Dr Vincent Maphai
Chairman

Neal Froneman
Chief Executive Officer

LEADERSHIP POINT OF VIEW

JOINT CHAIRMAN'S AND CEO'S REVIEW

Our strategic journey since the establishment of the company in 2013 has delivered significant value to all stakeholders.

Dear stakeholder

It gives us great pleasure to share our combined overview and reflect on the performance and strategic development of the Sibanye-Stillwater Group over the last year. We will keep our review succinct and to the point as substantial detail is available in the preceding pages and further on in the report on how we created value for all our stakeholders during the year. We trust that you will find the vast amount of material information contained in this Integrated Report relevant and of interest.

OVERVIEW

Our strategic journey since the establishment of the company in 2013 has delivered significant value to all stakeholders as we grew from our initial endowment of mature SA gold mines into a leading global precious metals company that is diversified both geographically and into different commodities. Delivery of shareholder value is reflected by the 324% increase in the share price from a capitalisation event adjusted level of R8.46/share on listing on 11 February 2013 to R35.89/share on 31 December 2019 and peaking at a closing high of R49.45 per share on 19 February 2020 immediately prior to the coronavirus (COVID-19) related downturn in global markets. An additional R4.1 billion in dividends has also been returned to shareholders since the independent listing of the company, despite a temporary suspension of dividends pursuant to our temporarily elevated gearing following the acquisition of Stillwater in 2017.

With the transformation of the company from a South Africa focused gold mining company into a global precious metals company following the acquisition of Stillwater, we identified the need for a revised corporate structure that distinguishes our operating subsidiaries and reflects the standing of the Group. On the initial unbundling from Gold Fields in February 2013 and listing on the Johannesburg and New York stock exchanges as Sibanye Gold Limited, the three original gold mines were housed directly in the holding company. We therefore determined that establishing a newly-listed dedicated holding company to be named Sibanye Stillwater Limited would resolve this and better reflect the Group's geographic and commodity diversification. The corporate restructuring and formal name change became effective from 24 February 2020 with the Group trading on the Johannesburg Stock Exchange and the New York Stock Exchange under the ticker symbols SSW and SBSW, respectively.

2019 was a seminal year for Sibanye-Stillwater, with the acquisition of Lonmin in June 2019 marking the completion of the fourth step in our PGM growth strategy. This achieved full mine-to-metal exposure for our SA PGM production, with substantial economic and strategic benefits already secured. Anticipated integration synergies of R1.2 billion by end 2020 significantly exceed initial estimates of R730 million in annual synergies over a three-year period. In addition, the availability of unutilised capacity at the Marikana processing facilities has already ensured significant additional value for all Sibanye-Stillwater stakeholders, by providing a processing alternative for PGM concentrate normally processed by Anglo Platinum following the suspension of its processing operations for approximately 80 days on 6 March 2020.

LEADERSHIP POINT OF VIEW CONTINUED

The integration of the Marikana operation has proceeded in line with expectations, with an initial three-month review of the operations confirming the unsustainability of specific older shafts whose mineral reserves had become exhausted. Consultations with affected stakeholders in terms of Section 189 of the Labour Relations Act commenced in September 2019 and were concluded in early December 2019 and the restructuring of the operations was successfully implemented in January 2020, with closures of the old and unprofitable shafts, accompanied by a reduction in employee numbers. Pleasingly, there were fewer job losses than had originally been envisaged.

From the operational and financial perspectives, the year was one of stark contrasts, with the second half significantly improved compared to the strike-impacted first half of the year.

The position adopted during the protracted strike at our SA gold operations was necessarily robust, with the strike finally ending in an agreed settlement in April 2019 on the same terms that had previously been agreed with the other recognised unions in October 2018. The outcomes assisted in achieving role clarity with factions in organised labour that sought to secure advantage over other unions and pursue demands that would compromise the operational and financial sustainability of the Group. This created a context conducive to the required rightsizing of our SA gold operations, successful conclusion of wage negotiations at our PGM mines in the latter part of 2019 without disruption and the subsequent restructuring in January 2020 of the Marikana operation that we incorporated into the Group through the Lonmin acquisition. Notably, all of this was achieved without us losing our focus on safe production and deleveraging of our balance sheet.

In addition to the improved operational performance for H2 2019, precious metal prices – particularly rhodium and palladium and to a lesser extent gold – rose sharply in the latter part of the year. In combination with a weaker rand, significantly improved financial performance was achieved in H2 2019 with substantially increased adjusted EBITDA dramatically accelerating our deleveraging. Revenue for 2019 increased by 44% year on year, from R51 billion to R73 billion and resulted in a net profit of R432.8 million (2018: net loss of R2.5 billion) As a result, net debt: adjusted EBITDA declined from 2.5x at the end of 2018, to 1.25x at the end of 2019, remaining well below the covenants with our lenders.

While our dividend policy to return at least 35% of normalised earnings to shareholders remains unchanged, our elevated debt levels prevented the resumption of dividends in 2019 with the application of earnings to pay down gross debt representing our foremost priority in the short term. While with ongoing deleveraging towards our target of 1x net debt: adjusted EBITDA we aim to resume the distribution of dividends in 2020, we are also cognisant of the evolving coronavirus (COVID-19) pandemic that is severely impacting society, economies and markets across the world. We are, in engagement with all our stakeholders in these unprecedented challenging circumstances, participating in constructing a concerted response to the pandemic that will minimise the social and economic harm arising from the pandemic.

SAFETY AND WELLNESS

The safety and wellness of our people is the primary concern for the Group and I am pleased to report that the excellent safety performance at our SA gold operations in particular was maintained despite the protracted strike and subsequent measured production build-up, which is often regarded as a high risk period due to the build-up of rock stresses at deep level mines that have lain dormant for some time. When striking employees reported back to work, the medical fitness to work of each individual was checked and they were all taken through the Group's usual intensive safety training programmes.

The SA gold operations were fatality free for the whole of 2019 and on 11 March 2020, these operations achieved an unparalleled 11 million fatal free shifts (FFS) (or 563 days) since August 2018. Our US PGM operations have been fatality free since October 2011, in that time achieving about 563,000 FFS – this reflects the significantly different operating environment, which is mostly mechanised and as a result employs significantly fewer people (a 2,661-member workforce including contactors) than the more conventional and labour-intensive SA operations (a 81,793-member workforce including contactors). Our ongoing efforts on safety are discussed in the relevant section in this report.

Regrettably, we lost six of our colleagues at our SA PGM operations during 2019, three of which related to fall of ground incidents, two from trackless machinery and one related to rail bound equipment. These accidents were followed by painstaking investigations to learn from them with the aim of ensuring that they do not recur.

OUR BUSINESS ETHOS AND ESG

Our approach to business is underpinned by our purpose of 'Our mining improves lives' and guided by our vision of 'Delivery of superior value for all our stakeholders'. Consistent with our vision as captured succinctly through our umdoni tree that has been discussed earlier in this report, we have since inception recognised the relevance of all stakeholders to our success and sustainability. As such, we have noted the declaration by the Business Round Table signed by the CEOs of 181 major United States companies on 19 August last year that re-defines the purpose of corporations and endorses a commitment to all stakeholders accompanied by a move away from shareholder primacy.

We recognise that an inclusive approach to conducting business underpins the ability to sustainably generate superior returns and positions us as an integral partner in the societies and economies where we operate. Our Good Neighbor Agreement in Montana has served well over the past 15 years to guide the formation of a harmonious and symbiotic relationship that builds prosperity and preserves social and environmental integrity of the district. We are working with stakeholders in South Africa to establish similar relationships that recognise the value of sustainable economic activity at our operations as a catalyst for economic growth and social development.

We firmly believe that our established approach to business complements the growing prominence of environmental, social and governance aspects (ESG) in providing the framework within which stakeholders adjudge the responsibility of an organisation's conduct. While divestment from companies with significant ESG shortcomings has been practised for some time, we have noted the emergence of ESG ranking systems that are beginning to represent the basis of investment and lending decisions. Although ESG ranking systems diverge significantly in the priorities and scope covered, we expect this will normalise over time as the thinking matures. Demonstration of exemplary ESG performance is rapidly becoming central to sustaining the quality of support from all stakeholders that is needed for a corporation to thrive on a sustainable basis.

The Board and management of Sibanye-Stillwater pay careful consideration to Group strategy and reviews strategic planning on an annual basis to ensure that the Group is able to sustainably deliver on its vision and purpose. To position our company in meeting the emerging expectations, we have expanded our strategy to include a more specific focus on ESG. In the first instance, in addition to honouring established governance codes for business conduct and transparent reporting, we have concentrated on securing formal accreditations under key codes for responsible mining such as the ICMM principles, the World Gold Council's Responsible Gold Mining Principles and Together for Sustainability. We consider this establishes a solid baseline on which to meet emerging stakeholder, investor and lender criteria. This is covered in greater detail in the section of this report where we share in greater depth how our strategy, opportunities and risks relate to ESG.

THE ENVIRONMENT IN WHICH WE CONDUCT OUR BUSINESS

We continually monitor the global and local context in which we conduct our business considering the political, economic, social, technological, legal and environmental factors that present a range of risks and opportunities to our business. Our strategy seeks to capitalise on opportunities for creating value for all our stakeholders and mitigate the risks to which we are exposed with substantial detail provided in the *Delivering on our strategy* and *Pursuing opportunities and managing risk* sections of this integrated report.

The global emergence of COVID-19 and the impact of the drastic measures required to combat its spread represents what we expect will be a temporary dislocation in the world's commodity markets. With economic activity and trade severely disrupted while the pandemic erupts, we are confident that the concerted and decisive responses by national governments across the globe will contain the pandemic allowing for a steady build up back to normalised economic activity. We are heartened by the early signs of a resumption in China's economic activity that were already apparent from mid-March 2020.

During the course of the pandemic, our foremost consideration is the risk to the well-being of our people employed at all our operations and the surrounding communities. On 26 March 2020, an initial 21-day lockdown started in SA (which was subsequently extended to the end of April 2020), and our SA operations were placed on care and maintenance at the time. Approval was subsequently received from the DMRE for limited mining and processing activities to resume from 14 April 2020, subject to agreed protocols being implemented to reduce COVID-19 related health and safety risks. This followed an earlier decision to defer non-essential growth capital expenditure at our US PGM operations in order to reduce personnel numbers in compliance with local health and safety requirements. Furthermore, in support of the South African President's call for unified action, and in solidarity with our employees and other South Africans during this difficult time, our Board and executive management have unanimously elected to contribute a third of their remuneration for three months to the national Solidarity Fund.

The Group is intensively preparing for all possible scenarios and formulating responses to mitigate the impact on employees and the business. We are guided by the World Health Organisation, the Centre for Disease Control and Prevention in the United States and the National Institute for Communicable Diseases in South Africa on the measures to prevent transmission and our preparedness should the virus affect any of our more than 80,000 workforce, either in SA or the US.

Through our trajectory of strategic growth, the Group has become a diversified precious metal producer with a world-leading presence on the global PGM markets. While a temporary reduction in demand associated with the COVID-19 pandemic has provided a degree of relief for the emerging critical palladium and rhodium supply shortfalls, and some demand may be permanently lost, we expect the structural deficit in palladium and rhodium to resume as automotive sales revert to their previous trajectories. For the foreseeable future, while internal combustion engines and hybrid vehicles remain dominant in the global automobile drivetrain market, we are confident in the demand fundamentals for palladium and rhodium in particular with historical deficits persisting. The recent announcement that a Tri Metal Catalyst, whose development by BASF we have co-funded, should assist in securing a progressive managed substitution by platinum starting from 2022 that will balance the demand profile closer to the supply mix and avert a global supply shortfall of rhodium and palladium. While alternatives to the internal combustion engine will, in the longer term, secure more substantial adoption in the quest for a lower carbon future, we are confident that PGMs will continue to fulfil a central role in a hydrogen economy supported by renewable energy and fuel cells as key technologies.

We also retain confidence in the resilience of gold as a uniquely durable asset class during times of global economic turbulence and particularly in an economic policy climate characterised by stimulus and low yields on the financial markets. While our company is exceptionally well positioned through our current commodity and geography exposure, expanding our gold presence onto an international footing represents a next logical step of strategic growth to enhance our diversification and positioning.

FINANCIAL POSITION OF THE GROUP

As a result of the strong operating and financial performance achieved in H2 2019, progress on deleveraging the balance sheet has accelerated. Proforma net debt: adjusted EBITDA (ND:adjusted EBITDA) reduced from 2.5x at 30 June 2019 to 1.25x at year end, well below existing debt covenants and our 1.8x target for the 2019 year-end. In order to make the deleveraging sustainable even under less constructive scenarios for commodity prices and earnings, we are prioritising the application of free cash generated to reducing debt. The Board will assess our position to resume cash dividends during 2020 based on continued deleveraging progress and considering the implications of COVID-19 for our business. Our CFO, Charl Keyter covers more about the financial performance in his review in pages to come.

NEW CHAIRMAN AND DIRECTORS

At the end of May 2019, Sello Moloko announced that he would be stepping down at the end of September 2019 as Sibanye-Stillwater's non-executive chairman. Mr Moloko has chaired the company with aplomb through its strategic growth from a South African gold producer into a major international multi-commodity precious metal produced. We acknowledge his wise leadership that has been greatly appreciated. He was succeeded on 1 October 2019 by Dr Vincent Maphai, who brings the knowledge and experience of a long and distinguished career in private business, academia and the public sector to the company's leadership.

We would also like to express our appreciation for the wisdom and guidance provided since Sibanye-Stillwater's inception by Barry Davison, who stepped down from the Board in May 2019, and we welcome Harry Kenyon-Slaney who was appointed to the Board in January 2019. We also welcome Elaine Dorward-King who joined the Board at the end of March 2020 as an independent non-executive director, and thank Wang Bin and Lu George Jiongjie who served as non-independent, non-executive directors from January 2020 to end March 2020.

Vincent Maphai
Chairman

Neal Froneman
CEO

22 April 2020