater Convertible Debentures	**4**	**4**	**—**	**—**
- Interest	**9,341**	**807**	**3,175**	**5,359**
Total	**52,738**	**16,171**	**17,995**	**18,572**
31 December 2020				
Other payables	5,089	2,308	2,723	58
Trade and other payables	8,523	8,523	—	—
Borrowings				
- Capital				
US$600 million RCF	6,978	873	6,105	—
2022 and 2025 Notes	10,292	—	10,292	—
Burnstone Debt	114	—	12	102
Franco-Nevada liability	2	2	—	—
Stillwater Convertible Debentures	4	4	—	—
- Interest	6,681	809	1,564	4,308
Total	37,683	12,519	20,696	4,468
31 December 2019				
Other payables	3,808	775	2,919	114
Trade and other payables	7,740	7,740	—	—
Borrowings				
- Capital				
US$600 million RCF	5,712	—	5,712	—
R6.0 billion RCF	2,500	—	2,500	—
2022 and 2025 Notes	9,809	—	4,952	4,857
US$ Convertible Bond	5,376	—	5,376	—
Burnstone Debt	109	—	109	—
Franco-Nevada liability	2	2	—	—
Stillwater Convertible Debentures	4	4	—	—
- Interest	7,820	1,184	2,698	3,938
Total	42,880	9,705	24,266	8,909

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Market risk

Foreign currency sensitivity

Certain of the Group's US dollar borrowing facilities have been drawn down by companies with SA rand as their functional currency, therefore some of the Group's borrowings are sensitive to changes in the rand/US dollar exchange rate. The Group is also exposed to foreign currency risk on intercompany loans denominated in foreign currencies to the extent that foreign exchange differences are recognised in profit or loss. A one percentage point change in the SA rand closing exchange rate of R15.94/US$ (2020: R14.69/US$ and 2019: R14.00/US$) would have changed the profit for the year by R50 million (2020: R148 million and 2019: R102 million).

Interest rate sensitivity

As at 31 December 2021, the Group's total borrowings amounted to R20,298 million (2020: R18,383 million and 2019: R23,736 million). The Group generally does not undertake any specific action to cover its exposure to interest rate risk, although it may do so in specific circumstances.

The portion of Sibanye-Stillwater's interest-bearing borrowings at period end that is exposed to interest rate fluctuations is R1,416 million (2020: R8,157 million and 2019: R9,454 million). This debt is normally rolled for periods between one and three months and is therefore exposed to the rate changes in this period.

At 31 December 2021, of the total borrowings, Rnil (2020: Rnil and 2019: R2,500 million) is exposed to changes in the JIBAR rate and R1,416 million (2020: R8,157 million and 2019: R6,954 million) is exposed to changes in the LIBOR rate.

The US$600 million RCF and the R5.5 billion RCF are affected by the IBOR reform which came into effect on 1 January 2021. The R5.5 billion RCF is linked to JIBAR and is not drawn down at 31 December 2021, however the JIBAR is only expected to be impacted by the reform at a later stage and any impact thereof is to be considered when this occurs. The US$600 million RCF is linked to a US LIBOR and will be refinanced or restructured depending on the developments in respect of the US LIBOR reform. Therefore, the Group was not impacted when the amendment became effective.

The table below summarises the effect of a change in finance expense on the Group's profit or loss had JIBAR and LIBOR differed as indicated. The analysis is based on the assumption that the applicable interest rate increased/decreased with all other variables held constant. All financial instruments with fixed interest rates that are carried at amortised cost are not subject to the interest rate sensitivity analysis.

Interest rate sensitivity analysis

	Change in interest expenses for a change in interest rate[1]					
Figures in million - SA rand	**(1.5)%**	**(1.0)%**	**(0.5)%**	**0.5 %**	**1.0 %**	**1.5 %**
31 December 2021						
- JIBAR	**—**	**—**	**—**	**—**	**—**	**—**
- LIBOR	**21**	**14**	**7**	**(7)**	**(14)**	**(21)**
Change in finance expense	**21**	**14**	**7**	**(7)**	**(14)**	**(21)**
31 December 2020						
- JIBAR	—	—	—	—	—	—
- LIBOR	122	82	41	(41)	(82)	(122)
Change in finance expense	122	82	41	(41)	(82)	(122)
31 December 2019						
- JIBAR	38	25	13	(13)	(25)	(38)
- LIBOR	106	70	35	(35)	(70)	(106)
Change in finance expense	144	95	48	(48)	(95)	(144)

[1] *Interest rate sensitivity analysis is performed on the borrowings balance at 31 December*

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The exposure to interest rate changes and the contractual repricing dates

The exposure of the Group's borrowings to interest rate changes and the contractual repricing dates at the reporting dates is as follows:

Figures in million - SA rand	2021	2020	2019
Floating rate with exposure to change in JIBAR	—	—	2,500
Floating rate with exposure to change in LIBOR	**1,416**	8,157	6,954
Non-current borrowings exposed to interest rate changes	**1,416**	8,157	9,454
The Group has the following undrawn borrowing facilities:			
Committed	**15,749**	7,336	5,688
Uncommitted	**2,276**	2,460	1,050
Total undrawn facilities	**18,025**	9,796	6,738
All of the above facilities have floating rates. The undrawn committed facilities have the following expiry dates:			
- within one year	**685**	229	—
- later than one year and not later than two years	**9,564**	229	672
- later than two years and not later than three years	**5,500**	6,878	5,016
Total undrawn committed facilities	**15,749**	7,336	5,688

28.10 Capital management

The Group's primary objective with regards to managing its capital is to ensure that there is sufficient capital available to support the funding requirements of the Group, including capital expenditure, in a way that: optimises the cost of capital; maximises shareholders' returns; and ensures that the Group remains in a sound financial position.

The Group manages and makes adjustments to the capital structure as and when borrowings mature or as and when funding is required. This may take the form of raising equity, market or bank debt or hybrids thereof. Opportunities in the market are also monitored closely to ensure that the most efficient funding solutions are implemented.

The Group monitors capital using the ratio of net (cash)/debt to adjusted earnings before interest, taxes, depreciation and amortisation (EBITDA), but does not set absolute limits for this ratio.

Figures in million - SA rand	2021	2020	2019
Borrowings[1]	**18,791**	17,119	26,551
Cash and cash equivalents[2]	**30,257**	20,206	5,586
Net (cash)/debt[3]	**(11,466)**	(3,087)	20,964
Adjusted EBITDA[4]	**68,606**	49,385	14,956
Net (cash)/debt to adjusted EBITDA (ratio)[5]	**(0.2)**	(0.1)	1.4

1 *Borrowings are only those borrowings that have recourse to Sibanye-Stillwater. Borrowings, therefore, exclude the Burnstone Debt and include the derivative financial instrument up to the settlement of the US$ Convertible Bond*

2 *Cash and cash equivalents exclude cash of Burnstone*

3 *Net (cash)/debt represents borrowings and bank overdraft less cash and cash equivalents. Borrowings are only those borrowings that have recourse to Sibanye-Stillwater and, therefore, exclude the Burnstone Debt and include the derivative financial instrument up to the settlement of the US$ Convertible Bond. Net (cash)/debt excludes cash of Burnstone*

4 *The adjusted EBITDA calculation is based on the definitions included in the facility agreements for compliance with the debt covenant formula, except for impact of new accounting standards and acquisitions, where the facility agreements allow the results from the acquired operations to be annualised. Adjusted EBITDA may not be comparable to similarly titled measures of other companies. Adjusted EBITDA is not a measure of performance under IFRS and should be considered in addition to, and not as a substitute for, other measures of financial performance and liquidity*

5 *Net (cash)/debt to adjusted EBITDA ratio is a pro forma performance measure and is defined as net (cash)/debt as of the end of a reporting period divided by adjusted EBITDA of the 12 months ended on the same reporting date. This measure constitutes pro forma financial information in terms of the JSE Listings Requirements, and is the responsibility of the Board*

Notes to the consolidated financial statements *continued*

For the year ended 31 December 2021

Reconciliation of profit/(loss) before royalties, carbon tax and tax to adjusted EBITDA:

Figures in million - SA rand	2021	2020	2019
Profit/(loss) before royalties, carbon tax and tax	**50,275**	37,250	(856)
Adjusted for:			
Amortisation and depreciation	**8,293**	7,593	7,214
Interest income	**(1,202)**	(1,065)	(560)
Finance expense	**2,496**	3,152	3,303
Share-based payments	**383**	512	363
Loss on financial instruments	**6,279**	2,450	6,015
(Gain)/loss on foreign exchange differences	**(1,149)**	255	(325)
Share of results of equity-accounted investees after tax	**(1,989)**	(1,700)	(721)
Change in estimate of environmental rehabilitation obligation, and right of recovery receivable and payable	**(167)**	(464)	89
Gain on disposal of property, plant and equipment	**(36)**	(99)	(77)
Impairments/(reversal of impairments)	**5,148**	(121)	86
Early redemption premium on the 2025 Notes	**196**	—	—
Gain on acquisition	**—**	—	(1,103)
Loss on BTT early settlement	**—**	186	—
Restructuring costs	**107**	436	1,252
Transaction costs	**140**	139	448
Loss on settlement of US$ Convertible Bond	**—**	1,507	—
Loss due to dilution of interest in joint operation	**4**	30	—
Income on settlement of dispute	**—**	(580)	—
IFRS 16 lease payments	**(142)**	(148)	(132)
Profit on sale of St Helena	**(16)**	—	—
Occupational healthcare (gain)/expense	**(14)**	52	(40)
Adjusted EBITDA	**68,606**	49,385	14,956

Notes to the consolidated financial statements *continued*
For the year ended 31 December 2021

29. Lease liabilities

Accounting policy

At the inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Lease liabilities are initially measured at the present value of the future lease payments at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the relevant incremental borrowing rate.

Subsequently, lease liabilities are measured at amortised cost using the effective interest method. Lease liabilities are remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group also elected to apply the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option, and lease contracts for which the underlying asset is of low value. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term to the extent applicable.

In addition, certain variable lease payments are not permitted to be recognised as lease liabilities and are expensed as incurred.

Figures in million - SA rand	**Notes**	**2021**	**2020**	**2019**
Balance at beginning of the year		**326**	383	—
Impact of adopting IFRS 16 on 1 January 2019		**—**	—	302
New leases and modifications		**67**	66	52
Lease liabilities on acquisition of subsidiaries	16.1	**—**	—	133
Repayment of lease liabilities		**(142)**	(148)	(132)
Interest charge	5.2	**29**	34	34
Re-classification and other		**—**	(9)	(6)
Foreign currency translation		**1**	—	—
Balance at end of the year		**281**	326	383
Current portion of lease liabilities		**(104)**	(103)	(110)
Non-current lease liabilities		**177**	223	273

Lease payments not recognised as a liability but expensed during the year

Figures in million - SA rand	**2021**	**2020**	**2019**
Short-term leases	**22**	17	9
Leases of low value assets	**39**	83	34
Variable lease payments	**29**	11	7
Total	**90**	111	50

Maturity Analysis

The lease liabilities are secured by the related underlying assets. The undiscounted maturity analysis of lease liabilities at 31 December is as follows:

Figures in million - SA rand	**Total**	**Within one year**	**Between one and five years**	**After five years**
Contractual undiscounted cash flows - 2021	**325**	**126**	**191**	**8**
Contractual undiscounted cash flows - 2020	391	131	245	15
Contractual undiscounted cash flows - 2019	475	140	298	37

Notes to the consolidated financial statements *continued*
For the year ended 31 December 2021

30. Environmental rehabilitation obligation and other provisions

Significant accounting judgements and estimates

The Group's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. The Group recognises management's best estimate for asset retirement obligations in the period in which they are incurred. Actual costs incurred in future periods could differ materially from the estimates. Additionally, future changes to environmental laws and regulations, life-of-mine estimates and discount rates could affect the carrying amount of this provision.

The provision is calculated using the following assumptions:

	Inflation rate	Discount rate	Discount period
2021			
SA gold operations	6 %	5.1% - 10.6%	1 - 24 years
SA PGM operations	6 %	5.1% - 10.6%	1 - 50 years
US PGM operations	2 %	1.9%	35 - 40 years
2020			
SA gold operations	6 %	4.0% - 10.9%	1 – 21 years
SA PGM operations	6 %	4.0% - 10.8%	1 – 32 years
US PGM operations	2 %	1.5% - 1.7%	24 – 38 years
2019			
SA gold operations	6 %	6.7% - 10.0%	1 – 19 years
SA PGM operations	6 %	6.7% - 10.1%	1 – 31 years
US PGM operations	2 %	2.3% - 2.4%	25 – 37 years

Accounting Policy

Provisions are recognised when the Group has a present obligation, legal or constructive, resulting from past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Long-term environmental obligations are based on the Group's environmental management plans, in compliance with applicable environmental and regulatory requirements.

The estimated costs of rehabilitation are reviewed annually and adjusted as appropriate for changes in legislation, technology or other circumstances. Cost estimates are not reduced by the potential proceeds from the sale of assets or from plant clean up at closure.

Based on disturbances to date, the net present value of expected rehabilitation cost estimates is recognised and provided for in full in the financial statements. The estimates are reviewed annually and are discounted using a risk-free rate that is adjusted to reflect the current market assessments of the time value of money.

Annual changes in the provision consist of finance costs relating to the change in the present value of the provision and inflationary increases in the provision estimate, as well as changes in estimates. Changes in estimates are capitalised or reversed against the relevant asset or liability to the extent that it meets the definition of dismantling and removing the item and restoring the site on which it is located. Costs that relate to an existing condition caused by past operations and do not have a future economic benefit are recognised in profit or loss. If a decrease in the liability exceeds the carrying amount of the asset, the excess is recognised immediately in profit or loss. The present value of environmental disturbances created are capitalised to mining assets against an increase in the environmental rehabilitation obligation.

Rehabilitation projects undertaken, included in the estimates are charged to the provision as incurred. The cost of ongoing current programmes to prevent and control environmental disturbances is recognised in profit or loss as incurred. The unwinding of the discount due to the passage of time is recognised as finance cost, and the capitalised cost is amortised over the remaining lives of the mines.

Notes to the consolidated financial statements *continued*

For the year ended 31 December 2021

Figures in million - SA rand	Notes	2021	2020	2019
Balance at beginning of the year		**8,634**	8,715	6,294
Interest charge	5.2	**615**	684	579
Utilisation of environmental rehabilitation obligation[1]		**(236)**	(97)	(35)
Change in estimates charged to profit or loss[2]		**(178)**	(375)	89
Change in estimates capitalised[2]		**(638)**	(318)	105
Environmental rehabilitation obligation on acquisition of subsidiaries	16	**—**	—	1,697
Foreign currency translation		**66**	25	(14)
Balance at end of the year		**8,263**	8,634	8,715
Environmental rehabilitation obligation and other provisions consists of:				
Environmental rehabilitation obligation		**8,146**	8,517	8,598
Other provisions		**117**	117	117
Environmental rehabilitation obligation and other provisions		**8,263**	8,634	8,715

[1] *The cost of ongoing current programmes to prevent and control environmental disturbances, including reclamation activities, is charged to cost of sales as incurred*

[2] *Changes in estimates result from changes in reserves and corresponding changes in life-of-mine, changes in discount rates, changes in closure cost estimates and changes in laws and regulations governing environmental matters*

The Group's mining operations are required by law to undertake rehabilitation works as part of their ongoing operations. The Group makes contributions into environmental rehabilitation obligation funds (refer note 21) and holds guarantees to fund the estimated costs.

Post closure water management liability

The Group continues to monitor the potential risk of long-term acid and non-acidic mine impacted water and other groundwater pollution challenges also experienced by peer mining groups. Acid mine drainage (AMD) specifically relates to the acidification and contamination of naturally occurring water resources by pyrite-bearing ore contained in underground mines, rock dumps, tailings facilities and pits on surface. As yet, the Group has not been able to reliably determine the financial impact that AMD and groundwater pollution may have on the Group, nor the timing of possible outflow due to the need to understand the final footprint of impacted areas on surface and the mine void upon re-watering.

The potential for acidic and non-acidic mine impacted water and other groundwater impacts, how, where and if they will manifest and the associated environmental/closure liability will be determined as part of the Group's quantification of any post-closure residual environmental impacts using a robust and defendable risk assessment process. This will be a requirement in the proposed amended Financial Provisioning (FP) Regulations that comes into effect in June 2022. As per the recent closure process undertaken at our Cooke Operations, detailed studies to understand the hydrology and hydrogeology were undertaken, including the modelling of worst-case scenarios assuming waste on surface cannot be removed. These studies further included the modelling of the mined out void, re-watering rate and natural groundwater flow in the dolomite aquifer overlaying the mined-out area, including the relationship with adjacent mining areas and surface water resources to understand cumulative impacts.

The conclusions from the studies were used to inform a risk assessment and closure strategy to reliably predict water quality impacts as part of long term sustainable closure solution. In addition, in the December 2021 closure liability assessments, the Group makes financial provision of R880 million (undiscounted) for what it specifically termed "Post Closure Aspects" – this includes but is not limited to amongst others, post-closure water management aspects such as initial and post-decant surface and groundwater monitoring, wetlands, biomonitoring and aquatics monitoring and care-and-maintenance monitoring. During the operational life-of-mine, we aim at investigating and implementing practical, sustainable and cost-effective solutions that, where possible, reduces post-closure impacts as effectively as possible, whilst also promoting the establishment and implementation of self-sustaining ecosystems and processes, respectively, that would require very limited or no ongoing active management by the mine, in a post-closure scenario.

Notes to the consolidated financial statements *continued*
For the year ended 31 December 2021

31. Occupational healthcare obligation

Significant accounting judgements and estimates

The Group recognises management's best estimates to settle any occupational healthcare claims against the Group's operations. The ultimate outcome of the number, timing and amount of successful claims to be paid out remains uncertain. The provision is consequently subject to adjustment in the future and actual costs incurred in future periods could differ materially from the estimates.

Estimates that were used in the assessment include value of benefits per claimant, disease progression rates, required contributions, timing of payments, tracing pattern, period discount rates, period inflation rates and a 60% take-up rate. These estimates were informed by a professional opinion. Management discounted the possible cash outflows using a discount rate of 7.83% (2020: 6.65% and 2019: 8.25%).

In assessing whether the Group has control, joint control or significant influence over the trust that administers the claim settlement process (refer below), judgement was applied in determining whether voting rights are relevant to determine power over the key activities of the trust, as well as analysing the influence of the various parties. No control, joint control or significant influence was identified, however should any key considerations change in future periods, these conclusions will be reassessed.

Accounting policy

Provisions are recognised when the Group has a present obligation, legal or constructive resulting from past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The estimated costs of settlement claims are reviewed at least annually and adjusted as appropriate for changes in cash flow predictions or other circumstances.

Based on estimates to date, the net present value of expected settlement claims is recognised and provided for in full in the financial statements. The estimated cash flows are discounted using a risk-free rate with similar terms to the obligation to reflect the current market assessments of the time value of money.

Annual changes in the provision consist of finance costs relating to the change in the present value of the provision and changes in estimates.

On 3 May 2018, the Occupational Lung Disease Working Group (the Working Group), including Sibanye-Stillwater, agreed to an approximately R5 billion class action settlement with the claimants (Settlement Agreement). On 26 July 2019 the Gauteng High Court in Johannesburg approved the R5 billion Settlement Agreement in the silicosis class action suit. This Settlement Agreement provides compensation to all eligible workers suffering from silicosis and/or tuberculosis who worked in the Occupational Lung Disease Working Group companies' mines from 12 March 1965 to the date of the Settlement Agreement.

The Settlement Agreement required the formation of the Tshiamiso Trust (the Trust) to administer the claim settlement process, which includes tracing claimants, assessing and processing submitted claims and paying benefits to eligible claimants. The Trust will be funded by the participants to the Working Group through contributions determined in accordance with the Settlement Agreement. In addition, a special purpose vehicle was created with the objective of performing certain functions on behalf of the Working Group as set out in the deed of the Trust and Settlement Agreement. The special purpose vehicle and Trust are not controlled by the Group.

On 19 December 2019 Sibanye-Stillwater provided a guarantee for an amount not exceeding R1,372 million in respect of administration contributions, initial benefit contributions and benefit contributions to the Trust as required by the trust deed.

Sibanye-Stillwater currently has provided R1,017 million for its share of the settlement cost. The provision is consequently subject to adjustment in the future based on the number of eligible workers and changes in other assumptions.

Figures in million - SA rand	Notes	2021	2020	2019
Balance at beginning of the year		**1,194**	1,282	1,274
Interest charge	5.2	**77**	96	116
Change in estimate recognised in profit or loss		**(14)**	52	(40)
Payments made	34	**(240)**	(236)	(68)
Balance at the end of the year		**1,017**	1,194	1,282
Reconciliation of the non-current and current portion of the occupational healthcare obligation:				
Occupational healthcare obligation		**1,017**	1,194	1,282
Current portion of occupational healthcare obligation		**—**	(157)	(149)
Non-current portion of occupational healthcare obligation		**1,017**	1,037	1,133

Notes to the consolidated financial statements *continued*
For the year ended 31 December 2021

DRDGOLD is not a party to the Working Group's mediated settlement agreement and DRDGOLD maintains the view that it is too early to consider settlement of the matter, mainly for the following reasons:

- the applicants have as yet not issued and served a summons (claim) in the matter to DRDGOLD
- there is no indication of the number of potential claimants that may join the class action against the DRDGOLD respondents
- many principles upon which legal responsibility may be founded, are required to be substantially developed by the trial court (and possibly subsequent courts of appeal) to establish liability on the bases alleged by the applicants

In light of the above there is inadequate information for DRDGOLD to determine if a sufficient legal and factual basis exists to establish liability, and to quantify such potential liability.

Notes to the consolidated financial statements *continued*
For the year ended 31 December 2021

32. Deferred revenue

Significant accounting judgements and estimates

Upfront cash deposits received for streaming transactions have been accounted for as contract liabilities (deferred revenue) in the scope of IFRS 15. These contracts are not financial instruments because they will be satisfied through the delivery of non-financial items (i.e. delivering of metal ounces) as part of the Group's expected sale requirements, rather than cash or financial assets. It is the intention to satisfy the performance obligations under these streaming arrangements through the Group's production, and revenue will be recognised over duration of the contracts as the Group satisfies its obligation to deliver metal ounces. Where these contracts are of a long-term nature and the Group received a portion of the consideration at the inception, these contracts contain a significant financing component under IFRS 15. The Group therefore made a critical estimate of the discount rate that should be applied to the contract liabilities over the life of contracts where applicable.

Inputs to the model to unwind the Wheaton International advance received to revenue

The advance received has been recognised on the statement of financial position as deferred revenue. The deferred revenue will be recognised as revenue in profit or loss based on the metal ounces/credits in relation to the expected total amount of metal credits to be delivered over the term of the arrangement.

Each period management estimates the cumulative amount of the deferred revenue obligation that has been satisfied and, therefore, recognised as revenue. Key inputs into the model are:

Key input	Estimate at year end	Further information
Estimated financing rate over life of arrangement	4.6% - 5.2%	Refer note 5.2
Remaining life of stream	94 years	The starting point for the life of the stream is the approved life-of-mine for the US PGM operations. However, as IFRS 15 requires the constraint on revenue recognition to be considered, it is more prudent to include a portion of resources in the life of stream for the purposes of revenue recognition. This will reduce the chance of having a significant decrease in revenue recognised in the future, when the life-of-mine is updated to include a conversion of resources to reserves. As such, Sibanye-Stillwater management have determined that is it appropriate to include 50% of inferred resources.
Palladium entitlement percentage	4.5%	The palladium entitlement percentage will be either 4.5%, 2.25% or 1% over the life of the mine, depending on whether or not the advance has been fully reduced, and a certain number of contractual ounces have been delivered (375,000 ounces for the first trigger drop down to 2.25% and 550,000 ounces for the second trigger drop down rate to 1%).
Gold entitlement percentage	100%	The gold entitlement percentage will be 100% over the life of the mine.
Monthly cash percentage	18%	The monthly cash payment to be received is 18%, 16%, 14% or 10% of the market price of the metal credit delivery to Wheaton International while the advance is not fully reduced. After the advance has been fully reduced, the cash percentage is 22%, 20%, 18% or 14%. The percentage applicable depends on the investment grade of the Group and its leverage ratio. As long as Sibanye-Stillwater's current investment grade conditions as stipulated in the contract have been satisfied, the monthly cash percentage decreases if the Group's leverage ratio increases above 3.5:1. The balance of the ounces in the monthly delivery (i.e. 100%-18%= 82%) is then used to determine the utilisation of the deferred revenue balance.
Commodity prices	Five day simple average calculated the day before delivery	The value of each metal credit delivery is determined in terms of the contract.

Any changes to the above key inputs could significantly change the quantum of the cumulative revenue amount recognised in profit or loss.

Any changes in the life-of-mine are accounted for prospectively as a cumulative catch-up in the year that the life-of-mine estimate above changes, or the inclusion of resources changes.

Notes to the consolidated financial statements *continued*

For the year ended 31 December 2021

Inputs to the model to unwind the BTT advance received to revenue

The advance received was recognised on the statement of financial position as deferred revenue. Before the early settlement of the BTT project (refer below), the deferred revenue was recognised as revenue in profit or loss based on the metal ounces/credits in relation to the expected total amount of metal credits to be delivered over the term of the arrangement.

Each period, up to the early settlement of the BTT project, management estimated the cumulative amount of the deferred revenue obligation that had been satisfied and, therefore, recognised as revenue. Key inputs into the model before settlement were:

Key input		Further information
Estimated financing rate over life of arrangement	11.5%	Refer note 5.2
Remaining life of stream	6 years	The life of the stream was determined by the reserves of the Marikana Easterns' Tailings Dam no.1.
6E PGM entitlement percentage	23.0%	The 6E PGM entitlement percentage ranged from 23% to 38% based on a weighted 6E PGM basket price that was determined monthly.
Monthly cash percentage	20.0%	The monthly cash payment received was a percentage of the 6E PGM weighted basket price, ranging from 16% to 20%, and was based on a weighted 6E PGM basket price that is determined monthly. This cash payment was capped at a minimum of $106 per ounce and a maximum of $280 per ounce.
Commodity prices	Average monthly basket price	The monthly basket price for any calendar month was calculated by dividing the sum of the monthly average value of weighted 6E PGM basket by the total number of ounces for such calendar month.

Since the BTT project was early settled (refer below), there are no remaining significant accounting judgements or estimates at 31 December 2021 relating to this stream.

Accounting policy

Consideration received in advance is recognised as a contract liability (deferred revenue) under IFRS 15 as control has not yet transferred.

Where a significant financing component is identified as a result of the difference in the timing of advance consideration received and when control of the metal promised transfers, interest expenses on the deferred revenue balance are recognised in finance costs.

Where a contract has a period of a year or less between receiving advance consideration and when control of the metal promised transfers, the group may elect on a contract-by-contract basis to apply the IFRS 15 practical expedient not to adjust for the effects of a significant financing component.

Wheaton Stream

In July 2018, the Group entered into a gold and palladium supply arrangement in exchange for an upfront advance payment of US$500 million (Wheaton Stream). The arrangement has been accounted for as a contract in the scope of IFRS 15 whereby the advance payment has been recorded as deferred revenue. The revenue from the advance payment is recognised as the gold and palladium is allocated to the appropriate Wheaton International account. An interest cost, representing the significant financing component of the upfront deposit on the deferred revenue balance, is also recognised as part of finance costs. This finance cost increases the deferred revenue balance, ultimately resulting in revenue when the deferred revenue is recognised over the life-of-mine.

Forward gold sale - April 2019

On 11 April 2019, the Group concluded a forward gold sale arrangement whereby the Group received a cash prepayment of US$125 million (approximately R1.75 billion) in exchange for four fortnightly deliveries of 26,476 ounces of gold (totalling 105,906 ounces or 3,294 kilograms) between 1 October 2019 and 15 November 2019. The revenue from the prepayment was recognised in four equal parts on delivery of the gold. The gold price delivered under the prepayment was hedged with a cap price of $1,323 per ounce and a floor price of $1,200 per ounce. The Group received, and recognised, the difference between the floor price and the spot price (subject to a maximum of the cap price) on delivery of the gold. The final delivery was made on 15 November 2019.

Notes to the consolidated financial statements *continued*
For the year ended 31 December 2021

Forward gold sale - October 2019

On 21 October 2019, the Group concluded a forward gold sale arrangement whereby the Group received a cash prepayment of R1.1 billion in exchange for future delivery of 8,482 ounces (263.8 kilograms) of gold every two weeks from 10 July 2020 to 16 October 2020 subject to an initial reference price of R17,371 per ounce comprising 80% of the prevailing price on execution date. The initial forward sale was unhedged and the Group would have received (or paid) the difference between the spot price and the prepayment price of R17,371/oz. On 6 July 2020, before the first delivery date, the Group agreed revised terms in which the ounces to be delivered every two weeks were reduced from 8,482 ounces (263.8 kilograms) to 6,523.2 ounces (202.9 kilograms), totalling 52,185.2 ounces (1,623.1 kilograms). In addition, a floor of R27,700/oz and a cap of R33,386/oz was introduced. The final delivery was made on 15 October 2020.

BTT stream and WPL forward platinum sale

During 2016 Lonmin secured funding of US$50 million to build the BTT plant, through a finance metal streaming arrangement receivable in instalments. The US$50 million was accounted for as deferred revenue as it would be repaid by way of discounted value of PGM metal sales. Contractual deliveries were at a discounted price and the value of the discount over and above the US$50 million upfront payment was prorated over the project lifetime and charged to the consolidated income statement as a finance expense. The plant was commissioned during February 2018. The Group determined the fair value of the BTT deferred revenue to be R628 million at acquisition and R607 million at 31 December 2019.

On 24 January 2020, WPL, EPL and Sibanye UK (collectively the "Purchasers"), subsidiaries of Sibanye-Stillwater, entered into a Release and Cancellation Agreement ("the Release Agreement") with RFW Lonmin Investments Limited ("the Seller") in respect of the BTT stream. The Release Agreement sets out the terms and conditions upon which the Purchasers have purchased the Seller's entire interest in the metals purchase agreement for an amount of US$50 million to be settled in cash. The BTT transaction was implemented and the liability settled on 6 March 2020. WPL concluded a forward platinum sale arrangement on 3 March 2020 to fund the settlement of the BTT liability. WPL received a cash prepayment of US$50 million (R771 million) in exchange for the future delivery of 72,886 ounces of platinum on set dates between June and December 2020. The platinum price delivered under the prepayment was hedged with a cap price of US$1,050 per ounce and a floor price of US$700 per ounce. The Group received, and recognised, the difference between the floor price and the monthly average price (subject to a maximum of the cap price) on delivery of the platinum. The final delivery under the forward platinum sale arrangement was made on 7 December 2020.

Marikana toll treatment arrangement

The Marikana operations entered into a short-term purchase of concentrate and toll treatment arrangement with a third party that commenced on 1 February 2021 and concluded on 31 December 2021. As part of the arrangement, Marikana agreed to buy and toll treat certain metals. A percentage of the toll treated metals is also retained as partial payment for the toll treatment arrangement. Marikana accounts for the inventory received as partial payment for the toll treatment arrangement as deferred revenue at fair value. A further deferred revenue balance is recognised to the extent that cash payment is received for the toll treatment before the performance obligation is satisfied. Deferred revenue is recognised as revenue on a straight-line basis over the term of the performance obligation.

Notes to the consolidated financial statements *continued*

For the year ended 31 December 2021

The following table summarises the changes in deferred revenue:

Figures in million - SA rand	Note	2021	2020	2019
Balance at beginning of the year		**6,430**	8,167	6,555
Deferred revenue advance received[1]		**468**	771	2,859
BTT early settlement payment		**—**	(787)	—
Deferred revenue recognised during the period[2]		**(847)**	(2,256)	(2,227)
Interest charge	5.2	**309**	349	352
Loss on BTT early settlement		**—**	186	—
Deferred revenue recognised on acquisition of subsidiary		**—**	—	628
Balance at the end of the year		**6,360**	6,430	8,167
Reconciliation of the non-current and current portion of the deferred revenue:				
Deferred revenue		**6,360**	6,430	8,167
Current portion of deferred revenue		**(156)**	(67)	(1,271)
Non-current portion of deferred revenue		**6,204**	6,363	6,896

1 *The amount received for the year ended 31 December 2021 relates to the toll treatment arrangement entered into by Marikana, representing cash receipts of R65 million and the fair value of inventory received of R403 million. The R771 million received relates to the WPL forward platinum sale arrangement entered into on 3 March 2020. The R2,859 million received relates to R1,751 million received on the April 2019 forward gold sale and R1,108 million received on the October 2019 forward gold sale, respectively*

2 *Revenue recognised during the year of R847 million relates to R447 million recognised on the Wheaton Stream (2020: R344 million, 2019: R414 million) and R400 million recognised on the toll treatment arrangement entered into by Marikana during the year. The remaining revenue recognised for the years ended 31 December 2020 and 2019 relates to R785 million (2019: Rnil) recognised in respect of the WPL forward platinum sale arrangement entered into on 3 March 2020, R1,108 million recognised in respect of the October 2019 forward gold sale arrangement (2019: R1,751 million recognised in respect of the April 2019 forward gold sale arrangement) and R19 million (2019: R62 million) recognised in respect of the BTT, respectively*

33. Trade and other payables

Accounting policy

Trade and other payables, excluding payroll creditors and leave pay accruals are non-derivative financial liabilities categorised as other financial liabilities. Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Provision is made for employee entitlement benefits accumulated as a result of employees rendering services up to the reporting date. Liabilities arising in respect of wages and salaries, annual leave and other benefits due to be settled within 12 months of the reporting date are measured at rates which are expected to be paid when the liability is settled. Termination benefits are expensed and an accrual raised at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, they are discounted.

All other employee entitlement liabilities are measured at the present value of estimated payments to be made in respect of services rendered up to reporting date.

Figures in million - SA rand	2021	2020	2019
Trade creditors	**3,670**	4,325	3,208
Accruals and other creditors	**5,192**	4,166	3,196
Other	**1,581**	32	1,336
Financial liabilities	**10,443**	8,523	7,740
Payroll creditors	**2,485**	2,492	1,898
Leave pay accrual	**2,045**	2,016	1,692
VAT payable	**189**	176	136
Total trade and other payables	**15,162**	13,207	11,466

Fair value of trade and other payables

The fair value of trade and other payables approximate the carrying value due to the short maturity.

Liquidity risk

Trade and other creditors are expected to be settled within 12 months from the reporting date.

Notes to the consolidated financial statements *continued*
For the year ended 31 December 2021

34. Cash generated by operations

Figures in million - SA rand	Notes	2021	2020	2019
Profit for the year		**33,796**	30,622	433
Royalties	11.1	**2,714**	1,765	431
Carbon tax		**4**	5	13
Mining and income tax	11.2	**13,761**	4,858	(1,733)
Interest income	5.1	**(1,202)**	(1,065)	(560)
Finance expense	5.2	**2,496**	3,152	3,303
Profit before interest, royalties, carbon tax and tax		**51,569**	39,337	1,887
Non-cash adjusting items:				
Amortisation and depreciation	4	**8,293**	7,593	7,214
Share-based payments	6.8	**383**	512	363
Loss on financial instruments		**6,279**	1,905	5,731
Foreign currency exchange adjustment		**(394)**	(410)	(461)
Share of results of equity-accounted investees after tax		**(1,989)**	(1,700)	(721)
Impairments/(reversal of impairments)	10	**5,148**	(121)	86
Loss on settlement of US$ Convertible Bond	28.6	**—**	1,507	—
Early redemption premium on the 2025 Notes	28.4	**196**	—	—
Occupational healthcare (gain)/expense	31	**(14)**	52	(40)
Change in estimate of environmental rehabilitation obligation		**(162)**	(464)	89
Gain on acquisition	16.1	**—**	—	(1,103)
Deferred revenue recognised	32	**(847)**	(2,256)	(2,227)
Loss on BTT early settlement	32	**—**	186	—
Cash adjusting items:				
Income on settlement of dispute	8.2	**—**	(580)	—
Payment of occupational healthcare liability	31	**(240)**	(236)	(68)
Other non-cash and cash adjusting items		**(438)**	(137)	(184)
Total cash generated by operations		**67,784**	45,188	10,566

35. Change in working capital

Figures in million - SA rand	2021	2020	2019
Inventories	**1,384**	(9,027)	(5,000)
Trade and other receivables	**(510)**	(2,167)	3,115
Trade and other payables	**1,581**	1,759	1,259
Total change in working capital	**2,455**	(9,435)	(626)

Notes to the consolidated financial statements *continued*
For the year ended 31 December 2021

36. Financial instruments and risk management

Accounting policy

On initial recognition, a financial asset is classified as measured at either amortised cost, fair value through other comprehensive income, or fair value through profit or loss.

The Group initially recognises debt instruments issued and trade and other receivables, on the date these are originated. All other financial assets and financial liabilities are recognised initially when the Group becomes a party to the contractual provisions of the instrument.

The classification of financial assets at initial recognition that are debt instruments depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. In order for a financial asset to be classified and measured at amortised cost, it needs to give rise to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. This assessment is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets that are debt instruments refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows.

The Group recognises an allowance for expected credit losses (ECLs) on all debt instruments not held at fair value through profit or loss to the extent applicable. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade and other receivables due in less than 12 months, the Group applies the simplified approach in calculating ECLs, as permitted by IFRS 9. Therefore, the Group does not track changes in credit risk, but instead, recognises a loss allowance based on the financial asset's lifetime ECL at each reporting date. Impairment losses are recognised through profit or loss.

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of the ownership of the financial asset are transferred. The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expired.

Any interest in such transferred financial asset that is created or retained by the Group is recognised as a separate asset or liability. The particular recognition and measurement methods adopted are disclosed in the individual policy statements associated with each item.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid is recognised in profit or loss.

36.1 Accounting classifications and measurement of fair values

The following methods and assumptions were used to estimate the fair value of each class of financial instrument:

- **Other receivables and other payables**

  Due to the approaches applied in calculating the carrying values as described in note 22, the fair values approximate the carrying value.

- **Trade and other receivables/payables, and cash and cash equivalents**

  The carrying amounts approximate fair values due to the short maturity of these instruments for financial instruments measured at amortised cost. The fair value for trade receivables measured at fair value through profit or loss (PGM concentrate sales) are determined based on ruling market prices, volatilities and interest rates.

Notes to the consolidated financial statements *continued*

For the year ended 31 December 2021

- **Environmental rehabilitation obligation funds**

  Environmental rehabilitation obligation funds comprise fixed income portfolio of bonds as well as fixed and call deposits. The environmental rehabilitation obligation funds are stated at fair value based on the nature of the fund's investments. The fair value of publicly traded instruments is based on quoted market values.

  For the environmental rehabilitation obligation funds categorised as level two on the fair value hierarchy, fixed income portfolio consists of instruments such as government bonds and inflation-linked bonds. Valuations are performed by the fund manager based on the composition of the portfolio, the relevant investment terms and through reference to market related interest rates.

- **Other investments**

  The fair values of listed investments are based on the quoted prices available from the relevant stock exchanges. The carrying amounts of other short-term investment products with short maturity dates approximate fair value. The fair values of non-listed investments are determined through valuation techniques that include inputs that are not based on observable market data. These inputs include price/book ratios as well as marketability and minority shareholding discounts which are impacted by the size of the shareholding.

- **Asset held for sale**

  The fair value of the asset held for sale was derived from the quoted Gen Mining share price (refer note 20).

- **Borrowings**

  The fair value of variable interest rate borrowings approximates its carrying amounts as the interest rates charged are considered marked related. However, since there are also fixed interest rate borrowings, fair values are disclosed in note 28.

- **Derivative financial instruments**

  The fair value of derivative financial instruments is estimated based on ruling market prices, volatilities and interest rates, and option pricing methodologies based on observable quoted inputs. All derivatives are carried on the statement of financial position at fair value. The fair value of the palladium hedge is determined using a Monte Carlo simulation model based on market forward prices, volatilities and interest rates.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments:

- **Level 1:** unadjusted quoted prices in active markets for identical asset or liabilities
- **Level 2:** inputs other than quoted prices in level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices)
- **Level 3:** inputs for the asset or liability that are not based on observable market data (unobservable inputs)

The following table set out the Group's significant financial instruments measured at fair value by level within the fair value hierarchy:

Figures in million - SA rand	2021			2020			2019		
	Level 1	**Level 2**	**Level 3**	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets measured at fair value									
- Environmental rehabilitation obligation funds	**4,477**	**725**	**—**	4,111	823	—	3,578	1,024	—
- Trade receivables - PGM concentrate sales	**—**	**3,794**	**—**	—	4,030	—	—	2,342	—
- Other investments	**3,143**	**—**	**224**	603	—	244	415	—	184
- Asset held for sale	**—**	**280**	**—**	—	—	—	—	—	—
- Palladium hedge contract	**—**	**286**	**—**	—	-*	—	—	—	—
Financial liabilities measured at fair value									
- Derivative financial instrument	**—**	**—**	**—**	—	—	—	—	4,145	—
- Gold hedge contracts	**—**	**—**	**—**	—	-*	—	—	68	—

** Less than R1 million*

Notes to the consolidated financial statements *continued*
For the year ended 31 December 2021

36.2 Risk management activities

Controlling and managing risk in the Group

In the normal course of its operations, the Group is exposed to market risks, including commodity price, foreign currency, interest rate, liquidity and credit risk associated with underlying assets, liabilities and anticipated transactions. In order to manage these risks, the Group has developed a comprehensive risk management process to facilitate control and monitoring of these risks

Sibanye-Stillwater has policies in areas such as counterparty exposure, hedging practices and prudential limits which have been approved by Sibanye-Stillwater's Board of Directors (the Board). Management of financial risk is centralised at Sibanye-Stillwater's treasury department (Treasury), which acts as the interface between Sibanye-Stillwater's Operations and counterparty banks. Treasury manages financial risk in accordance with the policies and procedures established by the Board and executive committee.

The Board has approved dealing limits for money market, foreign exchange and commodity transactions, which Treasury is required to adhere to. Among other restrictions, these limits describe which instruments may be traded and demarcate open position limits for each category as well as indicating counterparty credit-related limits. The dealing exposure and limits are checked and controlled each day and reported to the CFO.

The objective of Treasury is to manage all financial risks arising from the Group's business activities in order to protect profit and cash flows. Treasury activities of Sibanye-Stillwater and its subsidiaries are guided by the Treasury Policy, the Treasury Framework as well as domestic and international financial market regulations. Treasury activities are currently performed within the Treasury Framework with appropriate resolutions from the Board, which are reviewed and approved annually by the Audit Committee.

The financial risk management objectives of the Group are defined as follows:

- **Counterparty exposure:** the objective is to only deal with a limited number of approved counterparts that are of a sound financial standing and who have an official credit rating. The Group is limited to a maximum investment of 2.5% of the financial institutions' equity, which is dependent on the institutions' credit rating. The credit rating used is Fitch Ratings' short-term credit rating for financial institutions.
- **Liquidity risk management:** the objective is to ensure that the Group is able to meet its short-term commitments through the effective and efficient management of cash and usage of credit facilities.
- **Funding risk management:** the objective is to meet funding requirements timeously and at competitive rates by adopting reliable liquidity management procedures.
- **Currency risk management:** the objective is to maximise the Group's profits by minimising currency fluctuations.
- **Commodity price risk management:** commodity risk management takes place within limits and with counterparts as approved in the treasury framework.
- **Interest rate risk management:** the objective is to identify opportunities to prudently manage interest rate exposures.
- **Investment risk management:** the objective is to achieve optimal returns on surplus funds.

Credit risk

Credit risk represents risk that an entity will suffer a financial loss due to the other party of a financial instrument not discharging its obligation.

The Group has reduced its exposure to credit risk by dealing with a limited number of approved counterparties. The Group approves these counterparties according to its risk management policy and ensures that they are of good credit quality.

The carrying value of the financial assets represents the combined maximum credit risk exposure of the Group. Concentration of credit risk on cash and cash equivalents and non-current assets is considered minimal due to the above mentioned investment risk management and counterparty exposure risk management policies (refer notes 21, 22, 24 and 25).

Liquidity risk

In the ordinary course of business, the Group receives cash proceeds from its operations and is required to fund working capital and capital expenditure requirements. The cash is managed to ensure surplus funds are invested to maximise returns whilst ensuring that capital is safeguarded to the maximum extent possible by investing only with top financial institutions (refer note 28.9).

Uncommitted borrowing facilities are maintained with several banking counterparties to meet the Group's normal and contingency funding requirements (refer note 28.9).

Notes to the consolidated financial statements *continued*
For the year ended 31 December 2021

Working capital and going concern assessment

For the year ended 31 December 2021, the Group realised a profit of R33,796 million (2020: R30,622 million and 2019: profit of R433 million). As at 31 December 2021, the Group's current assets exceeded its current liabilities by R44,290 million (2020: R34,756 million and 2019: R11,836 million) and the Group's total assets exceeded its total liabilities by R81,345 million (2020: R70,716 million and 2019: R31,138 million). During the year ended 31 December 2021 the Group generated net cash from operating activities of R32,256 million (2020: R27,151 million and 2019: R9,463 million).

The Group had committed undrawn debt facilities of R15,749 million at 31 December 2021 (2020: R7,336 million and 2019: R5,688 million) and cash balances of R30,292 million (2020: R20,240 million and 2019: R5,619 million). The 2022 Notes, contractually due to be settled on 27 June 2022, were early settled on 2 August 2021 for the nominal value of US$354 million (R5,123 million). The 2025 Notes, were refinanced and upsized into a new bond issue on 16 November 2021 (refer note 28.5), securing reduced cost of debt, longer financing tenors and enhancing liquidity. The most immediate debt maturities are the US$600 million USD RCF maturing in April 2023 and the R5.5 billion ZAR RCF maturing in November 2024.

The Group's leverage ratio (net (cash)/debt to adjusted EBITDA) as at 31 December 2021 was (0.2):1 (2020 was (0.1):1 and 2019 was 1.4:1) and its interest coverage ratio (adjusted EBITDA to net finance (income)/charges) was (5,281):1 (2020 was 80:1 and 2019 was 7:1). Both considerably better than the maximum permitted leverage ratio of at most 2.5:1 (up to 31 December 2019: 3.5:1); and minimum required interest coverage ratio of 4.0:1, calculated on a quarterly basis, required under the US$600 million RCF and the R5.5 billion RCF. With the available RCF's collectively 100% unutilised at 31 December 2021, high level of available cash balances and the Group's strong liquidity position, no imminent refinancing of debt is required.

Notwithstanding the exceptionally strong liquidity position and good financial outlook, the Group could also, if necessary, consider options to increase funding flexibility which may include, amongst others, additional loan facilities or debt capital market issuances, streaming facilities, prepayment facilities or, in the event that other options are not deemed preferable or achievable by the Board, an equity capital raise. The Group could also, with lender approval, request covenant amendments or restructure facilities. During past adversity, management had successfully implemented similar actions.

Management believes that the cash forecasted to be generated by operations, cash on hand, the committed unutilised debt facilities as well as additional funding opportunities will enable the Group to continue to meet its obligations as they fall due. The consolidated financial statements for the year ended 31 December 2021, therefore, have been prepared on a going concern basis.

Market risk

The Group is exposed to market risks, including foreign currency, commodity price and interest rate risk associated with underlying assets, liabilities and anticipated transactions. Following periodic evaluation of these exposures, the Group may enter into derivative financial instruments to manage some of these exposures.

The effects of reasonable possible changes of relevant risk variables on profit or loss or shareholders' equity are determined by relating the reasonable possible change in the risk variable to the balance of financial instruments at period end date.

The amounts generated from the sensitivity analyses are forward-looking estimates of market risks assuming certain adverse or favourable market conditions occur. Actual results in the future may differ materially from those projected results and therefore should not be considered a projection of likely future events and gains/losses.

Foreign currency risk

Sibanye-Stillwater's operations are all located in South Africa except for Stillwater and Mimosa, which are located in the US and Zimbabwe, respectively, and its revenues are sensitive to changes in the US dollar gold and PGM price and the rand/US dollar exchange rate (the exchange rate). Depreciation of the rand against the US dollar results in Sibanye-Stillwater's revenues and operating margin increasing. Conversely, should the rand appreciate against the US dollar, revenues and operating margins would decrease. The impact on profitability of any change in the exchange rate can be substantial. Furthermore, the exchange rates obtained when converting US dollars to rand are set by foreign exchange markets over which Sibanye-Stillwater has no control. The relationship between currencies and commodities, which includes the gold price, is complex and changes in exchange rates can influence commodity prices and vice versa.

In the ordinary course of business, the Group enters into transactions, such as gold sales and PGM sales, denominated in foreign currencies, primarily US dollar. Although this exposes the Group to transaction and translation exposure from fluctuations in foreign currency exchange rates, the Group does not generally hedge this exposure, although it could be considered for significant expenditures based in foreign currency or those items which have long lead times to produce or deliver. Also, the Group on occasion undertakes currency hedging to take advantage of favourable short-term fluctuations in exchange rates when management believes exchange rates are at unsustainably high levels.

Currency risk also exists on account of financial instruments being denominated in a currency that is not the functional currency and being of a monetary nature. This includes but is not limited to US$600 million RCF, to the extent drawn (refer note 28.1), Burnstone Debt (refer note 28.7) and Franco-Nevada liability.

For additional disclosures, refer notes 3 and 28.

Notes to the consolidated financial statements *continued*
For the year ended 31 December 2021

Foreign currency economic hedging experience

During 2021, a number of intra month (i.e. up to 21 days) forward exchange rate contracts were executed to hedge a known currency inflow. During 2020 the same principle was applied to known currency inflows related to PGM sales.

At 31 December 2021, Sibanye-Stillwater had a foreign currency contract position of US$18 million at a weighted average rate of R15.89/US$. As at 31 December 2020 and 31 December 2019, Sibanye-Stillwater had no outstanding foreign currency contract positions.

Commodity price risk

The market price of commodities has a significant effect on the results of operations of the Group and the ability of the Group to pay dividends and undertake capital expenditures. The gold and PGM basket prices have historically fluctuated widely and are affected by numerous industry factors over which the Group does not have any control (refer note 24).
The aggregate effect of these factors on the gold and PGM basket prices, all of which are beyond the control of the Group, is difficult for the Group to predict.

Commodity price hedging policy

As a general rule, the Group does not enter into forward sales, derivatives or other hedging arrangements to establish a price in advance for future gold and PGM production. Commodity hedging could, however, be considered in future under one or more of the following circumstances: to protect cash flows at times of significant capital expenditure; financing projects or to safeguard the viability of higher cost operations.

To the extent that it enters into commodity hedging arrangements, the Group seeks to use different counterparty banks consisting of local and international banks to spread risk. None of the counterparties is affiliated with, or related to parties of the Group.

Commodity price hedging experience

At 31 December 2021, Sibanye-Stillwater had the following palladium commodity price hedges outstanding:

- A total of 10,000oz palladium at a floor price of R1,500/kg and capped price of R3,400/kg which matures in January 2022
- A total of 140,000oz palladium at a floor price of US$1,800/oz and capped price of US$3,300/oz which commences in February 2022 and matures in March 2023

Commodity price contract position

As of 31 December 2021, 2020 and 2019, Sibanye-Stillwater had no outstanding commodity forward sale contracts for mined production.

Interest rate risk

The Group's income and operating cash flows are dependent of changes in market interest rates. The Group's interest rate risk arises from long-term borrowings.

For additional disclosures, refer to note 28.9.

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For the year ended 31 December 2021

37. Commitments

Figures in million - SA rand	2021	2020	2019
Capital expenditure			
Authorised	**19,983**	7,535	5,971
Kloof	**1,593**	1,516	1,290
Driefontein	**877**	885	846
Beatrix	**317**	169	232
SGL corporate	**1,086**	961	762
Cooke	**3**	54	55
Burnstone	**4,353**	8	5
Kroondal	**395**	319	220
Platinum Mile	**17**	—	20
Rustenburg operation	**3,348**	2,574	2,033
Marikana	**6,841**	63	153
Other[1]	**1,153**	986	355
Contracted for	**2,733**	773	595
Other guarantees	**2,653**	1,488	1,421

[1] *Includes authorised capital expenditure relating to DRDGOLD of R549 million (2020: R605 million, 2019: R134 million)*

Commitments will be funded from internal sources and to the extent necessary from borrowings. This expenditure primarily relates to hostel upgrades, mining activities and infrastructure.

38. Contingent liabilities

Significant accounting judgements and estimates

Contingencies can be either possible assets or possible liabilities arising from past events which, by their nature, will only be resolved when one or more future events not wholly within the control of the Group occur or fail to occur or for contingent liabilities where a present obligation arising from a past event exists but is not recognised because either it is not probable that an out-flow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be determined with sufficient reliability.

The assessment of such contingencies inherently involves the exercise of significant judgement and estimates of the outcome of future events.

Arbitration case Redpath USA Corporation versus Stillwater Mining Company

In 2015, Redpath USA Corporation (the Contractor) was hired by the Stillwater Mining Company (the Company) to advance the Benbow decline as part of the Blitz project. During November 2019 the Contractor filed a claim wherein it raised a dispute over additional and rework costs of establishing a decline at the Stillwater Mine after drilling errors caused a water inundation that required significant remediation. The Contractor assumed the additional costs and was seeking to recover those costs, in an amount of approximately US$20 million, from the Company. After engaging outside counsel and based on the terms of the contract that supports the Company's position, management believed the Contractor's claim was without merit and disputed the arbitration demand claim in the legal documents served on the Contractor. Although an arbitration hearing was scheduled for May 2022, the Contractor and the Company has subsequent to the reporting date agreed to settle the dispute at no cost to the Company.

39. Related-party transactions

Sibanye-Stillwater entered into related-party transactions with Rand Refinery, and its subsidiaries during the year as detailed below. The transactions with these related parties are generally conducted with terms comparable to transactions with third parties, however in certain circumstances such as related-party loans, the transactions were not at arm's length.

Refer to note 1.3 for the Group structure which provides further detail on the relationship between parent and subsidiary companies.

Rand Refinery

Rand Refinery, in which Sibanye-Stillwater holds a 44.4% interest, has an agreement with the Group whereby it refines all the Group's gold production. No dividends were received during the year ended 31 December 2019. For the year ended 31 December 2021, the Group received a dividend of R329 million (2020: R112 million) from Rand Refinery, and sold gold and

Notes to the consolidated financial statements *continued*
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paid refining fees to Rand Refinery. Refer note 18.1 for additional information in respect of the Group's investment in Rand Refinery.

The table below details the transactions and balances between the Group and its related-parties:

Figures in million - SA rand	2021	2020	2019
Rand Refinery			
Gold sales	**319**	298	506
Refining fees paid	**(40)**	(31)	(25)
Trade payable	**(7)**	(6)	(5)

Key management remuneration

Total key management personnel compensation recognised under IFRS[1]:

Figures in thousands - SA rand	2021	2020	2019
Short-term employee benefits	**90,179**	110,134	106,605
Post-employment benefits	**4,421**	6,009	5,300
Share-based payment	**104,550**	127,097	120,478
Total	**199,150**	243,240	232,383

[1] *In 2021, Sibanye-Stillwater introduced a new executive level of management (referred to as the C-suite). Therefore from 2021, only C-suite members and executive directors are disclosed under IFRS as key management personnel of Sibanye-Stillwater. For 2020, key management personnel included EVPs and executive directors*

Notes to the consolidated financial statements *continued*
For the year ended 31 December 2021

40. Directors' and prescribed officers' remuneration

The disclosure below incorporates remuneration for services rendered to various companies within the Group during the year.

The executive directors and prescribed officers were paid the following remuneration during the year:

Figures in thousands - SA rand	Salary	Cash bonus accrued for 2021 paid in 2022	Accrual of share-based payment benefits	Pension scheme total contributions	Expense allowance and other benefits	2021	2020	2019
Executive directors								
Neal Froneman[1]	12,427	7,793	269,473	825	1,064	**291,582**	57,973	31,917
Charl Keyter	6,601	4,204	131,151	943	529	**143,428**	28,963	16,024
Prescribed officers[2]								
Chris Bateman							66,959	25,289
Shadwick Bessit							14,789	10,595
Hartley Dikgale							29,159	7,898
Dawie Mostert	4,206	2,590	64,068	573	297	**71,734**	16,655	9,284
Themba Nkosi	3,930	2,378	51,720	362	258	**58,648**	15,286	8,117
Wayne Robinson							19,272	10,044
Richard Stewart	5,175	3,251	73,712	575	298	**83,011**	18,873	9,428
Robert van Niekerk	5,331	3,254	105,053	592	456	**114,686**	22,975	13,547
Laurent Charbonnier[3]	10,084	4,870	3,247	81	5,190	**23,472**	2,614	—
Lerato Legong[4]	3,447	2,192	1,461	470	109	**7,679**	2,875	—
Mika Seitovirta[5]	245	—	—	—	—	**245**	—	—
Total	51,446	30,532	699,885	4,421	8,201	**794,485**	296,393	142,143

[1] *Entered into a dual service contract with effect 1 January 2020. Remuneration paid by Stillwater in US dollars was converted at the average exchange rate of R14.79/US$ (2020: R16.46/US$) for the year ended 31 December 2021*

[2] *In 2021, Sibanye-Stillwater introduced a new executive level of management (referred to as the C-suite). Therefore from 2021, only C-suite members are disclosed as prescribed officers of Sibanye-Stillwater. In 2020, the following individuals were also disclosed as prescribed officers:*

- *Chris Bateman - ceased performing an EVP role on 6 September 2020*
- *Shadwick Bessit - ceased performing an EVP role on 16 January 2021*
- *Hartley Dikgale - ceased performing an EVP role on 31 March 2020*
- *Wayne Robinson - not a C-suite member*

[3] *Assumed a prescribed officer role on 16 November 2020, remuneration paid in GBP was converted at the average exchange rate of R20.33/GBP (2020: R21.10/GBP) for the year ended 31 December 2021*

[4] *Assumed a prescribed officer role on 1 September 2020*

[5] *Assumed a prescribed officer role on 14 December 2021*

Notes to the consolidated financial statements *continued*

For the year ended 31 December 2021

The non-executive directors were paid the following fees during the year:

Figures in thousands - SA rand	Directors fees	Committee fees	Expense allowance	2021	2020	2019
Timothy Cumming	1,081	1,140	8	**2,229**	1,909	1,795
Savannah Danson	1,081	981	—	**2,062**	1,680	1,609
Barry Davison[1]	—	—	—	**—**	—	666
Harry Kenyon-Slaney	1,243	1,102	24	**2,369**	2,114	1,699
Richard Menell	2,194	525	—	**2,719**	2,114	1,831
Sello Moloko[2]	—	—	—	**—**	—	1,407
Nkosemntu Nika	1,081	661	—	**1,742**	1,708	1,609
Keith Rayner	1,081	1,304	—	**2,385**	1,864	1,881
Susan van der Merwe	1,081	661	—	**1,742**	1,716	1,609
Jeremiah Vilakazi	1,081	714	—	**1,795**	1,422	1,362
Vincent Maphai	3,265	—	—	**3,265**	2,756	822
Elaine Dorward-King[3]	1,243	351	24	**1,618**	1,107	—
Sindiswa Zilwa[4]	1,081	726	—	**1,807**	—	—
Wang Bin[5]	—	—	—	**—**	327	—
Lu Jiongjie[5]	—	—	—	**—**	327	—
Total	15,512	8,165	56	**23,733**	19,044	16,290

1 *Resigned as a non-executive director on 28 May 2019*
2 *Resigned as a non-executive director on 30 September 2019*
3 *Appointed as a non-executive director 27 March 2020*
4 *Appointed as a non-executive director 1 January 2021*
5 *Appointed and resigned as a non-executive director on 24 February 2020 and 27 March 2020, respectively*

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For the year ended 31 December 2021

The directors' and prescribed officers' (including their associates) direct and indirect share ownership at 31 December 2021 was[1]:

	Number of shares			%		
	2021	2020	2019	**2021**	2020	2019
Executive directors						
Neal Froneman[2,3]	**6,636,286**	4,829,128	4,858,723	**0.24**	0.17	0.18
Charl Keyter[3]	**2,866,791**	1,775,994	1,673,316	**0.10**	0.06	0.06
Non-executive directors						
Timothy Cumming[3]	**6,000**	1,242	242	**—**	—	—
Richard Menell[3]	**15,125**	84,625	108,625	**—**	—	—
Keith Rayner[3]	**68,992**	68,992	68,992	**—**	—	—
Susan van der Merwe[3]	**1,028**	1,027	1,028	**—**	—	—
Jeremiah Vilakazi[3]	**2,000**	—	—	**—**	—	—
Vincent Maphai[3]	**152,135**	50,000	—	**0.01**	—	—
Savannah Danson[3]	**2,519**	2,519	—	**—**	—	—
Harry Kenyon-Slaney[3,4]	**16,852**	16,852	—	**—**	—	—
Elaine Dorward-King[3,5]	**10,000**	4,800	—	**—**	—	—
Total share ownership by directors	**9,777,728**	6,835,179	6,710,926			
Prescribed officers[6]						
Chris Bateman		—	32,747	**—**	—	—
Shadwick Bessit		94,707	31,652	**—**	—	—
Hartley Dikgale		—	184,311	**—**	—	0.01
Dawie Mostert[3]	**26,466**	38,975	38,975	**—**	—	—
Themba Nkosi[3]	**204,533**	59,022	796	**0.01**	—	—
Wayne Robinson		184,333	73,292	**—**	0.01	—
Richard Stewart[3]	**739,633**	105,303	362,747	**0.03**	—	0.01
Robert van Niekerk[3]	**875,261**	24,341	257,732	**0.03**	—	0.01
Laurent Charbonnier[3,7]	**151,012**	35,620	—	**0.01**	—	—
Total	**11,774,633**	7,377,480	7,693,178			

[1] *Following the implementation of the Scheme (refer note 26), the Directors' shareholdings are in Sibanye Stillwater Limited*

[2] *Neal Froneman and his associates holds 90,479 ADRs at 31 December 2021 (2020: 3,213, 2019: 28,440) which convert to 361,916 (2020: 12,852, 2019: 113,760) ordinary shares in the Company*

[3] *Share ownership (including shares held by associates) in the Company at the date of this report was unchanged, except for the following:*

- *Neal Froneman - 8,230,978*
- *Charl Keyter - 1,466,181*
- *Savannah Danson - 16,519*
- *Dawie Mostert - 26,585*
- *Richard Stewart - 788,771*
- *Robert van Niekerk - 1,364,690*

[4] *Harry Kenyon-Slaney and his associates holds 4,213 ADRs at 31 December 2021 (2020: 4,213) which convert to 16,852 (2020: 16,852) ordinary shares in the Company*

[5] *Appointed during 2020. Elaine Dorward-King and her associates holds 2,500 ADRs at 31 December 2021 (2020: 1,200) which convert to 10,000 (2020: 4,800) ordinary shares in the Company*

[6] *In 2021, Sibanye-Stillwater introduced a new executive level of management (referred to as the C-suite). Therefore from 2021, only C-suite members are disclosed as prescribed officers of Sibanye-Stillwater. In 2020, the following individuals were also disclosed as prescribed officers:*

- *Chris Bateman - ceased performing an EVP role on 6 September 2020*
- *Shadwick Bessit - ceased performing an EVP role on 16 January 2021*
- *Hartley Dikgale - ceased performing an EVP role on 31 March 2020*
- *Wayne Robinson - not a C-suite member*

[7] *Appointed during 2020. Laurent Charbonnier and his associates holds 37,753 ADRs at 31 December 2021 (2020: 8,905) which convert to 151,012 (2020: 35,620) ordinary shares in the Company*

Notes to the consolidated financial statements *continued*
For the year ended 31 December 2021

41. Events after reporting date

There were no events that could have a material impact on the financial results of the Group after 31 December 2021 up to the date on which the consolidated financial statements for the year ended 31 December 2021 were authorised for issue, other than those disclosed below.

41.1 Sandouville acquisition

On 30 July 2021, Sibanye-Stillwater announced that it had entered into an exclusive put option agreement (Put Option) with French mining group Eramet SA (Eramet) for the acquisition of 100% of the Sandouville nickel hydrometallurgical processing facility (Sandouville), located in Normandy, France. The Sandouville facility is situated in the industrial heart of Europe at Le Havre, France's second largest industrial port, with strategic access to extensive logistical infrastructure including shipping, rail and key motorways, supporting any future supply into the European end user markets.

The transaction is the second step in the Group's battery metals strategy, building on the investment in the Keliber lithium hydroxide project, in partnership with the State of Finland and the Finnish Minerals Group, announced in February 2021. The Sandouville site is a polyvalent facility which is already zoned for heavy industrial purposes. The site is scaleable for nickel, cobalt and lithium battery grade products, and will enable the Group to further advance its battery metals strategy and recycling activities.

On 4 November 2021, following the signing of the exclusive Put Option, Sibanye-Stillwater announced that the Share Purchase Agreement (SPA) had been signed to acquire 100% of Sandouville. The signature of the SPA followed the successful completion of the information-consultation process with the employee representative bodies of Sandouville and Eramet, who rendered a favourable opinion of the transaction. The transaction also received the key regulatory approvals of the South African Reserve Bank and clearance from the French Foreign Investment Control Office. The remaining conditions in respect of the acquisition were fulfilled on 4 February 2022, which resulted in an effective acquisition date of 4 February 2022.

Management is in the process of identifying and measuring the assets and liabilities in accordance with IFRS 3 for, amongst others, property, plant and equipment, contingent liabilities, inventory, provisions, as well as any deferred tax implications. In particular, management is still finalising the assessment of certain inputs and assumptions and gathering information that may impact the identification and fair value of the net assets. The cash purchase consideration is approximately €85 million, subject to any final post-closing adjustments.

41.2 Santa Rita and Serrote

On 26 October 2021, Sibanye-Stillwater entered into purchase and sale agreements with affiliates of funds advised by Appian Capital Advisory LLP (Appian) to purchase 100% of the Santa Rita nickel mine (Santa Rita) and the Serrote copper mine, both located in Brazil. The acquisition price was to be a cash consideration of US$1 billion and a 5% net smelter royalty over potential future underground production at Santa Rita (the Atlantic Nickel SPA and the MVV SPA, respectively).

Sibanye-Stillwater was advised by Appian that, subsequent to signing the Atlantic Nickel SPA and the MVV SPA, a geotechnical event occurred at Santa Rita. Management assessed the event and its effect and concluded that it was and was reasonably expected to be material and adverse to the business, financial condition, results of operations, the properties, assets, liabilities or operations of Santa Rita. Accordingly, pursuant to the terms of the Atlantic Nickel SPA, on 24 January 2022, Sibanye-Stillwater gave notice of termination of the Atlantic Nickel SPA. As the MVV SPA was conditional on the closing of the Atlantic Nickel SPA, which had become impossible to satisfy, on the same date Sibanye-Stillwater also gave notice of termination of the MVV SPA. As announced by Sibanye-Stillwater on 2 March 2022, if Appian commences proceedings, the Group will follow due course in defending any possible claims or litigation on the matter.

41.3 Rhyolite Ridge joint venture with ioneer

On 16 September 2021, Sibanye-Stillwater announced that it had reached an agreement with ioneer to establish a joint venture company with respect to the Rhyolite Ridge lithium-boron project. Following the satisfaction of all conditions precedent, the Group will contribute US$490 million for a 50% interest in Rhyolite Ridge. ioneer will also hold a 50% interest and retain the operational management responsibility. Management concluded that the transaction was not effective at 31 December 2021 since a number of conditions precedent were still outstanding, joint control was not obtained and no contractual rights or obligations were created.

41.4 Kroondal transaction

On 31 January 2022, Sibanye-Stillwater announced it had entered into an agreement with Rustenburg Platinum Mines Limited (RPM) a subsidiary of Anglo American Platinum Limited, through its subsidiary Sibanye Rustenburg Platinum Mines Limited (SRPM), which will result in SRPM assuming full ownership of the Kroondal operation. The Kroondal operation is subject to a 50/50 pool and share agreement (Kroondal PSA) between Kroondal Operations Proprietary Limited (a wholly-owned subsidiary of the Group) and RPM (collectively the PSA parties).

By the end of 2020 certain shafts at the Kroondal operation had reached the boundaries of the Kroondal PSA lease area. In order to allow the affected shafts to continue operating, with effect from January 2021, a contractor mining agreement was agreed between the PSA Parties and SRPM, providing for the mining of SRPM from the Kroondal operations (the "Contractor Agreement").

Notes to the consolidated financial statements *continued*
For the year ended 31 December 2021

In addition to the Contractor Agreement, SRPM and RPM have entered into a sale and purchase agreement in terms of which SRPM will acquire RPM's 50% interest and all associated liabilities in respect of the Kroondal PSA for a cash consideration of R1.00 plus the assumption of RPM's portion of all associated liabilities, which include all associated closure costs and rehabilitation liabilities. This transaction will extend the life of the Kroondal operations to 2029 and ensure significant value creation for all stakeholders. Management is in the process of assessing the accounting impact of the transaction.

41.5 Wage agreement reached at East Boulder mine

The Group successfully ratified a new collective bargaining agreement, effective 16 February 2022 through to 31 July 2024, with the United Steel Workers International Union (USW) at its East Boulder mine in Montana in the United States. The agreement covers a broad range of terms including average annual wage increases of 2.5% in 2022, 3% in 2023 and 3% in 2024. In addition to the base increase in 2022, an increase to benefits and incentive has been agreed, which will result in an effective average increase of 5.4% for 2022 if all safety and quality deliverables are fully met. This settlement amounts to an annual average increase of 3.8% per year for the next three years, which compares favourably with US inflation rates.

41.6 SA gold operations wage dispute

On 14 January 2022, the Group announced that the Commission for Conciliation, Mediation and Arbitration (CCMA), has issued a certificate of non-resolution in respect of the dispute conciliation process between Sibanye-Stillwater and the labour unions, comprising AMCU, the NUM, Solidarity and UASA in respect of wage negotiations at the Group's gold operations. This certificate permits the unions to embark on a strike and the Group to implement a lock-out within a 12-month period from issuance. Both parties need to give the counterparty 48 hours' notice prior to embarking on any action.

On 4 February 2022, Sibanye-Stillwater tabled an offer to the unions, which confirmed the Group's commitment to wage increases, which are sustainable and in the interest of all stakeholders as well as linked to inflation. If accepted, this offer means that category 4 to 8 employees will receive an average increase of 6% in year one, 5.7% in year two and 5.4% in year three. Miners, artisans and officials will receive an increase of 5% in year one, two and three.

On 8 March 2022, Sibanye-Stillwater advised that it received notice from AMCU and NUM that the unions intended to embark on a protected strike action from 9 March 2022. By the date of this report, the wage offer had been unconditionally accepted by Solidarity and UASA. The Group continues to engage with the national leadership of AMCU and NUM in an effort to reach a final settlement.

41.7 Verkor

During February 2022, Sibanye-Stillwater entered into a term sheet whereby the Group, through its wholly-owned subsidiary, Sibanye Battery Metals Proprietary Limited, would invest in Verkor S.A. (Verkor) through a €25 million convertible bond. Verkor is a French Gigafactory project aiming to enter the European battery materials market as a manufacturer of low-carbon footprint batteries for application in electric vehicles and large-scale stationary storage markets. The Group subscribed for the convertible bond on 22 March 2022. Management is in the process of assessing the accounting impact of the transaction.

41.8 Change in future South African corporate income tax (CIT) rate

During his budget speech on 23 February 2022, the South African Minister of Finance confirmed the change in the South African CIT rate as announced in his February 2021 budget speech. For the financial year ended 31 December 2021, the CIT rate applicable to Sibanye-Stillwater and its South African subsidiaries, which apply a CIT rate, was 28% and will remain at 28% for the financial year ending 31 December 2022. For subsequent financial years the change will become effective and a 27% CIT rate will apply.

41.9 Keliber investment

On 14 March 2022, the Group made payment for the third tranche of the initial phased equity investment in Keliber. The subscription price amounted to €5 million for an additional 125 000 shares in Keliber, representing an approximately 30% shareholding at the time of subscription. The Group now holds a guaranteed option to achieve the majority shareholding in Keliber, should it wish to do so, by contributing further equity financing for the development of the project. Since the Group obtained a substantive ability to acquire a majority shareholding in Keliber upon subscription for the third tranche share investment, management concluded that control was obtained at the time of subscription. Management is in the process of assessing the accounting impact of the transaction.

Shareholder information

Registered shareholder spread at 31 December 2021

	Number of holders	% of total shareholders	Number of shares[2]	% of shares in issue[1,3]
1-1,000 shares	32,527	69.25	7,940,839	0.28
1,001-10,000 shares	11,360	24.19	34,572,144	1.23
10,001-100,000 shares	2,045	4.35	64,697,500	2.30
100,001-1,000,000 shares	809	1.72	264,042,817	9.40
1,000,001 shares and above	230	0.49	2,437,152,969	86.78
Total	**46,971**	**100.00**	**2,808,406,269**	**100.00**

1 *Figures may not add due to rounding*

2 *As of 25 March 2022, the issued share capital of Sibanye-Stillwater consisted of 2,829,789,481 ordinary shares*

3 *To our knowledge: (1) Sibanye-Stillwater is not directly or indirectly owned or controlled (a) by another entity or (b) by any foreign government; and (2) there are no arrangements the operation of which may at a subsequent date result in a change in control of Sibanye-Stillwater. To the knowledge of Sibanye-Stillwater's management, there is no controlling shareholder of Sibanye-Stillwater*

Public and non-public shareholdings at 31 December 2021

Shareholder type	Number of holders	% of total shareholders	Number of shares	% of shares in issue
Non-public shareholders	28	0.06	529,137,455	18.84
Directors and associates	11	0.02	9,777,728	0.35
Prescribed Officers and associates	5	0.01	1,996,905	0.07
Share trust	1	0.00	19,233,755	0.68
Government Employees Pension Fund (PIC)[1]	11	0.02	498,129,067	17.74
Public shareholders	46,943	99.94	2,279,268,814	81.16
Total	**46,971**	**100.00**	**2,808,406,269**	**100.00**

1 *This is the aggregate shareholding for the Government Employees Pension Fund the majority of which is managed by the Public Investment Corporation (PIC)*

Foreign custodians above 5% at 31 December 2021

	Number of shares	% of shares in issue
Bank of New York Depositary Receipts	395,607,358	14.09
JPMorgan Chase Bank	197,218,007	7.02
CitiBank	150,063,738	5.34

Shareholder information *continued*

Beneficial shareholder categories at 31 December 2021

	Number of holders	% of shareholders	Number of shares	% of shares in issue
Other Managed Funds	44,834	95.44	46,918,073	1.67
Unit Trusts/Mutual Fund	700	1.49	747,659,363	26.62
Pension Funds	464	0.99	737,823,145	26.27
Private Investor	463	0.99	112,805,155	4.02
American Depository Receipts	98	0.21	395,607,358	14.09
Custodians	98	0.21	85,694,332	3.05
Insurance Companies	56	0.12	74,333,247	2.65
Exchange-Traded Fund	55	0.12	70,626,089	2.51
Trading Position	41	0.09	160,445,985	5.71
Sovereign Wealth	34	0.07	211,163,144	7.52
Medical Aid Scheme	34	0.07	6,887,805	0.25
Hedge Fund	25	0.05	15,332,075	0.55
University	22	0.05	4,282,771	0.15
Charity	14	0.03	1,255,124	0.04
Stock Brokers	8	0.02	2,162,683	0.08
Investment Trust	6	0.01	34,331,458	1.22
Local Authority	6	0.01	3,900,341	0.14
Corporate Holding	4	0.01	95,067,743	3.39
ESG	4	0.01	1,459,652	0.05
Foreign Government	4	0.01	548,591	0.02
Black Economic Empowerment	1	0.00	102,135	0.00
Total	**46,971**	**100.00**	**2,808,406,269**	**100.00**

Shareholder information *continued*

The tables below show the change in the percentage ownership of Sibanye-Stillwater's major shareholders, to the knowledge of Sibanye- Stillwater's management, between 2019 and 2021.

Investment management shareholdings more than 5% at 31 December[1]

	2021		2020		2019	
Beneficial shareholding	Number of shares	% of shares in issue	Number of shares	% of shares in issue	Number of shares	% of shares in issue
Government Employees Pension Fund (PIC)[2]	**422,136,705**	**15.03**	336,133,667	11.50	244,814,334	9.17
Allan Gray Proprietary Limited	**167,557,050**	**5.97**	114,906,710	3.93	29,366,475	1.10
BlackRock Inc	**150,428,228**	**5.36**	195,153,251	6.67	95,256,378	3.57
Ninety One plc[3]	**48,777,512**	**1.74**	112,240,906	3.84	158,890,234	5.95
Exor Capital LLP	**—**	**0.00**	69,604,441	2.38	176,159,937	6.60

[1] *A list of the investment managers holding, to the knowledge of Sibanye-Stillwater's management, directly or indirectly, 5% or more of the issued share capital of Sibanye-Stillwater as of 25 March 2022 is set forth below:*

	Number of shares	*% of shares in issue*
Government Employees Pension Fund (PIC)[2]	*424,044,879*	*14.99*
Allan Gray Proprietary Limited	*161,399,019*	*5.70*

[2] *This represents funds managed by the PIC as an investment fund manager, which holds the majority of its shares in the Government Employees Pension Fund*

[3] *Investec Asset Management changed its name to Ninety One Plc during March 2020*

Beneficial shareholdings more than 5% at 31 December[1]

	2021		2020		2019	
	Number of shares	%	Number of shares	%	Number of shares	%
Gold One South Africa SPV (RF) Proprietary Limited	**81,331,203**	**2.90**	148,390,135	5.08	448,891,942	16.81
Government Employees Pension Fund (PIC)[2]	**498,129,067**	**17.72**	400,925,568	13.71	270,816,493	10.14

[1] *A list of the individuals and organisations holding, to the knowledge of Sibanye-Stillwater's management, directly or indirectly, 5% or more of the issued share capital of Sibanye-Stillwater as of 25 March 2022 is set forth below:*

	Number of shares	*% of shares in issue*
Government Employees Pension Fund (PIC)[2]	*499,529,665*	*17.65*

[2] *This is the aggregate shareholding for the Government Employees Pension Fund the majority of which is managed by the Public Investment Corporation (PIC)*

Sibanye-Stillwater's ordinary shares are subject to dilution as a result of any non-pre-emptive share issuance, including upon the exercise of Sibanye-Stillwater's outstanding share options, issues of shares by the Board in compliance with B-BBEE legislation or in connection with acquisitions.

The principal non-United States trading market for the ordinary shares of Sibanye-Stillwater is the JSE Limited, on which they trade under the symbol "SSW". Sibanye-Stillwater's American depositary shares (ADSs) trade in the United States on the NYSE under the symbol "SBSW". The ADRs representing the ADSs were issued by the Bank of New York Mellon (BNYM) as Depositary. Each ADS represents four ordinary shares.

No public takeover offers by third parties have been made in respect of Sibanye-Stillwater's shares or by Sibanye-Stillwater in respect of other companies' shares during the last and current fiscal year.

Administration and corporate information

SIBANYE STILLWATER LIMITED (SIBANYE-STILLWATER)

Incorporated in the Republic of South Africa
Registration number 2014/243852/06
Share code: SSW and SBSW
Issuer code: SSW
ISIN: ZAE000259701

LISTINGS

JSE: SSW
NYSE: SBSW

WEBSITE

www.sibanyestillwater.com

REGISTERED AND CORPORATE OFFICE

Constantia Office Park
Bridgeview House, Building 11, Ground floor,
Cnr 14th Avenue & Hendrik Potgieter Road
Weltevreden Park 1709
South Africa

Private Bag X5
Westonaria 1780
South Africa

Tel: +27 11 278 9600
Fax: +27 11 278 9863

COMPANY SECRETARY

Lerato Matlosa
Email: lerato.matlosa@sibanyestillwater.com

DIRECTORS

Dr Vincent Maphai* (Chairman)
Neal Froneman (CEO)
Charl Keyter (CFO)
Dr Elaine Dorward-King*
Harry Kenyon-Slaney*
Jeremiah Vilakazi*
Keith Rayner*
Nkosemntu Nika*
Richard Menell*^
Savannah Danson*
Susan van der Merwe*
Timothy Cumming*
Sindiswa Zilwa*#

* *Independent non-executive*
^ *Lead independent director*
# *Appointed 1 January 2021*

INVESTOR ENQUIRIES

James Wellsted
Executive Vice President: Investor Relations and Corporate Affairs

Mobile: +27 83 453 4014

Email: james.wellsted@sibanyestillwater.com or ir@sibanyestillwater.com

JSE SPONSOR

JP Morgan Equities South Africa Proprietary Limited
Registration number 1995/011815/07

1 Fricker Road
Illovo
Johannesburg 2196
South Africa

Private Bag X9936
Sandton 2146
South Africa

AUDITORS

Ernst & Young Inc. (EY)

102 Rivonia Road
Sandton 2196
South Africa

Private Bag X14
Sandton 2146
South Africa

Tel: +27 11 772 3000

AMERICAN DEPOSITARY RECEIPTS TRANSFER AGENT

BNY Mellon Shareowner Services

PO Box 358516
Pittsburgh
PA 15252-8516

US toll free: +1 888 269 2377
Tel: +1 201 680 6825

Email: shrrelations@bnymellon.com

Tatyana Vesselovskaya

Relationship Manager
BNY Mellon
Depositary Receipts

Direct line: +1 212 815 2867
Mobile: +1 203 609 5159
Fax: +1 212 571 3050

Email: tatyana.vesselovskaya@bnymellon.com

TRANSFER SECRETARIES SOUTH AFRICA

Computershare Investor Services Proprietary Limited

Rosebank Towers
15 Biermann Avenue
Rosebank 2196

PO Box 61051
Marshalltown 2107
South Africa

Tel: +27 11 370 5000
Fax: +27 11 688 5248

www.sibanyestillwater.com