

Social performance





Human capital

Key features

- Increase in total number of people employed
- Good progress with women in mining and employment equity

Implats is a significant employer in the PGMs sector in both South Africa and Zimbabwe. A notable feature of the year was the significant number of contractors employed on major capital projects and recruitment related to expansions at Marula and Zimplats,

thereby creating additional job opportunities in the areas in which the company operates.

The group employed a total of 54 991 people during the year of whom, 63% were permanent employees and 37% contractors. The increase in people employed in FY2008 was mainly attributable to the new capital projects started in the year. The significant number of contractors employed on major capital projects and recruitment for the Marula ramp-up and Zimplats expansion, created additional job opportunities at Implats.

Number of employees and contractors

	30 June 2007			30 June 2008		
	Employees	Contractors	Total	Employees	Contractors	Total
Impala Rustenburg *	27 627	10 200	37 827	28 453*	14 206	42 659
Impala Springs	992	257	1,249	1 007	1 172	2 179
Marula	2 094	917	3,011	2 493	1 098	3 591
Zimplats	1 128	2 275	3 403	1 584	3 998	5 582
Mimosa **	752	65	817	771	126	897
Corporate	61	4	65	73	10	83
Group	32 654	13 718	46 372	34 381	20 610	54 991

* 12 permanent Leeuwkop employees are reported under Impala Rustenburg.

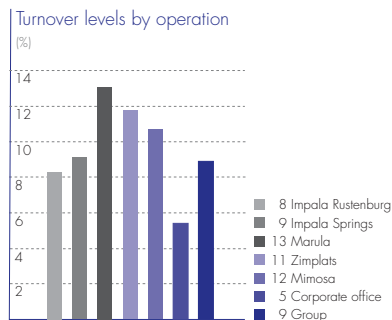
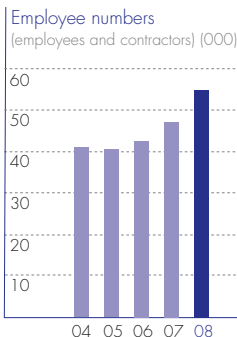
** 50% of Mimosa's employees are reported.

A key feature of industry in southern Africa is the serious shortage of skilled personnel. This is particularly so in the mining industry and is an underlying factor in the continued high turnover levels experienced by the group during the year. Turnover levels at Marula (13%) and Mimosa (12%) were highest, with the overall group turnover at 8.9%. This compares with an estimated average turnover for the industry of around 18%. As

discussed below, efforts to improve the retention of employees implemented at the beginning of the year were moderately successful.

Attracting and retaining talent

Attracting and retaining talented individuals who subscribe to the vision of the company continues to be an important driver of our group's human resource management strategy. Particular





Human capital (continued)

cognisance is taken of the need to attract and retain women and employees who have been historically disadvantaged. Efforts to attract talent include the following:

- Housing:** Implats has endeavoured over time to reduce the provision of hostel-style accommodation. Mining companies are increasingly becoming involved in the provision of housing in their areas of operation as the region experiences housing shortages. The provision of housing is also an attractive recruitment and retention strategy, and has many positive social benefits, as it improves the quality of life of employees, their health and well-being as well as that of their families. During the past financial year, the group has spent R307 million on the provision of housing for employees in both South Africa and Zimbabwe, with R350 million allocated to this in FY2009.
- ESOP:** The group's ESOP implemented in 2006 has provided some 28 000 employees (about 98% of all South African permanent employees) with a material stake in the growth of the company. See page 19 for comment on the economic appreciation of the ESOP during the year.

The company undertook a communications drive to explain the process, allocation and benefits of the ESOP to all beneficiaries through briefs, presentations, printed material, posters and a video. It is unfortunate, however, that the concept of the ESOP – and particularly the time it takes for the investment to mature – is not well understood by all those it is meant to benefit, and an extensive

ongoing education programme has been necessary to explain the value of remaining with the scheme. This is exacerbated by the lack of a culture of saving and the impact of the high-inflationary environment in South Africa.

- Reward schemes:** The Ama-Ching-Ching Bonus Scheme, implemented towards the end of the 2007 financial year to improve productivity and generate wealth for employees, also had an initial and visible positive impact. The benefits, in terms of improved production and productivity, were not as long lasting as had been hoped, largely as a result of the industry skills shortage where many jobs (with rewards unrelated to performance) are available.

The short- and long-term employee incentive schemes were reviewed to ensure that their variable costs to the organisation were controlled and to limit their effect on fixed costs. The effectiveness of the group's retention schemes and fixed remuneration principles as related to middle and senior management and critical skills were also reviewed. Several retention mechanisms were implemented to retain specific critical and scarce supervisory and technically skilled employees. Quarterly benchmark audits ensure market competitiveness and internal equity relating to both fixed and variable rewards.

- Other initiatives:** The talent management programme and graduate recruitment strategy were implemented throughout the group.

HDSAs in management

	Total employees /members	FY2008 Total HDSA*	% HDSA	Target FY2009 (%)
Board	13	8	62	40
Senior management	97	26	27	40
Middle management	590	279	47	40

*Total employees/members in service as at June 2008 at South African operations. The table includes nine non-executive board members. HDSA numbers include white females.

high-potential employees focus on attraction and retention. Talent management focuses on career progression, individual development, mentoring and succession planning.

The scarcity of skills in the industry precludes the company from adopting a policy of hiring only local employees. Where possible, however, efforts are made to recruit locally and, all else being equal, preference is given to local applicants.

Employment equity

Implats aims to provide satisfactory careers and career development plans for all employees. In South Africa, particular attention is paid to the attraction, training and development, promotion and retention of HDSAs. Specific mechanisms have been implemented to meet the HDSA management targets specified in the Mining Charter and include programmes related to skills transfer, preferential recruitment, accelerated training and a bursary scheme.

A talent management programme – undertaken at a cost of some R24 million in FY2008 (FY2007: R20 million) – is run for the South African operations. The programme, which was initiated in 2005, identifies internal and external individuals with promise, and develops and advances them.

Good progress was made towards achieving employment equity targets. At the end of FY2008,

33% of senior and middle management in South Africa were HDSAs (FY2007: 29%). If white women are included in this number, this rises to 45% (FY2007:40%). The Mining Charter requires that 40% of managers are HDSAs (including women) by 2009.

Women in mining

Good progress has also been made in achieving the participation of women in mining and programmes include career development planning, individual development programmes, accelerated training programmes, mentoring programmes and the creation of promotional opportunities.

At the end of June 2008, 8.3% of employees were women, while women made up 18% of board membership and senior and middle management. In FY2007, these figures were 5.8% and 16.5% respectively. The Charter requires that 10% of all employees are women by 2009.

Specific policies and programmes have been put in place to facilitate the entrance of women to mining, including a pregnancy policy and a sexual harassment policy. In addition, further surface change houses and underground ablution facilities have been provided.

Women in mining

	Total employees/ members	FY2008 Total women	% women	Target FY2009 (%)
Board	13	4	31	10
Senior management	97	9	9	10
Middle management	590	115	19	10
Sub-total	700	128	18	10
Skilled	3 929	336	9	10
Non-skilled	27 406	2 032	7	10
Total #	32 035	2 496	8	10

**Note: The term HDSA refers to those employees as defined in terms of the MPRDA and the Mining Charter. This category is also referred to as Designated Employees in terms of the Employment Equity Act as having been historically disadvantaged and includes white women. Total employees in service as at June 2008 at the South African operations. The table includes nine non-executive board members*

Human capital (continued)



Impala Rustenburg

Training, education and development

Significant emphasis is placed on training and education at all levels within the company. A particular area of focus in South Africa is the provision of Adult Basic Education and Training (ABET) given the low levels of literacy (estimated at around 31%, at Impala Rustenburg). All employees at the Zimbabwean operations are literate, with literacy levels at corporate office, Marula Platinum and Impala Refineries ranging from 74% to 89%. In FY2008, 2 005 employees (FY2007: 1 031 employees) participated in ABET classes in South Africa at a cost to the group of some R26 million.

Total training expenditure within the group in FY2008 was approximately R215 million (FY2007: R174 million) with employees receiving on average between 70 and 84 hours of training during the year. A wide variety of training is offered, from technical training and safety training, to supervisor and management development.

There were 56 Implats bursary holders at the end of FY2008, studying at tertiary education institutions in South Africa in key mining and metallurgy related disciplines. These bursaries were provided at a cost to the company of around R3.2 million. Of the bursars, 95% are HDSAs.

In addition, the group provided 116 scholarships and 246 learnerships at a cost of some R15.8 million. Of the latter, 76% were HDSAs.

Employee relations

Employee relations in South Africa are governed by, among others, the Labour Relations Act, the Employment Equity Act, the Mine Health and Safety Act, the MPRDA and the Mining Charter. The employer/employee relationship is also influenced by the constitution of the countries in which the group operates, and by certain international regulations and conventions, including various International Labour Organization (ILO) declarations.

Specialist human resources, training and industrial relations personnel support line management in the management and development of human capital, and ensure compliance with legislation. Formal employee relations are largely governed by collective bargaining processes and recognition agreements, underpinned by the labour legislation of the countries of operation. Aspects that are covered include salaries and salary reviews, conditions of service, notice periods for operational changes, participation by employees or unions in various decision-making forums, among others.

Around 97.4% of the total South African workforce is unionised, or subject to a collective

bargaining agreement. The two major unions recognised at the South African operations are the National Union of Mineworkers (NUM) (representing 62.4% of employees) and the United Association of South Africa (UASA) (6.0% of employees).

Labour relations in Zimbabwe are governed by the National Labour Act and by the collective bargaining agreement negotiated at an industry level by the National Employment Council for the Mining Industry. About 86% of the Zimbabwean workforce are covered by collective bargaining agreements. Workers' committees are involved in operation-based interaction with management.

A two-year wage agreement entered into in July 2007 between South African unions and the company provided for an increase of 10% from 1 July 2008. The two-year wage agreement was subject to the prevailing annual rate of CPIX, which for June 2008 was 11.6%.

Wage negotiations were not undertaken in Zimbabwe during the year under review. However, owing to hyperinflation in the country, employee wages are reviewed continuously and significant increases have been granted at all levels.

A day's production was lost at Marula in July 2007 owing to an unprotected strike action by employees regarding the annual bonus paid to officials. This was successfully resolved at the time. A further 14 days of production were lost at Marula in October 2007 following unprotected strike action by employees who demanded the removal of senior management. Constructive engagement ensued and the dispute was finally resolved in February 2008 when the NUM retracted its allegations. The dispute had a negative impact on labour relations during the period.

A one-day industry-wide protest related to safety was called by the NUM on 4 December 2007,

resulting in a full day's lost production. A single-day stoppage at the Ngezi trackless mine at Zimplats related to an employee demand for payments in non-Zimbabwean currency occurred during the year. Once employees understood that this was not legal, normal work resumed.

In addition to basic salaries, a wide range of benefits are provided to employees. These include medical aid, long- and short-term incentive schemes, share ownership and the ESOP programme, retirement funding, group life insurance, regional allowances, home ownership schemes, assistance with school fees (at Mimosa and Zimplats), and family funeral assistance scheme (at Mimosa), among others.

The company's practice is to appraise employees' performance against a set of predetermined targets. This takes place at various intervals, but at least annually for middle and senior management as part of skills management and the development of human capital. Performance appraisals for employees at middle and senior management levels are used in determining annual performance-based increases.

The group's policy is to ensure that there is no discrimination between the payments made to men or women, or those for members of different race groups. Its practice is to remunerate employees equally based on position, value to the organisation, market-related remuneration and the experience and expertise brought to the company. Annual reports on employment equity are submitted to the South African Department of Labour.

Provision is made for lifelong learning and support is given for external education and training and the granting of sabbatical periods with a guaranteed return to employment, as well as the retraining of employees in the event of restructuring as required by the SLPs and in line with recognition agreements.

Human rights

Provisions for human rights and the elimination of discrimination are entrenched in the Constitution of South Africa, and in legislation (Labour Relations Act, Employment Equity Act) and Implats' own policies, contracts and agreements with unions.

Implats recognises:

- the right to freedom of association and collective bargaining;
- the prevention of child labour;
- the prevention of forced or compulsory labour and
- the equality of all individuals, irrespective of race, sex and physical ability.

Collective bargaining and union activity is a vibrant part of the company's operating activities and is reported on page 32 of this report. It is of

concern to the company that, although freedom of association is enshrined within the constitution of Zimbabwe, strikes are not permitted.

Implats expects its contractors to act in the same manner in which the company and its employees behave, including the respect for human rights. All major contracts and contractors are vetted for potential and historical human rights abuse. While contractor agreements do not specifically contain human rights clauses, contractors are expected to adhere to the South African constitution and law.

A number of incidents of racial discrimination and sexual harassment were reported at the operations during the year. All incidents were investigated, the necessary hearings were held and outcomes dealt with appropriately.



Impala Rustenburg, Minpro



Safety and health

Key features

Safety

- Overall, safety improved across the group
- FIFR improved by 21%, LTIFR by 16% and MTC by 26%
- Impala Refineries' excellent safety performance continued

Health

- More than 75 000 occupational health screening examinations undertaken
- NIHL, TB statistics down
- No cases of heat stress or biological contamination

Safety

Safety management

A key strategic objective is the achievement of 'Zero harm'. The group safety policy, which is based on the key resolutions adopted at the group safety summit held in February 2006, entrenches the belief that mining, and underground mining in particular, can be undertaken without causing injury and harm.

All Implats' operations in both South Africa and Zimbabwe have aligned their operational safety strategies and plans with those of the group. On a practical level, the implementation of 'visible, felt

leadership' is showing positive results. Supervisors and management ensure that safety is not compromised in any circumstances by taking responsibility for employee safety, leading by example, encouraging positive safety behaviour and discouraging negative behaviour.

Allied to this is the intolerance of non-conformance and non-compliance with Implats' safety standards and procedures, which are enshrined in operation-specific Platinum Rules.

To achieve the group's long-term goal of zero harm, an intermediate goal has been set to achieve 12 consecutive months free of lost-time injuries by FY2012. This is a significant target but one which the group believes is achievable.

At board level, a committee, the SHEQ Audit Committee, has oversight of both safety performance and goal setting. Further details of this committee are provided in the corporate governance section of the Annual Report.

A key feature of the year was the appointment of an executive responsible for safety, health and environment at a group level who will drive goal-setting, strategy development, performance management and reporting. While safety management is the responsibility of line management, specialist safety staff assist with the management and monitoring of safety issues.



Impala Rustenburg

Employee involvement

The involvement of employees and unions in safety issues is a key imperative of the group, as is the taking of direct accountability for safety actions by all employees. Legislation and recognition agreements in both South Africa and Zimbabwe provide for the establishment of formal safety committees. These committees most commonly comprise joint management/union participation and meet at least monthly. In addition, safety representatives have been elected at all operations: 40 full time and 2000 part-time at Impala Rustenburg, 48 at Impala Springs, 104 at Marula, 82 at Mimosa and 80 at Zimplats.

Safety committees in place

Impala	
Rustenburg	Steering committees (2)
	Branch committees (4)
	Mining sectional committees (20)
	Services sectional committees (6)
	Minpro sectional committees (3)
Impala Springs	Steering committee
	Plant and services committees (6)
Marula	Steering committee
	Shaft committee
Mimosa	Steering committee
	Departmental SHE committee
	Sectional committee
	SHE representative committee
Zimplats	Steering committee

By virtue of the collective bargaining agreements in place in South Africa and the worker committees in Zimbabwe, all employees are represented at these safety and health forums at an operational level. As with safety, issues relating to occupational health are dealt with at board level by the SHEQ Audit Committee and by the group executive committee, and at an operational level by the operational management committees and the safety and health committees.

The functioning of these committees is regulated by the health and safety agreements entered into with the representative trade unions. These agreements deal with a broad range of safety issues, including the election of full-time health and safety representatives and safety stewards, procedures for

employees to exercise their rights to withdraw from circumstances that they perceive to be dangerous; training; procedures for the resolution of disputes relating to safety and health; participation in incident investigations; and any other issues relating to safety and health which may arise.

Performance

Overall, safety performance at Implats improved in FY2008.

Regrettably, there were 12 fatalities at Implats managed operations (FY2007: 13 fatalities) – five at Impala Rustenburg, three at Marula, three at Zimplats and one at Mimosa. There was also one fatality at the non-managed operation, Two Rivers.

The group fatal injury frequency rate (FIFR) was 0.10 per million hours worked (FY2007: 0.12), an improvement of 21% on the previous year.

The group lost time injury frequency rate (LTIFR) was 2.92 per million hours worked (FY2007: 3.48), an improvement of 16% and the best annual performance achieved by Implats to date. The LTIFR improved at all operations other than Zimplats.

A significant improvement of 26% was also recorded in respect of Medical Treatment Cases (MTC). An MTC involves the one-time treatment and subsequent observation of minor injuries, but never involves the loss of one or more calendar day after the injury, regardless of the injured person's next rostered shift.

The causes of the fatalities were primarily falls of ground (50%), explosives (26%), fall from high (8%), electrocution (8%) and mobile equipment (8%). Specific, detailed action plans were compiled and implemented that included making working areas safe and identifying high-risk fall of ground conditions and sub-standard barring practices. These initiatives have played an important part in reducing the incidence of fatal accidents, particularly as a result of falls of ground.

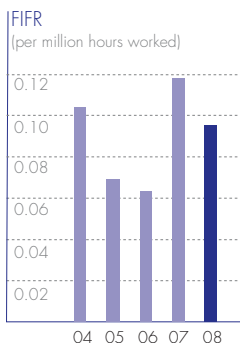
A relatively high turnover of staff, especially at supervisory level, and the subsequent employment of less experienced members of staff, also had a

Safety and health (continued)

deleterious effect on efforts to maintain safety and achieve targets. As a consequence, particularly at Zimplats and Marula, greater emphasis was placed on the frequency and intensity of training.

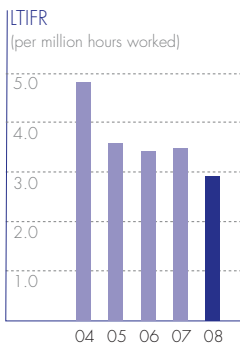
FIFR (per million hours worked)

Operation	FY2007	FY2008
Impala Rustenburg	0.11	0.06
Impala Refineries	0.00	0.00
Marula	0.14	0.37
Zimplats	0.00	0.19
Mimosa	0.48	0.13
Group	0.12	0.10



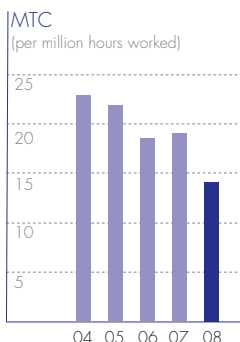
LTIFR (per million hours worked)

Operation	FY2007	FY2008
Impala Rustenburg	4.36	3.80
Impala Refineries	0.68	0.21
Marula	1.63	1.24
Zimplats	0.28	0.69
Mimosa	1.74	0.88
Group	3.48	2.92



MTC (per million hours worked)

Operation	FY2007	FY2008
Impala Rustenburg	18.72	12.30
Impala Refineries	27.94	24.10
Marula	36.71	43.85
Zimplats	8.60	9.00
Mimosa	13.48	6.64
Group	19.01	14.08



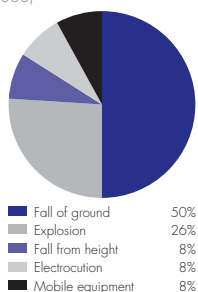
Note: LTI is expected to rise in the following reporting period as restricted work cases will be included in this statistic.

In memoriam

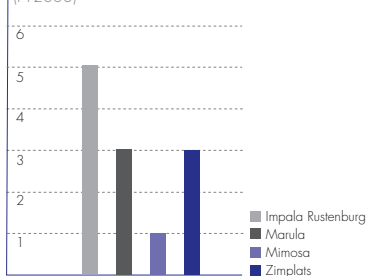
These are the names of the people who lost their lives at work at Implats' operations during the year. Our sympathies are extended to their families and colleagues.

Name	Operation	Date	Home
Bernard Ntjamotho Lehlonono	Impala Rustenburg, 14 Shaft	2 July 2007	Mapakising, Qachaneq, Lesotho
Lesang Jonas Morweng	Impala Rustenburg, 1 Shaft	17 July 2007	Rustenburg, South Africa
Gabathlhompe Phadisa	Impala Rustenburg, 1 Shaft	10 August 2007	Chadire, Botswana
Johan van Wyk	Impala Rustenburg, Mineral Processes	4 October 2007	Rustenburg, South Africa
Prince Potsotso	Marula	23 October 2007	Driekop, South Africa
Christiaan du Plessis	Marula	23 October 2007	Burgersfort, South Africa
Mosetseng Elson Mahlake	Marula	22 November 2007	Hazyview, South Africa
Raymond Muzenda	Zimplats	17 December 2007	Ngezi, Zimbabwe
Konani Nkomazana	Mimosa	27 January 2008	Hwange Town, Zimbabwe
Tinashe Chirove	Zimplats	4 April 2008	Norton Zimba, Zimbabwe
Daniel Nake	Impala Rustenburg, 7 Shaft	17 June 2008	Rustenburg, South Africa
Thomas Musoro	Zimplats	30 June 2008	Ngezi, Zimbabwe

Causes of fatal accidents
(FY2008)



No of fatal accidents
(FY2008)



Review of safety measures by operation

Impala Rustenburg: While safety performance improved, particularly regarding falls of ground, such incidents remain the most significant safety risk. The fall of ground safety campaign was reinforced and involves a newly developed workplace entry examination procedure,

including improved barring techniques, ongoing risk assessments of ground conditions and regular communication with supervisors.

Impala Springs: Just one losttime injury was recorded in FY2008. The focus has been on contractor safety given the expansions currently taking place.

Safety and health (continued)

Marula: Supervisors received instruction on applying a policy of zero tolerance to non-compliance with safety standards and the constant demonstration of visible, felt leadership. All employees received refresher training on the safe disposal of explosives and the safe parking of LHDs.

Zimplats: The deterioration in safety follows two fatality-free years and was a consequence of the high staff turnover where the lack of experience resulted in inadequate assessments of pre-task risks. Management introduced the visible, felt leadership programme, extended the length of induction training, and adopted OHSAS 18001.

Mimosa: Increased effort was made to improve behaviour-based training and a policy of zero-tolerance to sub-standard safety practices was enforced. In addition, the risk assessment system

was improved. The fitting of canopies to LHDs, the enforcement of the mining cycle, adherence to safety standards, and a campaign to prevent falls of ground were implemented.

Legal compliance

Safety audits were undertaken by the DME at all Implats' mining operations during the year as part of a national Presidential Safety Audit. Constructive engagement with the DME formed part of this process. During the year, 13 instructions were received from the DME in terms of Section 54 of the Mine Health and Safety Act which resulted in work stoppages for 23 production days at various Impala shafts. Also, two Section 54 instructions were received at Marula, resulting in a total of six days of lost production.

Recognition and awards

Impala Rustenburg	1, 12 and 14 shafts achieved 1 million fatality-free shifts 10 and 11 shafts achieved 2 million fatality-free shifts The Rustenburg Utilities and Services division achieved 5 million fatality-free shifts The Rustenburg operations as a whole achieved 6.5 million fatality-free shifts which is an all-time best achievement (the previous best performance was 3 million fatality-free shifts).
Impala - Refineries	Refineries had 13 construction-related inspections done by the Department of Labour inspectorate for the period under review. There were no findings against it.
Mimosa	Mimosa came first in the Southern Regional Mine Rescue competitions and second in the National Mine Rescue competitions.



Ngezi, Zimplats



Health

Health management

Occupational health screening and medical treatment in support of the group strategy are delivered through company-based clinics, own and contracted occupational health centres and hospital and contracted specialists. Primary and curative care is provided at company medical facilities and through a range of medical schemes which are available to our employees and their dependents.

Implats' strategy in respect of non-occupational health is to improve access to affordable and appropriate health care for employees and their families. All employees have access to a medical aid facility.

Occupational health surveillance

All employees and contractors undergo pre-placement, annual and exit examinations to ensure that they are fit for work in their specific work environments and that any occupational

disease is detected at an early stage to ensure early treatment.

These examinations also detect non-occupational illness, such as hypertension and diabetes. New cases of occupational and non-occupational disease are referred to appropriate on-site or external facilities. No pre-employment testing for HIV is undertaken and all HIV tests are undertaken voluntarily.

More than 75 000 occupational screening examinations were performed across the group in FY2008.

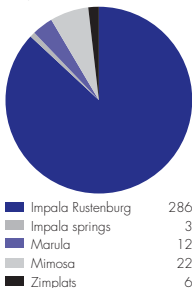
Performance

The two primary occupational health risks are noise-induced hearing loss (NIHL) and pulmonary tuberculosis (TB). Heat stress and potential exposure to heavy metals are risks in certain occupations.

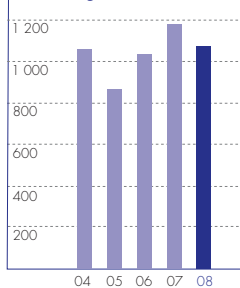
Medical surveillance – occupational health screening examinations (FY2008)

Operation	Pre-placement	Annual	Exit
Impala Rustenburg	15 148	41 492	7 375
Impala Springs	2 210	2 022	88
Marula	1 614	1 781	796
Mimosa	1 161	271	69
Zimplats	746	370	11
Group	20 879	45 936	8 339

New pulmonary TB cases treated at Implats facilities (FY2008)



Incidence of TB at Impala Rustenburg



Pulmonary TB

In South Africa, pulmonary TB is considered an occupational illness if it is associated with dust exposure. All cases of pulmonary TB are submitted for independent assessment to the Medical Bureau of Occupational Diseases (MBOD) for possible compensation.

In total, 329 new cases of pulmonary TB were diagnosed during the year, and treatment was initiated in all cases (Y2007: 348). This is an incidence rate of 1 079 per 100 000 employees (FY2007: 1 181). Employees identified as having TB are encouraged to receive treatment from company facilities which adhere strictly to World Health Organization (WHO) recommended regimes and directly observed treatment supervision (DOTS). The emergence of strains of drug-resistant TB – multi-drug resistant TB (MDR-TB) and extremely drug-resistant TB (XDR-TB) – in South Africa is a cause for concern. Two cases of MDR TB were identified at Impala Platinum's Rustenburg operations during the year.

The HIV/AIDS pandemic continues to have a significant impact on TB rates. Around 60% of newly diagnosed TB patients are HIV-positive.

Noise-induced hearing loss (NIHL)

Comprehensive hearing conservation programmes are in place at all operations to reduce the risk of employees developing NIHL. In South Africa, these programmes are aimed at reducing noise levels at source to below 110dBA, in line with the South African Mine Health and Safety Council (MHSC) targets, and to provide personal hearing protection devices, (either custom-made noise clippers or disposable earplugs), to employees and permanent contractors who work in high-risk areas. A fundamental challenge remains the need to muffle rockdrills to noise levels below 110dBA. The hearing protection devices available to employees will attenuate noise to below 85dBA (the targeted level) if worn correctly.

Education of employees regarding NIHL and the use of hearing protection devices continues, as individual non-compliance remains one of the most significant challenges, although this is improving.

In FY2008, 31 new cases of NIHL (FY2007:54) were identified and submitted for compensation in line with legislation. All of these were at Impala Rustenburg.



Marula

Safety and health (continued)

All employees exposed to noise have undergone audiometric baseline examinations and are monitored with follow-up annual audiometric tests for early signs of hearing loss.

Heat stress

A thermal stress management programme is in place at Impala's mining operation because of the higher temperatures prevailing in the deeper underground workings. Every underground employee working in heat undergoes heat tolerance screening which is followed by closely supervised self-acclimatisation shifts in a hot underground environment. High temperatures experienced underground are associated with the increased occurrence of heat stroke. No cases of heat stroke were reported during the period under review.

Biological monitoring

Biological monitoring of specific employees who may be exposed to chromium, arsenic, carbon disulphide, nickel, cadmium and lead is undertaken. All employees who underwent biological monitoring had results within the normal range.

Summary of performance per operation

Specific performance and developments at operations in terms of occupational health are detailed below.

Impala Rustenburg – A centralised facility for issuing noise clippers was commissioned during

the year and has significantly improved the distribution and use of hearing protection devices.

Impala Refineries – As with safety management, the significant number of contractors on site proved to be a challenge. Contractors are included in the company's medical surveillance programme.

Marula – Historically occupational health screening and treatment has been provided by external service providers. During the year the focus was on improving Marula's facilities and staffing. The on-mine medical capacity was improved by the appointment of part-time doctors and an additional professional nurse.

Mimosa – An occupational health centre is being constructed on the mine to undertake medical surveillance and occupational health treatment and to reduce the reliance on state services. Privately outsourced medical services were particularly problematic during the year.

Zimplats – Zimplats too, has strengthened its in-house occupational health capacity, with new staff appointments and the purchase of a new X-ray unit and audiometer. The mine is now less reliant on external service providers, whose service levels deteriorated during the year. The heavy rains in Zimbabwe resulted in an increased focus on malaria identification and testing. Of the four cases of malaria identified during the year, all were contracted away from the mine.



Mimosa

HIV/AIDS



Impala Rustenburg

Key features

- 3 609 HIV tests were conducted at company facilities during the year
- 2 734 people (employees and dependents) participated in the company's wellness programme
- 708 people received ART through company health facilities, a significant rise from FY2007
- Medical costs incurred related to HIV/AIDS amounted to some R16.1 million in FY2008 at Impala Rustenburg

HIV/AIDS management

HIV/AIDS continues to be a major concern at both the South African and Zimbabwean operations. Not only is there a direct significant cost to the company in terms of medical care and prevention programmes, but there is also a significant impact on productivity in the workplace and on the replacement of skills in an industry where skills are in short supply. The most significant impact, however, is on the well-being of employees and their families.

All employees and their dependents have access to external medical care and some employees make

use of state-owned facilities. The statistics reported below reflect only those that can be gathered when employees make use of direct company facilities. Under-reporting is therefore likely.

Based on estimates and independent analysis and limited testing, it is estimated that the prevalence levels among the company's workforce is an average of 20%. Increasing resistance to testing has been noted during the year, particularly at Impala Platinum.

Higher levels of staff turnover have, over time, resulted in high HIV prevalence levels within the group, and particularly at Impala Rustenburg, where new recruits are drawn from communities that have historically had a higher HIV/AIDS prevalence level than that of the company's own workforce. In addition, the recruitment of more women – who are an at-risk group within the broader population – may have an impact on the overall prevalence levels.

Employee involvement

Agreements are in place with major unions in respect of the management of HIV/AIDS at the South African operations. The effectiveness of the Impala Rustenburg committee remains a factor of

HIV/AIDS (continued)



concern, although subsequent to the union election process in May 2008, some improvement has been evident. The functioning of this committee will be a focus area in the year ahead.

Performance

The focus during the year under review was two-fold:

- first, to prevent the disease through education programmes and, in particular, the use of peer educators; and
- second, to increase registration and compliance with the company's wellness programme, including participation in the antiretroviral treatment (ART) programme.

Voluntary counselling and testing (VCT) is available at all of the company's operations, although uptake during the year was very disappointing. Only 3 609 employees underwent testing during the year, (FY2007: 6 805 tests).

Employees who are HIV-positive are encouraged to participate in the wellness programmes available through the company or through the

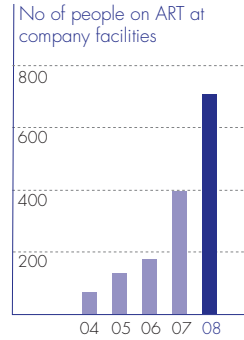
various medical aid schemes. As at the end of FY2008, 2 734 new patients were enrolled in the group's wellness programme.

ART is available to all employees and their dependents through the group's medical schemes. In FY2008, 307 new patients started on the ART programme with a total of 708 employees (FY2007: 396) taking their treatment through the group's medical facilities. The exact number of employees taking ART through external medical schemes is not known. Maintaining compliance with the ART programme remains a challenge and professional nurses and peer educators have been specifically allocated to encourage and ensure compliance.

The impact of the pandemic remains severe. The company is aware of 105 patients who died in service as a result of AIDS-related illnesses during the year and a further 165 people who left the company's employ as a result of HIV-related medical issues (FY2007: 113 and 363 respectively).

Implats is involved in a number of initiatives providing care to employees and others around its operations and in labour-sending areas.

The total cost to the group of the HIV/AIDS education and medical programme for employees was approximately R16.1 million in FY2008 (FY2007: R18.5 million) at Impala Rustenburg.



HIV/AIDS statistics

	VCT	Number on wellness programme	Number of new patients on ART	Cumulative number of patients on ART	Known, AIDS-related deaths	Medical separations known to be AIDS related
Impala Rustenburg	2 808	2 336	272	631	87	146
Impala Springs	74	12	0	6	1	0
Marula	291	277	1	12	8	1
Mimosa	92	24	15	25	8	18
Zimplats	344	85	19	34	1	0
Group	3 609	2 734	307	708	105	165



Impala Rustenburg

Socio-economic development

Management of socio-economic development

Implats takes its responsibility as a corporate citizen seriously, ensuring that its activities and actions have a positive impact on the communities in which the company operates and from which its employees are drawn. Its approach is a holistic one and encompasses procurement and employment practices, training, engagement with local authorities, establishment of infrastructure and socio-economic development. In this respect, socio-economic development includes the identification of opportunities for improving the livelihoods, well-being and prospects of a broad cross-section of the community.

Implats' socio-economic development activities in South Africa are managed under the auspices of the Impala Community Development Trust (ICDT), which was formed by the group in 1998 and the

Impala Bafokeng Trust, which was set up in September 2007 as part of the group's BEE transaction with the Royal Bafokeng Nation (RBN). In addition, as part of its SLP commitments, the group is undertaking extensive local economic development (LED) programmes in all the communities in which it operates.

The ICDT

The ICDT aims to be a facilitator of social development and encourages meaningful and sustainable interventions, always in partnership with local communities and often in partnership with other donors. This collaborative approach facilitates ownership (and therefore legitimacy) of projects, and assists in attracting investment from other donors and support from governmental agencies, non-governmental organisations (NGOs), community-based organisations (CBOs) and others.

The ICDT

The ICDT aims to:

- align social upliftment activities with the goals and objectives of local, provincial and national government development programmes;
- build capacity within community structures (co-operatives, NGOs and CBOs) operating in areas of interest; and
- encourage self-reliance and minimise dependence on welfare in targeted communities.

The ICDT has eight areas of focus.

- Education, which includes the teaching of mathematics, physical science and English at teacher and learner level; post-matric mathematics and physical science; capacity-building and school governance; the development of learning support materials and equipment; and infrastructural development.
- Health, which includes primary and secondary health care, and TB and HIV/AIDS home-based care.
- Welfare, which includes orphanages and day-care support.
- Environment, which includes the provision of water and sanitation, environmental awareness campaigns, community environmental rehabilitation projects and public participation initiatives.
- Safety and security, including support for Business Against Crime and infrastructure development and training for the South African Police Services (SAPS).
- Supporting income-generating projects through the establishment of co-operatives (and facilitating financial and other support for these co-operatives), NGOs, CBOs, capacity-building programmes and business linkage centres (in Springs).
- Sports development, which includes support for soccer, rugby, netball and cricket at local level.
- Government support, which includes assistance with the establishment of district and local municipalities in the areas where Implats operates to enhance infrastructure delivery and local economic development.



Ngezi, Zimplats

Socio-economic development (continued)

Guided by its Corporate Social Affairs Policy (see the website at www.implats.co.za), the group aims to ensure that it makes a positive contribution to poverty alleviation, community development (by establishing infrastructure and empowering community structures) and enabling government to facilitate improved service delivery and local economic development. Although the ICDT's overriding goal is the empowerment of a broad range of stakeholders, it places a specific emphasis on black youth, women and people living with disabilities.

Social development officers based at the operations identify possible projects or review the various applications they receive and submit these for approval. Applications to the ICDT are evaluated internally prior to consideration by the ICDT Board of Trustees. Group CEO David Brown is the chairman of this board.

During FY2008, the ICDT spent R41.6 million (including R6 million contributed to the Impala Bafokeng Trust) on socio-economic development projects in South Africa (FY2007: R31.8 million). This figure includes an administration charge of R5.1 million to manage the funds.

In FY2008, there were more than 5 194 direct and 42 102 indirect beneficiaries of this expenditure (FY2007: 14 195 and 11 599, respectively) (Note: the significant decrease in direct beneficiaries reported is due to improved

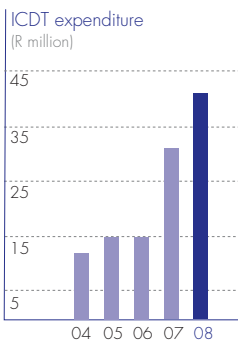
governance measures implemented in capturing beneficiary details and a more strict definition used for direct beneficiaries.)

The IBT

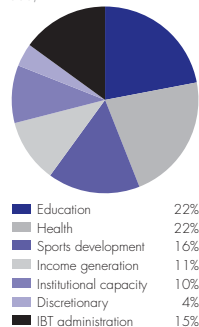
The IBT started formal operations in 2008. Implats and the RBN entered into an agreement for the formation of the trust to facilitate and contribute to the social and economic development of the people residing in the Bojanala District of the North West Province. In FY2008, both parties contributed R6 million to the IBT, of which R10.4 million was allocated to projects and R1.6 million spent on administration.

In fulfilling its mission, the IBT will partner with relevant stakeholders in the region to facilitate the advancement of the people living and working in the area, and specifically to support education, health, income generation, sports and institutional capacity development initiatives that address the most urgent social and economic challenges being faced by these communities. The IBT will also focus on the advancement and empowerment of women through these activities.

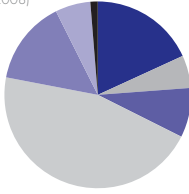
In terms of its mandate the IBT will focus on the RBN villages and communities where Impala Rustenburg operates (40%), the Bojanala District (excluding Rustenburg and RBN villages) (25%), Rustenburg (25%), and North West Province in general, excluding the Bojanala District (10%).



Programmatic focus of the IBT (FY2008)

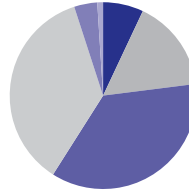


Programmatic focus of the ICDT
(FY2008)



Head office	19.9%
Labour sending area – NW Province	6.2%
Labour sending area – Outside NW Province	9.4%
Mine lease and Rustenburg	50%
Springs – Gauteng Areas	16.0%
Marula	6.7%
Leeuwkop	1.4%

Programmatic focus of the ICDT
(FY2008)



Black male	7%
Black female	16%
Black youth male	36%
Black youth female	36%
Other	4%
Disabled	1%



Impala Rustenburg

Key principles guiding the IBT

The IBT seeks to support strategic initiatives that are complementary to those being implemented by government, government agencies, private companies, CBOs and NGOs. In addition, the IBT will take the following key principles into consideration when reviewing and engaging in selected projects or programmes:

- compliance in terms of the legislative environment, particularly the areas falling under the DME and the Department of Trade and Industry;
- local and municipal initiatives, including alignment with the Integrated Development Plans (IDPs) of local government and engaging with their projects and programmes;
- level of visibility and impact to ensure that the contributions of the IBT are seen in the community in terms of real social and economic change for the better;
- acknowledgement of partners and mutual understanding, respect, trust, responsibility and accountability in the knowledge that social and economic transformation is beyond the scope of donors alone; and
- championing accountability and professionalism both internally and externally.

Zimbabwe

In Zimbabwe, corporate social investment expenditure is focused primarily on the areas of education and health. Zimplats spent in the region of \$400 000 and Mimosa some \$265 000.



Impala Rustenburg's local economic development projects

As part of Impala's commitment to its SLP, the company has initiated a number of projects in the area of operation, in the Bojanala, Taung, Ganyesa regions and Eastern Cape, an area from which many employees are drawn. Some of these projects include:

Mine area and Bojanala

- Macharora Hydroponic Tomato Project – Identified by the community of Macharora, a feasibility study has indicated that it is not viable. R1 125 000 has been allocated to an agricultural project to be identified.
- Serutube Mafika Piggery Project – Initiated by members of the community, this project has also been supported by the Royal Bafokeng Administration, which is providing a portion of land for the project. R736 000 has been allocated to this project.
- The Reach Project, the Post Matric Project, Ambulance and clinic facility donation and Vuk'uzenzele Primary School are discussed on page 56.

Taung

- Reivilo Bakery – A feasibility study has indicated that this project could be sustainable. R1 450 000 has been allocated to this project.
- Learnerships and bursaries programme discussed on page 56.

Ganyesa

- Sports For All Franchise – Undertaken in conjunction with the Kagisano Local Municipality at a cost of R550 000, this project provides children with access to sport in a safe environment and has created employment and a sustainable black-owned business.

Eastern Cape

- The Libraries Project in Lusikisiki and Flagstaff, at a cost of R519 367. Undertaken in conjunction with and co-funded by the OR Tambo district municipality, the project aims to improve literacy levels and to improve the quality of life;
- Bursaries and learnerships discussed on page 56;
- Construction of additional buildings at the Mbadango School in Umthatha at a cost of R559 000. The project was identified by the Department of Education and is being jointly funded. The extensions include four new classrooms, an ablution block and administration facilities;
- Planning for the construction of a new school at Ngcubeni Junior Secondary School in Umthatha in a joint venture with the Department of Education;
- The Essential Oils project in Umthatha originally initiated by the DME. This project is in the business plan phase and will commence once proved to be viable;
- Rehabilitation of quarries in Umthatha, a project identified by SAWIMA (South African Women in Mining Association). A feasibility study has been undertaken; and
- A poultry project in Lusikisiki, in collaboration with the OR Tambo district municipality. R500 000 has been spent to date.



Marula

Local economic development projects at Marula

Marula Platinum has engaged extensively with stakeholders around the mine in identifying and initiating local economic development projects around the mine. Five key projects were progressed during the year, namely:

- The company had committed R3 million for infrastructure development at the Makgamathu and Mohlalamorudi Secondary Schools. The project is currently on hold as the community still needs to approve these schools recommended by the Limpopo Department of Education.
- An agriculture project (poultry and piggery) to support poor women in the greater Tubatse Municipality. A feasibility study indicated that this project would not be feasible, however, and a new project is being identified;
- Water and electricity supply in the Greater Tubatse Municipality to 1 900 households over a period of five years at a cost of some R30.7 million;
- Community sports initiative which involves the provision of sporting facilities on the Marula farms (at Winnaarshoek, Driekop, Clapham, Mashishi, Kgwete and Magabaneng) at a cost of R1.6 million; and
- The identification and support of a business partner to assist the local community in extracting and marketing chrome from tailings.

Impala local economic development projects

Impala Springs supported a number of the LED projects during FY2008. These are some of the projects:

Zivuseni Poultry Farming

This co-operative started to operate in August 2005. It was formed by 11 black unemployed youths, four male and seven female. The main focus is to engage youth in agriculture and provide them with technical specialised management training. The youth will attend business management courses and the department of agriculture will assist with farming skills and training.

Community Skills Development Project

The Community Skills Development Project is situated in Ward 72, an informal settlement behind Impala Refineries. The project provides training in plumbing, bricklaying, carpentry and other skills that will provide the learners with the knowledge to empower themselves and earn a living.

Nokuphila Community Services

Nokuphila Community Services provides care and support for people infected and affected by HIV/AIDS in the community of Kwa-Thema, Springs. The centre also provides relief services to orphans and vulnerable children as a result of the disease. A contribution of R450 000 was made towards the renovations of the day care centre.

Nigel Caring Community

Nigel Caring Community was formed in 1999 due to the serious need for professional help for people living with HIV/AIDS in the area. It was established as a home-based care centre and has evolved to provide for the needs of the people suffering from this pandemic.

New Image Rover Crew

New Image Rover Crew (NIRC) in Kwa-Thema is a non-profit organisation that was established in 1997 with the aim of providing HIV/AIDS awareness and prevention campaigns. The project is targeted at primary and secondary schools, tertiary institutions, corporate organisations, prisons, churches and the community at large. NIRC's focus is providing professional home-based care to terminally ill people living with HIV/AIDS and other chronic illnesses in partnership with the health department.

Oasis Rover Crew

Oasis Rover Crew is an initiative started by young people living in Kwa-Thema in response to the HIV/AIDS pandemic affecting this community, particularly the youth and young adults. The purpose of the organization is to address HIV/AIDS prevention programmes, STIs, TB and home-based care. Oasis Rover Crew started a drop-in centre two years ago to assist the youth mostly who are at primary school level with their homework.

Our Nest

Our Nest is a stimulation centre for the severely mentally disabled children in Springs. Implats donated a computer, office equipment, a washing machine, fixed the carport and painted the fencing around the home.

Katlego Ka Tshepo

Katlego Ka Tshepo is an NGO which provides day care for the orphaned and vulnerable children, home-based care and support group services. Katlego's day care centre for toddlers had a park home which was destroyed by the strong winds in December 2007. Implats donated another park home to the centre for over 80 children accommodated by the centre.

Bakerton Abet Centre

Over the past few years, Bakerton Abet Centre has focused on providing skills training to the community of the previously disadvantaged adults who never had the opportunity to go to school. A total of 13 facilitators are temporarily employed by the centre.

Môrester Primary School

Môrester Primary School, on the border of Benoni and Springs, has approximately 833 learners which come from informal settlements in the area as well as in the townships of Daveyton, Kwa-Thema and Tsakane. Impala donated money for the renovation of the primary school's media centre, as well as a scanner and some books.

Socio-economic development (continued)

Projects

Some of the projects that Implats has sponsored during the year under review are reported as case studies on the website at www.implats.co.za. These are:

Mafaseng - Formed in 2007 to outsource the construction and maintenance section of the Utilities and Technical Services Department at Impala Rustenburg, responsible for carpentry, painting, plumbing and glazing services.

Badirammogo - Formed after the decision to outsource kitchen services, responsible for cleaning and providing refreshments for Minpro visitors.

Serole Cleaning Services - Formed to manage the change houses at Impala.

Ithabeleng Food Services - An empowerment company responsible for the effective running of the canteens at Impala's Rustenburg operations.

Luka multi-purpose sports facility - A sports facility established for the Rustenburg communities where Implats operates.

Ambulance and clinic facility donations - An ambulance was donated to the Kanana community near Impala's 16 shaft. Clinic equipment including an ambulance was donated to Kanana and Luka clinics to the value of R500 000.

Learnership and bursary programme - Social and Labour Plan commitment to sponsor students every year from the areas from which Implats sources its labour.

Reach project - Support programme for schools in historically disadvantaged communities around Impala. The project assists learners who perform well in Maths, Science and English to gain access to related higher education and careers.

Post matric project - The programme is designed to support engineering- and science-orientated matric students to progress to higher education and succeed at tertiary level.

Woodchips project - Woodchips are remnants of the timber packs used as support in underground mining operations. The project aims to create employment for the locals and care for the environment by using waste product for an economic purpose.

Vuk'uzenzele Primary School - Situated next to Impala Platinum's 9 shaft hostel in Freedom Park, Rustenburg. Impala Platinum and the North West Department of Education made available the sum of R10 million for the construction of Vuk'uzenzele Primary School.



Impala Rustenburg

Product responsibility



Implats primary products are PGMs and nickel, which are produced in a variety of forms, from bars to powder. In addition, sulphuric acid is produced as a by-product.

All products are provided to customers from the Precious Metals and Base Metals Refineries, based in Springs in South Africa. The products are provided to both end users and intermediaries.

A systematic effort has been made to address the safety, health and environmental issues at all stages of the life cycle of the product and specific interventions to protect the health and safety of those involved in using or delivering these products are in place. Procedures for assessing and improving product health and safety are in place during conceptual development; research and development; product certification; manufacturing and production; marketing and promotion; storage distribution and supply; use and service; and disposal, use or recycling.

During FY2008, there were 24 incidents of non-compliance with regulations largely concerning product labelling. All of these were resolved to the customers' satisfaction.

The majority of the materials and products dispatched from the group's operations do not pose any health or safety risk. The exception is sulphuric acid, which is transported by road from Mineral Processes at Impala Rustenburg to the Impala Refineries in Springs. Protocols governing the transportation of hazardous materials are adhered to, including comprehensive labelling with information relating to the content of the containers, safe use of the product and its safe disposal. No incidents were reported during the year.

Extensive product safety protocols are published on the Implats website at www.implats.co.za.

Contribution to revenue by metal
(FY2008)

