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Person responsible for this report: Cathie Markus, Corporate Affairs Director, Telephone +27 11 481 3900
Glossary of acronyms and terms
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<tr>
<th>Acronym</th>
<th>Full Form</th>
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<tbody>
<tr>
<td>PPE</td>
<td>Personal Protective Equipment</td>
</tr>
<tr>
<td>RBA</td>
<td>Royal Bafokeng Administration</td>
</tr>
<tr>
<td>RBEB</td>
<td>Royal Bafokeng Economic Board</td>
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<tr>
<td>RBN</td>
<td>Royal Bafokeng Nation</td>
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<tr>
<td>RDO</td>
<td>Rock Drill Operator</td>
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<tr>
<td>RDP</td>
<td>Reconstruction and Development Programme</td>
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<tr>
<td>ROD</td>
<td>Record of Decision</td>
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<tr>
<td>SAAVI</td>
<td>South African AIDS Vaccine Initiative</td>
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<td>SADC</td>
<td>Southern African Development Community</td>
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<tr>
<td>SAGA</td>
<td>South African Grant-making Association</td>
</tr>
<tr>
<td>SAMPPF</td>
<td>South African Mining Preferential Procurement Forum</td>
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<tr>
<td>SANS</td>
<td>South African National Standards (formerly SABS)</td>
</tr>
<tr>
<td>SAP</td>
<td>Systems Application Program</td>
</tr>
<tr>
<td>SAQA</td>
<td>South African Qualifications Authority</td>
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<tr>
<td>SENS</td>
<td>Stock Exchange News Service</td>
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<tr>
<td>SETA</td>
<td>Sector Education and Training Authority</td>
</tr>
<tr>
<td>SHE</td>
<td>Safety, Health and Environment</td>
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<tr>
<td>SHEQ</td>
<td>Safety, Health, Environment and Quality</td>
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<tr>
<td>SLP</td>
<td>Social and Labour Plan</td>
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<tr>
<td>SMC</td>
<td>Sellous Metallurgical Complex</td>
</tr>
<tr>
<td>SME</td>
<td>Small- and Medium-sized Enterprises</td>
</tr>
<tr>
<td>STI</td>
<td>Sexually Transmitted Infections</td>
</tr>
<tr>
<td>TB</td>
<td>Tuberculosis</td>
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<tr>
<td>UASA</td>
<td>United Association of South Africa</td>
</tr>
<tr>
<td>UIF</td>
<td>Unemployment Insurance Fund</td>
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<tr>
<td>US or USA</td>
<td>United States of America</td>
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<tr>
<td>UV</td>
<td>Ultra-violet</td>
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<tr>
<td>VCT</td>
<td>Voluntary Counselling and Testing</td>
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<tr>
<td>WCED</td>
<td>World Commission on Environment and Development</td>
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<td>WCI</td>
<td>Wealth Creation Index</td>
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<tr>
<td>WHO</td>
<td>World Health Organization</td>
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<tr>
<td>WIM</td>
<td>Women in Mining</td>
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<tr>
<td>WSP</td>
<td>Workplace Skills Plan</td>
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<tr>
<td>Zimplats</td>
<td>Zimbabwe Platinum Mines Limited</td>
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<tr>
<td>ZINWA</td>
<td>Zimbabwe National Water Authority</td>
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<tr>
<td>IRS</td>
<td>Impala Refining Services</td>
</tr>
<tr>
<td>ISO</td>
<td>International Organisation for Standardisation</td>
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<tr>
<td>JDF</td>
<td>Joint Development Forum</td>
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<tr>
<td>JSE</td>
<td>Johannesburg Stock Exchange Socially Responsible Investment Index</td>
</tr>
<tr>
<td>King II</td>
<td>King Report on Corporate Governance for South Africa 2002</td>
</tr>
<tr>
<td>LED</td>
<td>Local Economic Development</td>
</tr>
<tr>
<td>LTIFR</td>
<td>Lost Time Injury Frequency Rate (expressed per million man hours worked)</td>
</tr>
<tr>
<td>Marula Platinum</td>
<td>Marula Platinum (Proprietary) Limited</td>
</tr>
<tr>
<td>MBOD</td>
<td>Medical Bureau of Occupational Disease</td>
</tr>
<tr>
<td>MEC</td>
<td>Member of the Executive Committee</td>
</tr>
<tr>
<td>MHI</td>
<td>Major Hazardous Installation</td>
</tr>
<tr>
<td>Mimosa</td>
<td>Mimosa Platinum (Private) Limited</td>
</tr>
<tr>
<td>Mining Charter</td>
<td>Broad-based Socio-economic Empowerment Charter for the Mining Industry</td>
</tr>
<tr>
<td>MIR</td>
<td>Minor Injury Rate</td>
</tr>
<tr>
<td>MPRDA</td>
<td>Minerals and Petroleum Resources Development Act, Act no. 28 of 2002</td>
</tr>
<tr>
<td>MQA</td>
<td>Mine Qualifications Authority</td>
</tr>
<tr>
<td>NAPCOF</td>
<td>North West Air Pollution Control Forum</td>
</tr>
<tr>
<td>NEC</td>
<td>National Employment Council</td>
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<tr>
<td>NGO</td>
<td>Non-Governmental Organisation</td>
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<td>NOSA</td>
<td>National Occupational Safety Association</td>
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<td>NOSCAR</td>
<td>National Occupational Safety Credited Awards</td>
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<tr>
<td>NQF</td>
<td>National Qualifications Framework</td>
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<tr>
<td>NUM</td>
<td>National Union of Mineworkers</td>
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<td>NWET</td>
<td>North West Education Trust</td>
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<tr>
<td>OEL</td>
<td>Occupational Exposure Limit</td>
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<tr>
<td>OSHAS</td>
<td>Occupational Safety and Health Accreditation System</td>
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<tr>
<td>PA</td>
<td>Public Address system</td>
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<tr>
<td>PF</td>
<td>The Steelpoort Valley Producers Forum</td>
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<tr>
<td>PGMs</td>
<td>Platinum Group Metals</td>
</tr>
<tr>
<td>PLWA</td>
<td>People Living With AIDS</td>
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<tr>
<td>PMR</td>
<td>Precious Metals Refinery</td>
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</table>
Impala Platinum Holdings Limited (Implats) is a fully integrated mining and metallurgical organisation, which mines, processes, refines and markets platinum group metals (PGMs) for global markets. The group produced 1.85 million ounces of platinum and 3.55 million ounces of PGMs in FY2005. This represents some 25% of annual global platinum supply, confirming our position as one of the most significant players in this sector.

The group’s operations on the Bushveld Complex in South Africa and the Great Dyke in Zimbabwe give it an attributable reserve and resource base of 215 million ounces of platinum. Implats also has offshore exploration projects in Australia, Brazil and Canada.

The company’s mine to market production, together with its joint venture programmes, have been devised to ensure platinum production of 2.1 million ounces of platinum by 2007. There is potential for this to grow to 2.3 million ounces of platinum by 2010.

The platinum produced by our operations is used mainly in jewellery and in catalytic converters that remove noxious gases from automobile exhaust systems. The group also produces palladium, rhodium, iridium, ruthenium, copper, nickel, cobalt and ammonium sulphate; as well as gold and silver.

At 30 June 2005, we provided direct employment to approximately 31,000 people across our operations, which are among the most efficient and lowest-cost platinum producers in the world.

Implats’ primary listing (“IMP”) is on the JSE Limited with a secondary listing (“IPLA”) on the London Stock Exchange. The company also has a sponsored level 1 American Depository Receipt (ADR) programme (“IMPUY”) in the United States.
To be the world's best platinum producing company, delivering superior returns to shareholders relative to our peers.

The Implats values are:

- Safeguarding the health and safety of employees, and caring for the environment in which we operate.

- Acting with integrity and openness in all that we do and fostering a workplace in which honest and open communication thrives.

- Being a responsible employer, developing people to the best of their abilities and fostering a culture of mutual respect amongst employees.

- Promoting and rewarding teamwork, innovation, continuous improvement and the application of best practice.

- Being accountable and responsible for our actions as a company and as individuals.

- Improving our performance continuously and creating sustainable value.

- Being a good corporate citizen to the communities in which we live and work.

This report aims to describe how our values guide the way in which Implats operates.
It is, once again, my privilege and pleasure to welcome readers to the annual Implats' Corporate Responsibility Report, which covers the twelve months ended 30 June 2005.

As in our previous publications of this nature, this report aims to keep our stakeholders – who comprise our shareholders, our workforce and their union representatives, our business partners, our suppliers, our customers, the communities where we operate, and various authorities – informed regarding the economic, environmental and social dimensions of our business. Importantly, it takes us a step closer to reaching our objective of expanding our reporting formats gradually with the ultimate target of a comprehensive report that is in accordance with the recommendations of the Global Reporting Initiative (GRI) by 2007 – thereby promoting the compatibility of non-financial information in and across our industry. It does so by including information additional to that provided in prior reports – notably with regards to our engagement with our diverse stakeholder groups.

The period covered by the report has been characterised by intense activity in two key but inter-related areas (over and above our core business activities), namely the transformation of our organisation and the conversion of our mining and prospecting licences – both of which are requirements of the Mining and Petroleum Resources Development Act (detailed on page 17). Indeed, these focus areas form the main themes of this report.

Transforming our organisation: a work in progress

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message from our ceo
PERFORMANCE HIGHLIGHTS

Of course, the main aim of this report nevertheless remains a transparent discussion of our approach to managing the issues and challenges we face in the economic, environmental and social spheres, as well as our performance against set objectives in these areas during the reporting period.

From an economic perspective, I am very pleased to report that the group has, yet again, produced an excellent set of financial results.

During the year, gross platinum production decreased by 6% from 1.96 million ounces to 1.85 million ounces. This was expected as the FY2004 figure was inflated by the processing of 232,000 ounces of platinum during the Lonmin smelter refurbishment. Excluding this once-off Lonmin production, headline platinum production actually increased by 5%. The star performer was Impala Platinum, which achieved record platinum production of 1.115 million ounces.

Comparisons between FY2004 and FY2005 reflect the underlying market which included the continued strength of the rand for most of the year under review:

- Sales revenues rose by 6% to R12,541 billion.
- PGM sales volumes were up 6% which went some way towards mitigating the effects of the 10% decline in the average rand/dollar exchange rate achieved for the year of R6.20/$. Consequently, while dollar revenue per platinum ounce sold increased by 15% on the previous year, rand revenues per platinum ounce increased by only 3.3%.
- Cost of sales rose by 10% to R8,318 billion. The gross operating margin was 34% for the group as a whole, with the gross operating margin for Impala maintained at 42% for the year.
- Unit costs per refined platinum ounce were well controlled at Impala and only increased by 5.3% to R4,251. The Zimbabwean operations were negatively affected by local inflation and a managed exchange rate and thus contributed disproportionately to the significant increase in group unit cost of 9.7% to R4,548 per refined platinum ounce.
- Capital expenditure for the group rose by 9.3% to R1.992 billion.
- Net profit at the headline level increased by 9% to R2,860 billion. Including profit on the sale of Lonplats (of R3.2 billion) and the impairment of Marula Platinum (of R850 million after tax) net profit rose by 78% to R5.2 billion.

- The board has declared a final dividend of R18 per share, resulting in a total dividend payout for the year of R23 per share. In dollar terms, this represents a dividend of $3.72 per share.

We have also met a number of our corporate responsibility objectives for the year under review, and made measurable progress towards others (as detailed under ‘Our scorecard’ on page 6). These objectives are designed, through self-regulation and continuous improvement, to meet (if not exceed) legislative requirements. This approach not only underscores Implats’ ambition to be a good corporate citizen that generates employment opportunities and foreign exchange in a responsible and caring manner, but also our desire to be at the forefront in this respect of the mining industry, both locally and internationally.

Our continuing operations are committed to upholding Implats’ corporate values and operating ethics without compromise, thereby ensuring that the group retains a positive image in every aspect of its dealings. A comprehensive third-party audit was initiated during the review period to ensure that the requisite corporate policies are in place and up-to-date, including recruitment procedures and conditions of employment, grievance and disciplinary procedures, environmental and HIV/AIDS policies.

The legal compliance component of this audit process has been completed.

**Figure 1: Headline earnings per share (SA cents)**

<table>
<thead>
<tr>
<th>FY01</th>
<th>FY02</th>
<th>FY03</th>
<th>FY04</th>
<th>FY05</th>
</tr>
</thead>
<tbody>
<tr>
<td>700</td>
<td>600</td>
<td>514</td>
<td>432</td>
<td>432</td>
</tr>
</tbody>
</table>

**Figure 2: Dividend per share (cps)**

<table>
<thead>
<tr>
<th>FY01</th>
<th>FY02</th>
<th>FY03</th>
<th>FY04</th>
<th>FY05</th>
</tr>
</thead>
<tbody>
<tr>
<td>703</td>
<td>687</td>
<td>653</td>
<td>703</td>
<td>703</td>
</tr>
</tbody>
</table>

- Special Dividend
- Dividend per share
Being primarily a mining operation, our most significant challenge remains the safety and health of our employees, where our ongoing quest is to minimize injuries and achieve zero fatalities. However, notwithstanding the group’s continued focus on safety, regrettably seven employees lost their lives as a result of occupational accidents during FY2005 (four at our Rustenburg operations, two at Marula Platinum and one at Zimplats). The board of directors and all employees extend their condolences to the families, friends, colleagues and communities of those who lost their lives.

These fatalities underscore the emphasis that continues to be placed on initiatives to improve the safety performance of all our operations, including the inculcation of a behaviour-based safety culture that encourages all employees to be on the lookout for danger both to themselves and their co-workers. Already, these initiatives have led to the group recording the lowest-ever Lost Time Injury Frequency Rate in FY2005, of 3.57.

Environmentally, we remain acutely aware of the potentially hazardous impact of our mining and metallurgical processes on the quality of the air and the water resources at our operations, as well as our impact on the natural landscape. We therefore strive continuously to reduce the effect of our operations through structured air quality, water and land management processes that collectively protect the health and well-being of our people and the communities in which we operate, as well as the physical environment.

In this regard, I am enormously proud to report that Impala Platinum Refineries has retained its ISO 14001 certification for the seventh consecutive year. Both Impala Platinum Rustenburg and Zimplats’ Selous Metallurgical Complex have achieved ISO 14001 certification and retained this status at their verification audits, and significant progress has been made to align the Zimplats’ Ngezi operations’ environmental management system with ISO 14001. The two Zimplats operations came first and second respectively in the regional environmental audit for 2005, organised through the Association of Mine Managers of Zimbabwe, with the Selous Metallurgical Complex ultimately winning the national finals.

From a social perspective, Implats has made satisfactory progress in managing the impact of the HIV/AIDS epidemic on the group. Impala’s Rustenburg operations have maintained a below-industry prevalence rate of 16%.

We have also invested considerable resources in the well-being of our people and in terms of skills development and training. Employment equity remains a focus area, especially the development of opportunities for women in mining.

We also acknowledge our responsibility to contribute financial and other resources to development projects that offer meaningful and sustainable upliftment opportunities to previously disadvantaged people, especially those residing in the communities surrounding our operations and the rural areas from which a large percentage of our labour is sourced. The group works collaboratively with authorities and agencies at various levels to alleviate poverty through education, enterprise development and black economic empowerment initiatives. We also provide support to initiatives that improve access to appropriate healthcare facilities (especially home-based care for HIV/AIDS patients).

### OUR SCORECARD

<table>
<thead>
<tr>
<th>What we said in FY2004</th>
<th>What we achieved in FY2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reducing fatalities by 50% per year</td>
<td>Seven lives lost, compared to 10 lives in FY2004.</td>
</tr>
<tr>
<td>Reducing the LTIFR by 50% to 2.4 per million man hours worked</td>
<td>Achieved a 26% reduction in LTIFR to 3.57 (from 4.8), which is the lowest LTIFR ever recorded by the group.</td>
</tr>
<tr>
<td>Producing 2 million ounces of platinum by FY2006</td>
<td>As a result of delayed implementation of Two Rivers and Aquarius’ Everest Project, we are now on track to achieve 2.1 million ounces of platinum in 2007.</td>
</tr>
<tr>
<td>Retaining ISO 14001 certification at Impala’s operations and achieving this status throughout the group</td>
<td>Retained at Impala and Zimplats’ Selous Metallurgical Complex. Not yet attained at Zimplats’ Ngezi operations, or Marula Platinum.</td>
</tr>
<tr>
<td>Reducing fresh water consumption by a further 5% in FY2005</td>
<td>Achieved a 4.1% overall reduction, excluding Mimosa operations. Marula Platinum achieved a reduction of 25.1%.</td>
</tr>
<tr>
<td>Conducting a third-party audit of group policies and procedures in FY2005</td>
<td>Legal compliance audit completed, balance is in progress.</td>
</tr>
</tbody>
</table>
With regards to the reporting requirements of the Mining Charter in particular, the group’s third scorecard has been included on pages 24 to 28.

OUR STRATEGY FOR SUSTAINABLE DEVELOPMENT

At Implats we consider the current transformation of the mining industry to be far more than a legislated requirement in terms of the Minerals and Petroleum Resources Development Act and the associated Mining Charter. Indeed, we believe that transformation is a strategic imperative for the sustainability of the industry, and thus the group.

Accordingly, our strategy for sustainable development centres on issues relating to transformation, as outlined in the Mining Charter. This approach embodies the notion that sustainable development is, by nature, an interdisciplinary concept that draws on the social and physical sciences, as well as law, management and politics. It also endorses the dynamic approach described by the 1987 World Commission on Environment and Development (WCED, also known as the Brundtland Commission) as “a process of change in which the exploitation of resources, the direction of investments, the orientation of technological development, and institutional change are all in harmony and enhance both the current and future potential to meet human needs and aspirations”.

We believe that meeting current needs means fulfilling the following aspects of society:

- Economic needs – which include access to an adequate livelihood as well as economic security when ill, disabled or otherwise unable to secure a livelihood;
• Social, cultural and health needs – which embrace homes that are healthy, safe, affordable and secure, equitable access to quality education and healthcare, and protection from environmental hazards; and

• Political needs – which include the right to freedom of association and political expression in a framework where civil and political rights are respected.

At the same time, we strive to ensure that meeting these needs does not compromise the ability of future generations to meet their own needs by minimising our consumption (and wastage) of non-renewable resources; ensuring the sustainable use of renewable resources (such as fresh water and soils) so as to ensure a natural rate of recharge; and respecting the carrying capacity of the ecosystem – both regionally (i.e. where our operations are located) and globally. In so doing, we aim to contribute to a quality of life that is socially desirable, economically viable and ecologically sustainable, and can therefore be maintained for many generations.

LOOKING FORWARD

Although we have, as a group, achieved much during the year under review in terms of our economic, environmental and social objectives, there is always room for improvement and growth. Accordingly, we remain unwaveringly committed to our strategic goals in these areas, as well as to evaluating all objectives and initiatives continually, to ensure that they remain appropriate.

Our critical performance targets for the year ahead, include:

• Achieving a 33% reduction in LTIFR year-on-year, with a long-term objective of zero injuries.

• Converting our ISO 14001: 1996 certificates to incorporate the requirements of the 2004 standards.

• Reducing fresh water consumption by 5% year-on-year.

• Ensuring continued implementation of our Employment Equity Plans at all South African operations.

• Containing the HIV prevalence rate at our operations to levels lower than the levels reported for similar populations in surrounding areas.

• Finalising sulphur dioxide abatement strategy for Rustenburg operations.

In closing, I express my thanks to our employees who individually and collectively contribute to the realisation of Implats’ vision, mission and performance objectives; and to our business associates who help us achieve our ambitions. Through ownership and accountability for our actions, we contribute to a group that continues to perform strongly while consistently meeting its corporate responsibilities.

Keith Rumble
Chief Executive Officer
The content of this report is focused on issues that Implats considers to be fundamental to the group’s corporate responsibilities, namely our approach to and performance in the arenas of safety, health, environmental, employee development and socio-economic development; as well as our efforts to engage with our diverse stakeholder audiences. It covers only those group operations where Implats has management control or joint control, namely Impala Platinum Limited (Impala) and Marula Platinum (Pty) Limited in South Africa; and Zimplats Holdings Limited (Zimplats) and Mimosa Platinum (Pvt) Limited (Mimosa) in Zimbabwe.

Incremental growth in scope has been achieved over prior reports, confirming that measurable progress has been made towards our longer-term reporting ambitions – namely to produce a report that is in accordance with the recommendations of the Global Reporting Initiative (GRI) for sustainability reporting by 2007. Evidence of this progress lies in the incremental growth in the number of GRI indicators against which we are reporting in this document (depicted in the GRI index on pages 130 to the IBC, which tabulates those aspects of the GRI that have been included in this report and the sections of the report where such references can be found).

This report should be read in conjunction with the Implats 2005 Annual Report, published concurrently. Additional information on our group may be found on the company’s website or obtained from the contact persons listed on the contents page.
One of the world’s leading primary producers of platinum and PGMs, Implats’ annual primary output amounted to 1.85 million ounces of platinum and 3.55 million ounces of PGMs during the reporting period. A comprehensive growth programme is underway to increase production, both from primary and secondary sources, to 2.1 million ounces of platinum by 2007.

Our primary operations and interests are located on South Africa’s Bushveld Complex. This 2000 million year-old igneous intrusion stretches across the north of the country in a 350-kilometre arc and hosts approximately 77% of the world’s known platinum resources. We also have operations and interests on the Great Dyke in Zimbabwe, a layered complex similar to the Bushveld Complex but with an elongated geometry extending 550 kilometres across the entire length of that country.

Implats also has active offshore exploration projects in Canada, Brazil and Australia.
MINING OPERATIONS

Implats’ four mining operations are Impala Platinum and Marula Platinum in South Africa; and Zimplats and Mimosa in Zimbabwe.

Impala Platinum Limited (Impala)

Impala comprises mining and mineral processing facilities outside Rustenburg in the North West Province (known as our Rustenburg operations); and Base Metals (BMR) and Precious Metals Refineries (PMR) located at Springs in the province of Gauteng (known as Refineries).

The Rustenburg operations constitute our major production unit and comprises 13 operational shaft systems and five decline projects, three of which are under construction, across a 27,573-hectare lease area. A further three shafts are planned for full production in 2006 (No. 12 North Shaft), 2008 (No. 20 Shaft) and 2009 (No. 16 Shaft) respectively; and the mineral processing (concentrating and smelting) plants.

At Refineries, the BMR produces copper and nickel while the PMR recovers the five PGMs and gold.

Mining activities are focused on two reefs, the Merensky Reef and the UG2 Chromitite Layer, which are contained in the Rustenburg Layered Suite—a well-layered igneous succession of the Bushveld Complex. Operations extend to a depth of around 1,000 metres below surface, with the majority taking place at an average depth of 635 metres. Approximately 16 million tonnes of ore are mined each year, yielding more than 1 million ounces of platinum and 1.9 million ounces of PGMs.

At 30 June 2005, these operations had total ore reserves of 17.7 million platinum ounces and total mineral resources of 59.7 million platinum ounces, allowing production at current levels to be sustained for at least the next 30 years.

Impala currently provides employment to approximately 27,405 employees and 8,345 contractors (35,750 in total).

Marula Platinum (Proprietary) Limited (Marula Platinum)

Marula Platinum is located on the eastern limb of the Bushveld Complex, near Burgersfort in the Limpopo Province. The project comprises the farms Winnaarshoek, Clapham and a portion of the farm Forest Hill; and a portion of the contiguous Driekop property has been subleased and incorporated into the project. Extensive exploration drilling has been conducted in the area, where both the UG2 and Merensky reefs are present.

The mine, which will be owned jointly by Implats’ and our black economic empowerment partners in this project, Mmakau Mining Limited (10%), Marula Community Trust (5%) and a consortium of local business (5%), has the potential to produce 130,000 ounces of platinum per year for at least 17 years. On-reef development commenced in October 2002 with phase one of the project—involving construction of the Clapham and Driekop decline systems on the UG2 reef, a 211,000 tonne per month concentrator, access roads and water reticulation—completed on time to allow the mining operations to be commissioned in December 2003. Full production should be achieved in the 2009 financial year, at approximately 140,000 ounces of platinum (330,000 ounces of PGMs) per year.

1,226 people are currently employed at Marula Platinum, the majority of whom are from the local community.

Zimplats Holdings Limited (Zimplats)

Zimplats, in which Implats has a 86.9% share, is located on the Hartley Geological Complex on the Great Dyke in Zimbabwe. Listed on the Australian Stock Exchange, Zimplats’ wholly owned subsidiary Zimbabwe Platinum Mines (Pvt) Limited, comprises Ngezi Platinum Mine (opencast and trial underground operations), Selous Metallurgical Complex (SMC), and the mothballed Hartley Platinum Mine (HPM) and Hartley Complex tenements.

At 30 June 2005, Zimplats had total ore reserves of 17.9 million platinum ounces and total mineral resources of 161 million platinum ounces. The opencast operations at

The glass-lined vessels in the platinum production section of the Precious Metals Refinery, Springs.
Ngezi Platinum Mine produces a steady 2 million tonnes a year while the mechanised underground trial mine currently produces approximately 40,000 tonnes per month. These operations are expected to achieve full production of 90,000 ounces of platinum in the new financial year, with the potential to expand incrementally to 400,000 ounces of platinum a year over time.

The SMC comprises a concentrator and smelter, which were re-commissioned almost four years ago. The base metals refinery and the HPM presently remain on care and maintenance.

Zimplats currently provides direct employment to 743 people and indirect employment to 1,170 contractors, bringing the total number of individuals working at the operations to 1,913.

Mimosa Platinum (Private) Limited (Mimosa)

Mimosa is wholly owned by Mimosa Investments Limited, a Mauritius-based company owned jointly by Implats and Aquarius Platinum Limited. The mine, which is situated on the Wedza Geological Complex, on the southern reaches of the Great Dyke in Zimbabwe, successfully ramped up production to 60,800 ounces of platinum (135,000 ounces of PGMs) per year from February 2004. Mining starts at 60 metres below surface and currently extends down to approximately 200 metres.

Potential has been identified for further low-cost expansion to 135,000 ounces of platinum (250,000 PGM ounces). Total mineral resources are estimated at 5.6 million ounces.

The mine currently employs 1,620 people, of whom 1,472 are employees and 148 are contractors.

Table 1: Comparative tabulation of Implats’ operating interests (mine to market refined platinum production).

<table>
<thead>
<tr>
<th></th>
<th>Production: refined platinum ounces (12 months to 30 June 05)</th>
<th>Employees (30 June 05)</th>
<th>Contractors (30 June 05)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Impala Platinum</td>
<td>1,114,600</td>
<td>27,405</td>
<td>8,345</td>
</tr>
<tr>
<td>Marula Platinum</td>
<td>30,900</td>
<td>1,226</td>
<td>0</td>
</tr>
<tr>
<td>Zimplats</td>
<td>82,400</td>
<td>743</td>
<td>1,170</td>
</tr>
<tr>
<td>Mimosa 50%</td>
<td>30,400</td>
<td>1,472</td>
<td>148</td>
</tr>
<tr>
<td>TOTALS</td>
<td>1,258,300</td>
<td>30,846</td>
<td>9,663</td>
</tr>
</tbody>
</table>

Spent autocatalysts collected worldwide are delivered to Impala’s mineral processing operations, where the PGMs are regenerated.
STRATEGIC HOLDINGS AND ALLIANCES

Implats holds a sizeable stake in a number of partner companies with a view to having a material impact on the strategic operation and direction of these companies. A feature of these holdings is the long-term concentrate off-take agreements with IRS. Although Implats is not involved in the day-to-day running of these operations, it provides technological expertise and financial support.

Among the strategic holdings or partnerships are:

- An 8.6% stake in Aquarius Platinum Limited and a 20% stake in operating subsidiary Aquarius Platinum (South Africa) (Proprietary) Limited, giving an effective 24% interest in the operations. The latter owns the Kroondal and Marikana operations, as well as the Everest project.
- A 45% stake in the Two Rivers Joint Venture with African Rainbow Minerals Resources.
- The Ambatovy nickel project in Madagascar, a joint venture with Canadian company, Dynatec Corporation and Sumitomo Corporation, Japan.

POTENTIAL HAZARDS ASSOCIATED WITH THE PRODUCTION OF PLATINUM

The production of refined PGMs and base metal products results in inherent hazards for the environment, as well as the health and safety of both employees involved in the various processes and the communities surrounding our operations. The nature and scope of these hazards are well understood at Implats and are used as the foundation of our safety, health and environmental policies and procedures.

Mining operations

Our mines are predominantly underground operations, with some open cast mining activities. The mined ore-bearing rock is transported to the concentrator by conveyor, road or rail.

The majority of our employees work underground, and safety is the most important consideration in the management of our mining operations. This is particularly so with regard to the conditions to which our underground employees are exposed, namely heat and noise.

Some material of little value is generated as a by-product of our mining activities. This ‘waste rock’ is dumped on waste rock dumps close to the mine shafts.

Concentrators

The mined ores are treated separately in our concentrators, reflecting the differences in their respective mineralogy. The ore is milled together with water to produce a fine pulp, which is pumped to the flotation section. Here chemicals are added to the pulp enabling the valuable material to be separated from the waste. The concentrate containing the minerals is sent to the smelter for further processing and the waste material (or tails) is pumped to tailings dams.

Water consumption is a major environmental issue in the concentrating process. A large quantity of water is used, a significant portion of which is lost to evaporation on the tailings dams. Several controls and initiatives are in place to improve recovery of as much water as possible from both the tails and the concentrate.

Smelter

The concentrate is dried before being charged in submerged electric arc furnaces. Here the PGMs and other metal sulphides are separated into furnace matte from the unwanted material (or slag oxides). Iron sulphide is removed from the furnace matte by oxidation to an iron oxide slag in the converter section of the smelter, by blowing air through the molten furnace matte.

The converter matte is granulated and sent to the Refineries, while the furnace and converter slags are granulated and reprocessed in the concentrator to recover the remaining valuable metals.
During the smelting processes, sulphur dioxide gas and dust are generated. The dust is removed from the offgases streams by electrostatic precipitators and wet scrubbers. The furnace and converter gases are sent to sulphuric acid plants for sulphur recovery.

**Refineries**

At Refineries, the converter matte is acid leached in the BMR to recover copper, nickel and cobalt. A black concentrate powder is then sent to the PWR where platinum, palladium, rhodium, ruthenium, iridium, gold and silver are extracted.

Gases and fumes such as chlorine, nitrous oxides, sulphur dioxide and ammonia may be released during the refining process. These are chemically removed by wet scrubbing processes.

A de-bottlenecking project aimed at expanding the capacity of the operation is in progress at Refineries. The incorporation of advanced scrubbing technology will ensure that the impact of the expanded facility on air quality will be lower than the current installation. The project will also lead to an estimated 25% reduction in water consumption per year, despite the approximate 50% increase in output from the expanded plant. The project is scheduled for completion, within environmental compliance, by June 2006.

The major occupational health risk at Refineries remains potential exposure to platinum salts. This is averted successfully by strict hygiene measures and “hands-off” systems for employees exposed to the hazard. Noise generated during the refinery processes poses a further occupational health risk, which is guarded against through personal protective equipment (PPE).

**Recycling**

The primary PGMs – platinum, palladium and rhodium – are used to control vehicle emissions in both gasoline and diesel engine exhaust systems. Implats’ longstanding and growing association with A1 Specialized Services and Supplies Inc makes it one of the world’s largest recyclers of “spent catalysts” for the automotive industry, with most being sourced from North America and Europe.

**Figure 3:** Flow chart depicting Platinum Production Process

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**Operational inputs**

**Labour**

**Natural resources consumption:**

- Mineral Ore
- Water
- Electricity (coal)
- Other fuels

**Minerals**

- Ore
- Concentrate
- Converter Matte
- BMR Concentrate

**Operational outputs**

**SOLID WASTE**

- Waste Rock
- Tailings
- Domestic Waste
- Hazardous Waste

**AIR EMISSIONS**

- Particulate Matter
- Carbon Dioxide
- Sulphur Dioxide

**PRODUCTS**

Primary Products:
- Platinum, Palladium, Iridium
- Ruthenium, Rhodium, Gold, Silver
- Copper, Nickel, Cobalt

Secondary Products:
- Ammonium Sulphate, Sulphuric Acid
The majority of our employees work underground, and safety is the most important consideration in the management of our mining operations.
Legislation impacting on the group and its operations

The legal environment within which Implats operates has continued to evolve during the year under review, resulting in both legislative and regulatory changes that have a material impact on the group and its operations, especially in South Africa. These are summarised on pages 17 to 20.
Minerals and Petroleum Resources Development Act, Act No. 28 of 2002 (MPRDA)

The MPRDA, which was enacted on 1 May 2004, provides for parties who are of the opinion that their rights have been expropriated as a result of an Act to claim compensation from the State. In terms of the Implementation of Legal Proceedings Against Certain Organs of State Act, 2002 (ILPA), any such claim for compensation must be made within three years of, inter alia, the action giving rise to the claim (i.e. in this instance the promulgation of the MPRDA) and must be preceded, within six months of the action arising, by a notice to the State giving notice of such claim.

Accordingly, as responsible corporate citizens, with a duty to protect the interests of its shareholders in an environment of newly developed legislation, notice was duly given during October 2004 by all affected group companies.

Regulation 82 A to the MPRDA was published in Government Gazette 26942 on 29 October 2004, providing for the Director General of the Department of Minerals and Energy (DME) to determine whether a claimant has a valid claim for compensation as a result of expropriation, or not. Such determination is subject to an internal appeal to the Minister of Minerals and Energy. Where a claim is accepted as valid, the amount of compensation must be agreed between the Director General and the claimant or determined by a competent court. The Regulation 82 A procedure must be exhausted prior to the institution of any claim for compensation.

Whereas all “old order” rights held within the Implats group of companies are currently the subject of applications for conversion to “new order” rights or applications for the grant of additional “new order” rights in terms of the provisions of the MPRDA, several factors that will have to be taken into consideration for possible claims for compensation as a result of the expropriation will only become apparent in the fullness of time. These may include conversions being granted either wholly or in part, new applications being granted or refused, and conditions being imposed on such new order rights (including but not limited to royalties payable).

Once the outcome of all applications made, as listed in Table 2, is known, the respective Implats group companies will be in a position to decide whether to institute the Regulation 82 A procedure and then, possibly, institute the conventional litigation process to claim compensation for expropriation. These claims will be quantified in accordance with the provisions of Item 12 of the MPRDA, as read in conjunction with the Constitution of the Republic of South Africa.

In all likelihood, the necessity to institute any compensation claims under the MPRDA or ILPA will be obviated if applications for “new order” rights under the MPRDA – either as mining or prospecting rights or conversions of old order rights – are successfully granted by the DME.

The Minerals and Mining Development Board, provided for in Section 57 of the MPRDA (the Board), has been established and was officially launched on 29 June 2005. The Board comprises 18 members, which are appointed by the Minister of Minerals and Energy and must include members representing the relevant State Departments, organised labour, organised business, relevant non-governmental organisations, relevant community-based organisations and persons with appropriate expertise, experience or skills to enhance the Board’s capability of performing its functions more effectively.

The Board’s functions include advising the Minister of Minerals and Energy on the sustainable development of South Africa’s resources, the transformation and downscaling of the minerals and mining industry, as well as dispute resolution. The Board must also ensure the promotion of human resource development in the minerals and mining industry in consultation with the Mining Qualifications Authority. Furthermore, the Board may report to the Minister of Minerals and Energy on any matter relating to the MPRDA and enquire into and report to the Minister of Minerals and Energy on any matter concerning the objects of the MPRDA.

The Precious Metals Beneficiation Bill and the Diamond Amendment Bill

The first Precious Metals and Diamonds General Amendment Bill [B-2004] was published for public comments in the Government Gazette No 26245 on 16 April 2004. The purpose of this Bill was to amend the Mining Rights Act 20 of 1967 and the Diamonds Act 56 of 1986 so as to provide for the rationalisation of the regulation of matters pertaining to the downstream development of precious metals and diamonds; to promote equitable access to, and local beneficiation of the nation’s precious metals and diamonds; and to provide for associated matters.

A revised Precious Metals and Diamonds General Amendment Bill [B-2005] was published on 21 January 2005 in the Government Gazette No 27167 without requesting further public comments. That Bill was submitted by DME to Parliament during the first Parliamentary Session of 2005, which referred it to the State Law Advisors for their approval, before onward submission to the Portfolio Committee on
Minerals and Energy. During the State Law Advisor’s consultation process with DME the decision was taken to split the said Bill into two separate Bills: The Precious Metals Beneficiation Bill and the Diamonds Amendment Bill.

Although both of these Bills are still in the drafting process by DME and the State Law Advisors, it is intended that they be submitted to the Portfolio Committee on Minerals and Energy during the second Parliamentary Session of 2005, and enacted by the end of 2005.

According to various official statements made by the Minister of Minerals and Energy during June/July 2005, the Precious Metals Beneficiation Bill and the Diamond Amendment Bill are designed to promote the local beneficiation of South Africa’s Minerals. The main objective of these two new Beneficiation Bills is to encourage equitable access to diamonds and precious metals and to maximize value addition in the South African industry, thus making South Africa a significant international diamond and jewellery manufacturing centre and an important mineral product-trading hub.

The two Bills propose the establishment of a Precious Metals and Diamonds Regulator as well as a State Diamonds Trader and Exchange. The Regulator would not only be responsible for regulating the diamond trade, but would also evaluate the management and administration of diamond and precious metal beneficiation in totality.

Both Bills will be in line with the MPRDA, in particular with the latter’s Black Economic Empowerment (BEE) requirements. Therefore, guidelines for the implementation of broad-based socio-economic empowerment in the diamond and precious metals beneficiation sectors will be established. It will propose, among other things, the introduction of beneficiation licences for control purposes and to reinforce export duty as a disincentive to the excessive export of rough diamonds and precious metals.

Notwithstanding the anticipated enactment of the Precious Metals Beneficiation Bill and Diamonds Amendment Bill, in terms of the Mining Charter of the MPRDA, the beneficiation of minerals mined and processed is not compulsory for mining companies. However, provision is made to enable mining companies to offset the value of the level of beneficiation achieved by the company against its Historically Disadvantaged South African (HDSA) ownership commitments (namely 26% equity by 2014).

Once the Precious Metals Beneficiation Bill is finalised, and released to the public for comment and thereafter enacted, Implats will assess future beneficiation opportunities.

National Environmental Management Act, Act No. 8 of 1994

This Act serves to facilitate the transition between the “old” environmental impact assessment regulations of the Environment Conservation Act and the “new” environmental impact assessment (EIA) regulations of the National Environmental Management Act of 1998, which now imposes the requirements for prior consent and EIA obligations for certain specified developments. It has eliminated the confusion arising from overlapping and conflicting provisions of the two Acts. However, the new provisions enable the Minister of Environmental Affairs and Tourism to identify existing activities that may have a detrimental effect on the environment and for which an
application for authorisation must be submitted – a radical statutory provision that could deprive citizens of existing rights obtained prior to the existence of environmental controls. The National Environmental Management Amendment Act also details the consequences for offences relating to the commencement or continuation of listed activities without the required consent, namely a maximum fine of R5 million (or ten years’ imprisonment).

National Environmental Management Amendment Act No. 46 2003

This Act, which came into effect on 1 May 2005, deals primarily with matters relating to law enforcement. Although it does not require any operational adjustments, its provisions serve as a deterrent to the infringement of the law. These include:

- The appointment of environmental management inspectors by the Minister of Environmental Affairs and Tourism, or the respective MECs, with a view to redressing the dearth of environmental law enforcement in South Africa. The officers’ powers include the right to enter and search premises without warrants, to inspect premises without prior warning, to question staff and to collect and remove samples for analysis.

- Provision is also made for rewarding informants whose evidence leads to the conviction of an offender or who assisted in bringing an offender to justice, to the value of up to one-fourth of the fine imposed by the court.

- Courts convicting persons or corporations under the National Environmental Management Act will be permitted to withdraw existing permits and/or disqualify the convicted person/corporation from obtaining a permit or other authorisation for a period of up to five years.

National Environmental Management: Air Quality Act No. 39 of 2004

The long-awaited Air Quality Act was promulgated on 24 February 2005. The date of commencement is, however, still to be determined by the Minister of Environmental Affairs and Tourism. The most important aspects of the Act are as follows:

- Within two years of the date on which the Act takes effect, the Minister of Environmental Affairs and Tourism will establish a national framework for achieving the objectives of the Act (i.e. the prevention of air pollution). This will include, inter alia, national norms and standards for the control of emissions from point and non-point sources of pollution; air quality monitoring; air quality management plans; and air quality information management.

- Section 9 of the Act imposes an obligation on the Minister to both identify substances which present a threat to health, well-being or the environment; and set ambient standards for such substances. The provincial MECs and local authorities will have the authority to impose stricter standards than those set by national government.

- Section 14 requires the appointment of air quality officers at national, provincial and local authority level, who will be required to coordinate their activities as set out in the national framework.
• National, provincial and local government will be obliged to develop air quality management plans, which, inter alia, must seek to improve air quality within the domain of the relevant sphere of government; identify and reduce the negative impact of poor air quality on human health and the environment; address the effects of emissions from the use of fossil fuels in residential applications; and address the effects of emissions from industrial sources.

• The ambit of control is much broader than the Atmospheric Pollution Prevention Act of 1965 (APPA), which focused on point source emissions from a list of 72 processes. The new Act provides for control over any conceivable source of air pollution and makes provisions for the declaration of:
  a. Priority areas, in which air quality management action plans will have to be drawn up and implemented by the relevant authorities.
  b. Listing of activities that may not commence without licences. Unlike the scheduled processes issued under APPA, licenses issued under the new Act must contain emission limits and obligations relating to point, non-point, ambient and greenhouse gas emission monitoring and reporting. The holder of a provisional or permanent licence may be required to designate an emissions control officer (with relevant air quality management competence).
  c. Controlled emitters (which could be an appliance or an activity) for which emission standards will be determined.
  d. Controlled fuels, which may not be manufactured, sold or used unless they conform to standards.
  e. Other measures, such as conferring a discretion on the Minister and MECs to call for the development of pollution prevention plans and atmospheric impact reports from pollution industries.

• Non-compliance with the conditions of existing registration certificates could affect a company’s chances of obtaining a new licence.

• Provisional registration certificates for scheduled processes under the now repealed APPA will remain valid for two years after commencement of the new Act. The provisional certificate will lapse upon issuance of the provisional licence under the new Act.

• Final registration certificates will remain valid for four years and a renewal application must be lodged within the first three years of this validity period.

A comprehensive audit of all external legislation affecting the group and its operations commenced during FY2005, with a view to highlighting key areas and performance measures.

APPLICATIONS IN TERMS OF THE MPRDA

In terms of the provisions of the MPRDA, Implats in FY2005 embarked on a concerted project to make application for conversion of existing old order rights to “new order” mining or prospecting rights or, where applicable, new applications for “new order” mining rights and prospecting rights. The project has entailed various applications, as summarised in Table 2, to the relevant regional offices of the DME for:

• the conversion of six old order mining rights to “new order” mining rights;
• the conversion of two old order prospecting rights to “new order” prospecting rights; and
• applications for six “new order” prospecting rights which relate to either unused old order rights held within the Implats group or third party unused old order rights (where applicable, subject to the required ministerial consent to transfer the prospecting right, after approval thereof in favour of a third party or to the applicable company within the Implats group; or to a joint venture formed between Impala and its HDSA joint venture partner (selected for that specific exploration project).
## Applications in respect of Old Order Mining Rights, Old Order Prospecting Rights and Unused Old Order Rights held within the Implats group of companies

<table>
<thead>
<tr>
<th>Properties</th>
<th>Operation &amp; Area</th>
<th>Old Order Right, Authorisation or Permit</th>
<th>Application submitted for</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Department of Minerals and Energy, Limpopo Region</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mineral Area 2 on Forest Hill 117KT, Clapham 118KT, Winnaarshoek 250KT</td>
<td>Marula Platinum, Burgersfort</td>
<td>Older Order Mining Right – Mining Licence No. 15/2003 (held by Impala)</td>
<td>Conversion to “new order” right, together with Section 11 application to transfer mining right upon conversion approval to Marula Platinum.</td>
</tr>
<tr>
<td>Mineral lease area on Mineral Area 2 on Driekop 253KT</td>
<td>Marula Platinum, Burgersfort</td>
<td>Older Order Mining Right – Mining Licence No. 22/2003 (held by Marula Platinum)</td>
<td>Conversion to “new order” mining right.</td>
</tr>
<tr>
<td><strong>Department of Minerals and Energy, Mpumalanga Region</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Portions of Kalkfontein 367KT, Tweefontin 360KT, Spitzkop 333KT, Buffelshoek 368KT</td>
<td>Exploration project, Steelpoort</td>
<td>Old Order Prospecting Right – Prospecting Permit No. 39/2004 (held by Impala)</td>
<td>Conversion to “new order” prospecting right, together with Section 11 application to transfer the Spitzkop rights, upon conversion and approval, to Spitzkop Platinum.</td>
</tr>
<tr>
<td>Properties</td>
<td>Operation &amp; Area</td>
<td>Old Order Right, Authorisation or Permit</td>
<td>Application submitted for</td>
</tr>
<tr>
<td>---------------------------------------------------------------------------</td>
<td>--------------------------------</td>
<td>-----------------------------------------------------------------------------</td>
<td>---------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>First and Second Bafokeng Areas, Trust Area, Magistraatshoogte, State Land Area</td>
<td>Rustenburg operations, Rustenburg</td>
<td>Old Order Mining Right – Mining Licence ML 6/1998 (held by Impala)</td>
<td>Conversion to “new order” mining right.</td>
</tr>
<tr>
<td>Third Bafokeng Area</td>
<td>Rustenburg operations, Rustenburg</td>
<td>Older Order Mining Right – Mining Licence ML 7/2001 (held by Impala)</td>
<td>Conversion to “new order” Mining Right, together with Section 102 application to include the Fourth and Fifth Bafokeng Area into the mining area, after conversion approval.</td>
</tr>
<tr>
<td>Fourth and Fifth Bafokeng Areas (“Keeley Area”)</td>
<td>Rustenburg operations, Rustenburg</td>
<td>Old Order Prospecting Right Prospecting Permit PP79/2002 (held by Impala)</td>
<td>Application lodged in terms of Section 102 to include this area into adjacent mining right area, upon approval of conversion application of old order mining right (ML7/2001).</td>
</tr>
<tr>
<td>Boschkoppie 104JQ</td>
<td>Rustenburg operations, Rustenburg</td>
<td>Old Order Mining – Mining Licence ML 11/1999 (held by Impala)</td>
<td>Conversion to “new order” mining right.</td>
</tr>
<tr>
<td>Individual Mineral Owners Areas</td>
<td>Rustenburg operations, Rustenburg</td>
<td>Old Order Mining Right – Mining Licence ML 7/1998 (held by Impala)</td>
<td>Conversion to “new order” mining right.</td>
</tr>
<tr>
<td>Mineral Area on Turffontein 262JQ Mineral Areas 1 and 2 on Kookfontein 265JQ</td>
<td>Rustenburg operations, Rustenburg</td>
<td>Unused Old Order Right – Notarial Mineral Lease K005966/03RM (held by Impala)</td>
<td>“New order” prospecting right.</td>
</tr>
</tbody>
</table>
**Table 2: Applications in terms of the MPRDA, submitted by Implats group companies, FY2005 (cont).**

**“New order” Prospecting Right applications in respect of third party unused old order rights**

<table>
<thead>
<tr>
<th>Properties</th>
<th>Operation &amp; Area</th>
<th>Old Order Right, Authorisation or Permit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department of Minerals and Energy, Mpumalanga Region – Micawber 399 (Pty) Ltd (incorporated joint venture between Endulwini Resources (51%) and Impala (49%))</td>
<td>Steelpoortpark 366KT</td>
<td>Unused Old Order Right (held by the State prior to 30 April 2005)</td>
</tr>
<tr>
<td></td>
<td>Exploration Project, Steelpoort</td>
<td>“New order” prospecting right.</td>
</tr>
<tr>
<td>Department of Minerals and Energy, North West Region – Impala (100%)</td>
<td>Portion 1 of Reinkoyalskraal 278JQ</td>
<td>Unused Old Order Right (purchased by Impala from the Evangelican Church of SA (Western Dioceses) (ELCSA) prior to 30 April 2005)</td>
</tr>
<tr>
<td></td>
<td>Rustenburg operations, Rustenburg</td>
<td>“New order” prospecting right in the name of ELCSA, together with Section 11 application to transfer the prospecting right upon approval thereof to Impala.</td>
</tr>
<tr>
<td>Department of Minerals and Energy, North West Region – Unincorporated joint venture between Royal Bafokeng Resources Platinum (Pty) Ltd (51%) and Impala (49%)</td>
<td>Klipgatkop 115 JQ</td>
<td>Unused Old Order Right (purchased by Impala from Western Platinum Ltd prior to 30 April 2005)</td>
</tr>
<tr>
<td></td>
<td>Rustenburg operations, Rustenburg</td>
<td>“New order” prospecting right in the name of Western Platinum Ltd, together with Section 11 application to transfer the prospecting right upon approval thereof to the RBR/Impala joint venture.</td>
</tr>
<tr>
<td></td>
<td>Portions of Doornspruit 84JQ and Roodekraspruit 113JQ</td>
<td>Third Party Unused Old Order Rights (lapsed on 30 April 2005)</td>
</tr>
<tr>
<td></td>
<td>Rustenburg operations, Rustenburg</td>
<td>“New order” prospecting right.</td>
</tr>
</tbody>
</table>

**MINING CHARTER**

The Broad-Based Socioeconomic Empowerment Charter for the Mining Industry (the Mining Charter), as contemplated in Section 100 of the MPRDA, was formally published under Government Notice 1639 on 13 August 2004 in Government Gazette 26661. The group’s response to the Mining Charter, summarised on pages 24 to 28, is detailed in this report.
## RESPONSE TO THE MINING CHARTER

### Human resource development

**Has every employee been offered the opportunity to be functionally literate and numerate by 2005 and are employees being trained?**

- 6,484 employees have attended ABET courses since 2000.

  **Impala Platinum:**
  - Full and part time classes available:
  - 21.7% of employees estimated to be functionally literate and numerate.
  - 772 employees participated in ABET (FY2004: 571) at a cost of R6.4 million

  **Marula Platinum:**
  - 77.6% of employees estimated to be functionally literate and numerate.
  - No ABET training in FY2005 as operations were managed by a contractor

**800 employees targeted for ABET. This will bring proportion of workforce that is functionally literate and numerate to 22% at a cost of R6.4 million.**

**60 employees targeted for ABET training at a cost of R600,000**

**240 employees to be trained.**

### Have career paths and skills development plans been implemented for HDSA employees?

- An integrated workplace skills development plan has been submitted to the MQA for both Impala Platinum and Marula Platinum. Impala has been accredited by the MQA as a training provider.

- Expenditure on skills development training amounted to R144 million or 5% of payroll (FY2004: R130 million)

- Generic career paths for all major disciplines are available to assist employees to follow specific careers. Succession planning and individual development plans are available for all HDSA employees identified in talent pools. 90 HDSA employees are presently busy with accelerated programmes.

**Will continue to provide:**

- 53 bursaries.
- 75 children of employees
- 75 school enrichment scholarships

**Impala will continue to support accelerated training of women in mining.**

**Impala will continue to support accelerated training of women in mining.**

### Has the company developed systems to mentor empowerment groups?

- Mentorship programmes have been developed and implemented
  - 41 mentors appointed and trained
  - 75 protégés appointed and trained

- 4 candidates from the Royal Bafokeng Nation are placed on internal experiential training/mentoring programmes.

- On a corporate level, mentoring is provided to NGOs, co-operatives and SMMEs.

**75 protégés to be mentored**

**Impala will continue to give preference to candidates from the Royal Bafokeng Nation.**

**40 NGOs to be mentored**

**15 SMMEs to be mentored.**

**Impala Platinum will continue to give preference to candidates from the Royal Bafokeng Nation.**

**60 NGOs to be mentored**

**30 SMMEs to be mentored.**
Achieved in FY2005 | Targets for FY2006 | Targets for FY2009
---|---|---
**Employment equity**

Has the employment equity plan been published and has annual progress in meeting this plan been reported?

Yes, Implats has submitted its employment equity plan annually to the Department of Labour since 2003. The employment equity plan is on display on all notice boards at Impala Platinum. A new plan was completed in June 2005.

To accelerate employment equity, transformation steering committees have been set up at all operations. These committees were established in consultation with employee representatives and are responsible for ensuring employment equity progress.

Has a plan been established to achieve HDSA participation in Management of 40% within five years and is the plan being implemented?

Yes, a plan has been developed to achieve this target by 2007. Current breakdown of management:

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-white (male and female)</td>
<td>19%</td>
</tr>
<tr>
<td>Male (non-white)</td>
<td>16%</td>
</tr>
<tr>
<td>Female (all)</td>
<td>15%</td>
</tr>
<tr>
<td>Females (white)</td>
<td>12%</td>
</tr>
<tr>
<td>Total HDSA (including white females)</td>
<td>31%</td>
</tr>
</tbody>
</table>

This can be broken down as follows (including white women):

- 28% Rustenburg
- 13% Marula Platinum
- 45% Refineries
- 45% Corporate office

A plan has been developed to achieve this target by 2007. A plan has been developed to achieve this target by 2007.

Has the company identified a pool of talent and is this being fast-tracked?

Impala Platinum has a succession and talent pool system in place which includes HDSA employees. The following HDSA employees are presently on accelerated training programmes:

<table>
<thead>
<tr>
<th>Role</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Learner official mining</td>
<td>27</td>
</tr>
<tr>
<td>Learner official metallurgy</td>
<td>3</td>
</tr>
<tr>
<td>Mine overseer development</td>
<td>11</td>
</tr>
<tr>
<td>Junior engineer</td>
<td>5</td>
</tr>
<tr>
<td>Blasting certificates</td>
<td>44</td>
</tr>
</tbody>
</table>

Impala Platinum will continue with accelerated training programmes for 90 HDSA employees in mining, metallurgy, mine overseer, junior engineer and blasting certificate training and development. A development plan is being implemented.

Impala and Marula Platinum will continue with accelerated training programmes for HDSA in mining, metallurgy, mine overseer, junior engineer and blasting certificate training and development. The need will be determined from production, succession planning and talent pool requirements.

Has a plan been devised to achieve participation by women of 10% by 2009 and is this plan being implemented?

Currently 3.5% of employees are women and 1.5% of managers are women. A plan has been developed to achieve this target by 2007.

A plan has been developed to achieve this target by 2007. Management targets:

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-white (male and female)</td>
<td>40%</td>
</tr>
<tr>
<td>Male (non-white)</td>
<td>34%</td>
</tr>
<tr>
<td>Female (all)</td>
<td>18%</td>
</tr>
<tr>
<td>Females (white)</td>
<td>12%</td>
</tr>
<tr>
<td>Total HDSA (incl white women)</td>
<td>52%</td>
</tr>
</tbody>
</table>
## RESPONSE TO THE MINING CHARTER (cont.)

<table>
<thead>
<tr>
<th>Achieved in FY2005</th>
<th>Targets for FY2006</th>
<th>Targets for FY2009</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Migrant and foreign labour</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Has the company subscribed to government and industry agreements to ensure non-discrimination against foreign migrant labour?</td>
<td>Group policy is not to discriminate against foreign/migrant labour but to recruit locally where possible.</td>
<td>Increase proportion of local labour making up workforce.</td>
</tr>
<tr>
<td>Yes, the company subscribes to such agreements. It also subscribes to the ILO conventions which accord foreign and migrant workers equality before the law. Implats’ policy is to reduce the number of migrant workers by focusing on local recruitment, i.e. employees living within a radius of 60 kilometres of operations.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Mine community and development</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Has the company co-operated in the formulation of integrated development plans (IDPs) and is it co-operating with government in implementing these plans in communities where mining takes place and in labour-sending areas?</td>
<td>First projects to be implemented once stakeholder participation process has been completed.</td>
<td></td>
</tr>
<tr>
<td>Both Implats’ and Marula Platinum work in close cooperation with public and private sector stakeholders. Since 2003, all major projects implemented by these operations have been incorporated in local government IDPs. Close cooperation is maintained with the relevant authorities in implementing development plans.</td>
<td>Education: Amount allocated to education projects to increase to R7.2 million in FY2006.</td>
<td>Education: A budget of R8.5 million</td>
</tr>
<tr>
<td>Implats’ Platinum has identified projects in the Taung and Eastern Cape areas, and Marula Platinum in the Burgersfort/Steelport area. Approximately R10 million was expended in FY2005 on poverty alleviation, education and healthcare projects.</td>
<td>Healthcare: R2.6 million has been budgeted for healthcare projects planned for FY2006.</td>
<td>Healthcare: The target is to develop the capacity of these programmes to conduct 60,000 home-based care visits annually by FY2009.</td>
</tr>
<tr>
<td>Enterprise development: In April 2005, Implats introduced a system of rating suppliers according to both Mining Charter requirements as well as those proposed by the DTI’s new Code of Good Practice.</td>
<td>Enterprise development: A baseline will be determined during FY2006 and targets will be revised for FY2009.</td>
<td>Enterprise development: Targets to be revised</td>
</tr>
<tr>
<td>Community structures were formed in the vicinity of all Implats’ Platinum operations Rustenburg, Refineries and Marula Platinum during FY2005 to facilitate stakeholder involvement. Efforts were made to engage with local communities in labour-sending areas as well.</td>
<td>To continue process of engaging selected stakeholders and learning from each other, R1.2 million has been allocated to develop, maintain and improve stakeholder engagement.</td>
<td>R2 million has to be allocated in FY2009 to maintain the stakeholder engagement level agreed.</td>
</tr>
<tr>
<td>Has the company engaged with local mining communities and those in labour-sending areas?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Community structures to facilitate stakeholder involvement were formed in the vicinity of all the South African operations during FY2005. Effort was made to engage with local communities in labour-sending areas as well.</td>
<td>To continue process of engaging selected stakeholders and learning from each other, R1.2 million has been allocated to develop, maintain and improve stakeholder engagement in FY2006.</td>
<td></td>
</tr>
</tbody>
</table>
### Housing and living conditions

**For company provided housing, has the mine in consultation with stakeholders established measures for improving housing, including the upgrading of hostels, conversion of hostels to family units and promotion of home ownership options for mine employees?**

An accommodation policy has been implemented and a draft accommodation strategy has been submitted to line management for comment.

Impala Platinum has two housing schemes:

- A subsidised scheme which will run for five years only.
- A collateral scheme in terms of which 1,510 people have become home-owners.

Capital expenditure of R1.5 million budgeted for FY2004 – FY2006 for housing upgrades, R7.5 million spent to date a upgrade of 97 houses.

Currently, three hostels are in use. The number of hostel residents has declined from 9,941 to 9,600. There has been a decline in room density.

**Have measures been established to improve the nutrition of mine employees? What has been done to improve nutrition? Show plan to progress this overtime and demonstrate that plan is being implemented.**

At Impala Platinum, the nutritional value of the meals served to hostel residents was evaluated and a more nutritious, balanced menu implemented in September 2004. A new menu which increased the kilojoules provided daily from 14,500 to 17,500 was implemented on 1 December 2004. The cost of this increase is R4 million annually.

**Procurement**

**Have current levels of procurement from HDSA companies in terms of capital goods, consumables and services been identified.**

Implats has developed a procurement policy to identify and develop accredited HDSA suppliers and to facilitate the company’s spend with such suppliers. Of total spend of R3.9 billion at the South African operations in FY2005, R1.159 billion was spent with HDSA suppliers (FY2004: R500 million).

Current estimates are:

<table>
<thead>
<tr>
<th>Category</th>
<th>FY2009 Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital goods</td>
<td>9.3%</td>
</tr>
<tr>
<td>Consumables</td>
<td>14.4%</td>
</tr>
<tr>
<td>Services</td>
<td>25.4%</td>
</tr>
</tbody>
</table>

**Has commitment been made to a progression of procurement from HDSA companies over a three-five year time frame in terms of capital goods, consumables and services, and to what extent has this been implemented.**

Yes, such commitment has been made. In April 2005, Implats introduced a system of rating suppliers according to both Mining Charter requirements as well as those proposed by the Department of Trade and Industry’s (DTI) Code of Good Practice.
RESPONSE TO THE MINING CHARTER (cont.)

Ownership and joint ventures

<table>
<thead>
<tr>
<th>Achieved in FY2005</th>
<th>Targets for FY2006</th>
<th>Targets for FY2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>What is being done to ensure the company achieves 15% HDSA participation in terms of ownership of equity or attributable units of production by 2009 and 26% by 2014.</td>
<td>by Implats’ own calculation – which is subject to verification and interpretation by the DME – the group’s current HDSA holding is in the region of 9%. This is made up as follows:</td>
<td>Implats is committed to achieving 15% HDSA ownership by 2009 and 26% by 2014.</td>
</tr>
<tr>
<td>By Implats’ own calculation – which is subject to verification and interpretation by the DME – the group’s current HDSA holding is in the region of 9%. This is made up as follows:</td>
<td>RBN 1.5%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Credits from sale of Lonplats 7.5%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Marula Platinum 20% set aside for BEE stake</td>
<td></td>
</tr>
</tbody>
</table>

Beneficiation

<table>
<thead>
<tr>
<th>Has the current level of beneficiation been identified?</th>
<th>Targets for growth are entirely dependent on the maintenance of the MIDP scheme.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Platinum is supplied/exported largely in the form of bars to jewellery manufacturers and as a powder to automotive manufacturers, a significant proportion of which is supplied locally to one of the largest manufacturers of autocatalysts.</td>
<td>Targets for growth are entirely dependent on the maintenance of the MIDP scheme.</td>
</tr>
<tr>
<td>In 2004, the first platinum jewellery beneficiation project, Silplat (Pty) Ltd, in the country was set up. In addition to its equity interest of 17.5% in Silplats, Implats also participates by way of a platinum loan.</td>
<td>Together beneficiation growth for the period up to 2009 is as follows:</td>
</tr>
<tr>
<td>In excess of US$100 million of nickel has been sent to local fabricators for beneficiation to stainless steel alloys and castings.</td>
<td>2007 – 500 kilograms</td>
</tr>
<tr>
<td>As the Beneficiation Act has not yet been promulgated, Implats has appointed a representative to assist the DME to determine the criteria to qualify for an offset.</td>
<td>2008 – 600 kilograms</td>
</tr>
<tr>
<td>Growth from this sector can only be achieved through additional processing of toll material.</td>
<td>2009 – 700 kilograms</td>
</tr>
<tr>
<td>US$150 million</td>
<td></td>
</tr>
</tbody>
</table>

Has the baseline level of beneficiation been identified and has the company noted the extent by which this will have to increase to qualify for an offset?

As the Beneficiation Act has not yet been promulgated, Implats has appointed a representative to assist the Department of Minerals and Energy to determine the criteria to qualify for an offset.

Reporting

<table>
<thead>
<tr>
<th>Does the company report annually on progress made in meeting its commitments?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes it does. Since reporting on it for the first time in 2003, Implats has reported annually, both in its annual report and its corporate responsibility report, on progress made in terms of the guidelines set out by the Mining Charter Scorecard.</td>
</tr>
</tbody>
</table>
JSE LIMITED’S SOCIALLY RESPONSIBLE INVESTMENT (JSE SRI) INDEX

The JSE SRI Index, the first of its kind in an emerging market, was launched by the JSE in May 2004 as a platform for showcasing companies listed on the exchange that achieve a predetermined score in relation to a set of criteria that measures corporate commitment and performance with regards to triple bottom line reporting (i.e. social, environmental and economic sustainability) within the broader corporate governance framework.

Implats submitted the requisite information to the convening authorities of the JSE SRI and is one of 51 companies accepted onto JSE SRI Index 2005. The group’s performance in 33 core and 37 non-core indicators received a total score of 137, as detailed in Table 3.

### Table 3: Summarised Implats scorecard for JSE SRI Index 2005.

<table>
<thead>
<tr>
<th>Indicator category</th>
<th>Required score</th>
<th>Achieved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate Governance</td>
<td>16</td>
<td>34.6</td>
</tr>
<tr>
<td>Environment</td>
<td>22</td>
<td>33.2</td>
</tr>
<tr>
<td>Economy</td>
<td>21</td>
<td>29.4</td>
</tr>
<tr>
<td>Society</td>
<td>25</td>
<td>39.7</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>84</strong></td>
<td><strong>136.9</strong></td>
</tr>
</tbody>
</table>

The Marula Platinum mine at night.
Implats supports and applies the Code of Corporate Practices and Conduct as advocated in King II. A full audit of the group’s corporate governance procedures has been conducted and all areas of concern identified in the process are being addressed. Our primary focus in this regard is to safeguard the interests of our diverse stakeholders by striving for best practice in all areas of activity and delivering sustainable value for our shareholders in particular.
CORPORATE GOVERNANCE
COMMITMENT AND STRUCTURES

Full details of compliance with the requirements and recommendations of King II are set out in the 2005 Implats Annual Report.

RISK MANAGEMENT

In keeping with the principles of good corporate governance, the Implats board of directors (the board) is accountable to all stakeholders for the total process of risk management, as well as for forming its own opinion on the effectiveness of that process. Management is accountable to the board for designing, implementing and monitoring the process of risk management and integrating it into the day-to-day activities of the company.

Risk management policy

Implats’ Group Risk Management Policy, which is endorsed by the board, directs management action and behaviour and states, inter alia, the following:

“Risk is an integral part of improved performance, growth and sustainable value creation.

Effective risk management reduces uncertainty giving more confidence and making us more decisive in pursuit of our Vision, Mission and Goals.

The organisation shall adopt a common and integrated approach to the management of risk such that knowledge and experience is shared and risk management becomes embedded in all our activities and the way we work.

An appropriate balance will be maintained between risk and reward giving full and due consideration for the legitimate and fair expectations of all stakeholders, resource constraints and sustainable development.

The board is accountable for this policy and responsible for the management of strategic risks. The Chief Executive Officer and Executive Management Team are responsible for business unit and group function risks and for implementing this policy through a common and integrated risk management framework and programme.

The risk management framework and programme shall:

- align strategy, work processes, people, technology and knowledge;
- protect the reputation and brand name of Implats;
- promote risk awareness among all managers and employees and improve risk transparency to stakeholders and shareholders;
- maximise (create, protect and enhance) shareholder value by proactively managing risks that may impact on the achievement of objectives and exploit opportunities that represent the greatest returns on investment;
- improve our ability to deliver high quality products and services and to compete globally;
- support the business growth strategy and continuously monitor and effectively manage the risks inherent in new investments and business;
- implement a risk financing strategy and monitor the total cost of risk; and
- ensure that management understand and accept responsibility for managing any risks that may impact on their key performance areas or achievement of objectives and that all employees take responsibility for managing the health, safety, environmental and quality risks inherent in their work.

The realisation of this policy is achieved by the understanding, acceptance and implementation of a Group Risk Management Framework and Programme, which is reviewed on an ongoing basis to give assurance in respect of its efficacy and effectiveness.

This policy is applicable to the entire Implats Group, including subsidiary companies and investments where Implats assumes management responsibility.

The board will review this policy at least once every two years.”

Risk management framework

To ensure the effective realisation of the policy and its aims, Implats has implemented an enterprise-wide risk management system. The system, which is both standardised and integrated across all the operations and functions in the group, addresses the following key issues:

- the development of a common Implats risk assessment methodology, which is defined by a framework, process and system that are based on contemporary best practice;
- the establishment of a Risk Management Policy and Code of Practice applicable to all Implats operations and activities, which has been communicated to all managers;
• the appointment and training of risk champions in all areas and functions; and
• The development of a risk framework and profile following a strategic review of all risks faced by Implats.

The risks identified by the system are reviewed and monitored by the board on an ongoing basis. Our goal is to continually improve our ability to identify and manage these risks, such that appropriate and timely action can be instituted to accommodate the inevitable changes in the external and internal business environment.

In addition, a Risk Management Committee was established in early 2003 to assist the board in executing its responsibilities in this area and to routinely report on matters of risk. The board has since approved a Group Risk Management Committee Charter that defines the committee’s terms of reference, responsibilities and membership.

The risk management process entails a team-based approach implemented across the company and involves executive directors and members of senior management, who are best placed to evaluate the risk within the company and report to the board on these matters. The board Audit Committee monitors the effectiveness of this process.

SAFETY, HEALTH AND ENVIRONMENTAL MANAGEMENT

Implats’ Safety, Health and Environmental (SHE) objectives and programmes are driven by the group’s commitment to its goal of “Zero injuries or harm”. The result is a relentless pursuit of continuous improvement, i.e. last year’s best performance becomes the minimum target for next year.

This approach is in line with world-class safety, health, environmental and quality (SHEQ) management and includes, inter alia, the following initiatives:
• an integrated approach to SHEQ management in all aspects of our business;
• compliance assurance with relevant SHE legislation;
• pro-actively preventing harm to the environment, the community and our employees;
• promoting SHEQ awareness among our employees and the community;
• adopting a continuous improvement approach to emissions, effluent, resource consumption, waste generation and health stressors;
• reducing the risk of HIV/AIDS and other contagious diseases among our employees and the local community by promoting awareness; and
• maintaining open relations with all stakeholders.

Corporate standards

Over the next two years, Implats will implement a set of corporate standards that will be applied across all operations, thereby forming the basis for the development and application of SHE management systems at all levels within the group.

The standards will cover all operational aspects and activities that have the potential to affect the health and safety of people, the environment, or the community; and will extend throughout the entire life cycle of operations – from exploration and planning through to operation, closure, decommissioning, remediation and rehabilitation.

The objectives of these standards will be to:
• provide a risk-based SHE management system framework that is consistent with the Implats Enterprise Wide Risk Management Policy, and with ISO 14001, OHSAS 18001, SA 8000 and other internationally recognised standards, and that supports the implementation of the SHE Policy;
• setout and formalise expectations for the progressive development and implementation of more specific and detailed SHE management systems at all levels of Implats;
• provide auditable criteria against which SHE management systems across Implats can be measured; and

Implats has adopted a proactive strategy designed to ensure that genuine transformation is achieved.
TRANSFORMATION

Implats has used the MPRDA, Mining Charter, Mining Scorecard and Codes of Good Practice as guidelines to ensure that the group adopts a holistic approach to transformation. The result is a proactive strategy designed to ensure that genuine transformation is achieved at the various tiers of the organisation, notably in terms of ownership, management, skills development, employment equity, procurement, housing and rural development.

A Transformation Advisory Committee has been established to drive the process, comprising board members (executive and non-executive), operations management and an independent external advisor from Deutsche Bank. The committee, which meets quarterly, has a clearly defined and board approved mandate to:

- develop an ownership/shareholding structure that is reflective of South African society;
- ensure that appropriate structures have been established throughout the organisation for dealing with such issues as affirmative action, Black Economic Empowerment (BEE), affirmative procurement, and housing;
- ensure that the board is kept up to date on issues of transformation;
- brief the DME on all activities relating to transformation on a regular basis; and
- drive the process of transformation through the various structures established within the organisation to ensure the implementation of plans, guidelines and different interventions as vehicles for delivering transformational goals.

Transformation Steering Committees have also been established at the Rustenburg operations, Marula Platinum and Refineries. The aim of these committees is to:

- identify and address issues that create barriers to transformation;
- ensure the achievement of objectives, goals and targets;
- observe and monitor progress, frustrations and hindrances brought about by the various interventions; and
- provide a basis from which to drive continuous improvement towards leading industry practice.

BUSINESS IMPROVEMENT

The major contributors to Implats’ status as one of the world’s leading platinum producers are people and efficient work processes, in which effective systems play an important part. We recognise that effective information systems are an important factor in sustaining our current performance and an essential enabler for continuous improvement. Consequently, and in line with a changing environment, the board approved the implementation of a new group-wide information systems strategy in September 2004.

Specifically, the board approved two projects – a full infrastructure upgrade; and the implementation of SAP as the business system across the Implats group. Both projects will be implemented and be fully operational by the end of the calendar year 2005.

As a mining company primarily, Implats continuously seeks innovative ways to contain cost increases or reduce costs. The implementation of SAP is one of many innovations that will enable and encourage these ambitions. SAP is used by many of the world’s largest and best companies and therefore offers opportunities for the introduction of best practice in supporting functions such as finance, procurement, maintenance, HR, SHE and project management.

The most critical success factor for this project is the adaptation of current work processes so as to embrace the tried-and-tested SAP best practices templates. With this in mind, the project has attracted a large change management and training team, which has been tasked with ensuring that everyone who will be impacted by the project is kept informed of the project progress through regular communications, forums and workshops, and of conducting a consultative process with the unions. Moreover, everyone who will use the system was trained properly before the go-live date.
• assist line management to achieve targets through appropriate action plans.

In addition, recognising that the biggest challenge to transformation lay at our Rustenburg operations (where some 26,373 of our employees are located) a dedicated Transformation Management Department was established there in June 2004 with the specific mandate to manage the issues relating to the Mining Charter and to ensure that our Rustenburg operations meet and adhere to the specifications as set out in the Charter. Johanna Tau has been appointed as the Transformation Manager and is responsible for overseeing and managing the following disciplines:

• Communications
• Corporate Social Investment
• Employment Equity
• Public Relations
• Recruitment and selection
• Women employment in mining

The Transformation Management Department is also directly responsible for:

• developing strategies for driving HR-related transformation issues, such as employment equity; 10% of women in mining; and 40% of historically disadvantaged South Africans (HDSAs) in management;
• establishing and managing effective and efficient central recruitment and selection procedures;
• aligning recruitment practices with succession, employment equity and women in mining targets for the Rustenburg operations;
• ensuring fair selection practices in compliance with Impala’s policies and procedures, the Basic Conditions of Employment Act, the Labour Relations Act, the Employment Equity Act, the Minerals and Petroleum Resources Development Act and the Immigration Act;
• CSI initiatives aimed specifically at rural development in mining communities; and
• managing effective and efficient internal communication to all employees and the local community.

Diverse communication initiatives have been implemented, including a bi-monthly Transformation Management e-news Update; a series of informative videos on Employment Equity, the Transformation Department, Women in Mining, and new or updated corporate policies; and road shows on these issues targeted at all levels from management down to the crew captains at the shafts.

Transformation strategy

Impala’s transformation strategy aims to be all encompassing and is structured around the dictates of the Mining Charter. The key components of the strategy are as follows:

• Employment equity – The group currently has 29% HDSA representation at management level (non-white male and all females). This will be redressed to achieve the requisite 40% by 2009 via accelerated training programmes, mentorship schemes, proper succession planning and recruitment practices, with a special focus on women (currently 3% versus target of 10%). The appointment targets for fulfilling this objective are set out in Table 4. At the same time, the composition of the board of directors will increasingly become more demographically aligned. 42% HDSA representation (including white women) has already been achieved. The employment equity status at the group’s operations is detailed on pages 91 to 95.
• **Skills development** – Social and Labour Plans (SLPs) have been prepared and submitted to the DME for all Implats’ operations in South Africa. The group will continue to allocate a minimum of 5% of the total payroll to training and development initiatives. These will include, inter alia, training 800 employees a year in functional literacy and numeracy, as part of Implats’ commitment to offering every employee the opportunity to acquire these basic skills (currently 21.7% of our employees are literate and numerate); providing career path plans to facilitate individual development and succession planning as well as our employment equity ambitions through accelerated training of HDSAs; rolling-out our new mentorship strategy which aims to provide mentors for all succession plan successors, bursary students and accelerated candidates; implementing further portable skills training courses; providing internships, bursaries and entrepreneurial training opportunities to HDSA candidates and employees’ children, including sustained involvement in the Da Vinci Women in Mining project (detailed on page 104); and expanding the Impala Schools Project, which aims primarily to enhance the teaching and understanding of mathematics, science and English among educators and learners (detailed on pages 116 and 117).

• **Procurement** – An Affirmative Procurement Policy has been approved that gives HDSAs preferred supplier status. Plans are in place to grow the current 23% HDSA spend to 30% by 2009.

• **Beneficiation** – Implats is committed to exploring all opportunities in beneficiation with a view to pursuing those that make commercial sense. Levels and targets have been identified for domestic value-add and autocatalyst recycling projects.

• **Living conditions** – Various initiatives are being driven to improve the living conditions of our employees. These include a housing policy that aims to minimise single sex accommodation by increasing local labour levels (currently 75% at group level); downsizing hostel accommodation (from the present 9,600 residents to 7,953 residents in 2009) providing a choice of accommodation to all employees, promoting home ownership and assisting employees achieve this ideal and measures to prevent squatting; a policy of non-discrimination against migrant labour; and the development and implementation of enhanced nutrition programmes. (For more details, refer to pages 96 to 98).

• **Community and rural development** – Driven largely through the corporate social investment programme, Implats aims to alleviate poverty in the communities where the operations are based as well as our labour-sending areas by ensuring 10% real growth in the total local spend associated with each site (i.e. the operations, through community projects and by employees, visitors, suppliers and local service providers). The group also supports projects in education (predominantly the development of mathematics, science and English skills), healthcare (focused particularly on HIV/AIDS awareness and home-based care facilities for HIV/AIDS patients), enterprise development (with the emphasis on entrepreneurial BEE businesses through which the group can increase its affirmative procurement spend), environmental awareness education (at school and community level), and infrastructure development (working collaboratively with local authorities and industry). Implats’ socio-economic development initiatives are detailed on pages 109 to 126.

---

**Table 4:** Appointment targets to achieve 40% HDSAs at management level, Implats total, FY2005 to FY2007

<table>
<thead>
<tr>
<th>Level</th>
<th>FY2005</th>
<th>FY2006</th>
<th>FY2007</th>
<th>Total appointments</th>
</tr>
</thead>
<tbody>
<tr>
<td>D1</td>
<td>22</td>
<td>21</td>
<td>21</td>
<td>64</td>
</tr>
<tr>
<td>D2</td>
<td>11</td>
<td>16</td>
<td>16</td>
<td>43</td>
</tr>
<tr>
<td>D3</td>
<td>7</td>
<td>7</td>
<td>7</td>
<td>21</td>
</tr>
<tr>
<td>D4</td>
<td>2</td>
<td>3</td>
<td>3</td>
<td>8</td>
</tr>
<tr>
<td>E1</td>
<td>7</td>
<td>9</td>
<td>6</td>
<td>22</td>
</tr>
<tr>
<td>E2</td>
<td>0</td>
<td>2</td>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td>E3</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>E4</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
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<tr>
<td>F</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>TOTAL</td>
<td>51</td>
<td>59</td>
<td>57</td>
<td>167</td>
</tr>
</tbody>
</table>
WOMEN IN MINING PROJECT

The Mining Charter’s call for a minimum of 10% of the mining industry’s workforce to be women by FY2009 imposes a legal obligation on Implats (and other mining houses) to employ additional women in mining. The requirement also forms part of an overall social and moral obligation to transform the organisation in terms of demographics and eliminate discrimination against employees (or potential employees) on the basis of race, gender, religion, physical disability or any other non-skill-related criteria.

With this in mind, Impala has embarked on a Women in Mining (WIM) Project which has as its ultimate objective the employment of an additional 300 women at the Rustenburg operations during FY2005 and a further 500 women annually over the next four years. As a result of past discriminatory practices, a competent pool of female employees who can readily assume higher positions within the organisation, does not yet exist and accordingly the initial focus is on employing women in selected “barrel” occupations namely Bell and Box Attendant, Pump Attendant, Cage Helper, and Chairlift Attendant. Opportunities in production are being further investigated, and will be introduced from 2006.

Importantly, the women employed as part of the WIM Project are determined to be treated as equals with their male counterparts: they neither want nor expect special treatment on the grounds of their gender. An advantage for the company is that they are mostly drawn from the local communities where they live at home with their families, so there are no special accommodation needs.

Employees appointed to the production environment as part of the Rustenburg operations’ Women in Mining project, performing tasks that have traditionally been reserved for males. Clockwise from left: In the smelter; underground in the mines; and in the engineering workshop.
The WIM Project extends further than the appointment of women into traditionally male-dominated professions, it also embraces several inter-related logistics and other issues, such as:

- **Risk management** – All occupations in which Impala either has employed or intends employing women have been identified and the associated occupational and other risks determined.

- **Lockable, unisex latrines underground** – Investigations show that a total of 415 underground toilets are required to accommodate women mining employees. The overall spend on converting 207 current latrines to unisex toilets in FY2005 amounted to R0.9 million and a further R1.2 million has been budgeted for FY2006.

- **Change houses** – The majority of the shafts at Rustenburg operations need to build new or convert existing change houses to accommodate female employees. An estimated R110,000 was spent on converting change houses in FY2005, with a further R11.3 million and R8 million budgeted for building new facilities in FY2006 and FY2007 respectively.

- **Clothing** – Most women employees prefer two-piece suits, which have been sourced and are now included as a standard item. Likewise, a supplier has been found for safety boots with steel-caps and gumboots in the smaller sizes required by women employees.

- **Sexual harassment** – A detailed Sexual Harassment Policy has been developed and implemented, which outlines the procedures to deal with sexual harassment in all its forms in the workplace, if and when it arises. Awareness of the policy and its contents has been raised via “Team Spirit”, Transformation Management Update (electronic newsletter) and a video shown to employees at the shafts and other functional operations.

- **Pregnancy** – An updated Pregnancy Policy has been developed and implemented, the essence of which has been communicated using platforms similar to those used to communicate the new Sexual Harassment Policy. The policy embodies Impala’s commitment to the Code of Good Practice on the protection of employees during pregnancy and after the birth of a child, in accordance with the Basic Conditions of Employment Act of 1997.

Among the specific issues addressed in this policy are the importance of pregnancy screening in terms of heat-tolerance and other occupational risks. High-risk occupations include all underground occupations, occupations with potential risk to physical or chemical hazards, and other physical stressors such as vibration, noise, smoke and dust.

- **Physical ability testing** – Currently no physical ability testing is performed on employees. The aim is, however, to investigate the feasibilities of such screening on all employees. A scientific screening process is being investigated, using body mass index rather than pure body mass. To this end, Refineries has requested the assistance of North West University.

- **Contractors** – Although Impala has no direct control over the affairs of its contractors, the company has begun monitoring the latter’s progress towards the 10% women targets – especially as this could impact on the facilities available at the Rustenburg operations’ site. Consideration is being given to including women in mining targets as contractual criteria, with appropriate penalties for non-compliance, should this become necessary.

- **Women’s experience underground** – The first women were employed underground at No.1 Shaft. These women were interviewed after two months of employment and responded as follows:
  - they are proud of their jobs and do not want to be assisted by their male colleagues e.g. to help carry their tools;
  - there is an environment of mutual respect;
  - they were taught by their male colleagues how to secure sufficient space for themselves in a full cage so as not to get trapped;

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**Table 5: Additional women employed within Impala’s Rustenburg operations, target and actual, FY2005**

<table>
<thead>
<tr>
<th>Operational area</th>
<th>Target appointments FY2005</th>
<th>Actual appointments FY2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rustenburg shafts</td>
<td>232</td>
<td>193</td>
</tr>
<tr>
<td>Mineral Processes</td>
<td>19</td>
<td>25</td>
</tr>
<tr>
<td>Services</td>
<td>49</td>
<td>66</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>300</strong></td>
<td><strong>284</strong></td>
</tr>
</tbody>
</table>
FRAUD, BRIBERY AND CORRUPTION

Implats subscribes to zero tolerance on fraud and corruption, underpinned by a detailed ethics policy, and complies fully with The Prevention and Combating of Corrupt Activities Act of 2004.

Aiming to facilitate the reporting of misconduct, criminal activities or suspected corruption, the group uses the services of Whistle Blowers, an independent 24-hour call centre to which employees, contractors, suppliers and/or customers can report activities involving fraud and corruption. Calls made to Whistle Blowers are fielded by multilingual operators trained to obtain relevant information from the informant, who may remain anonymous. All cases are categorised into three classes – high, medium or low priority – and are investigated by line management, security management and internal audit. The outcome of all such investigations is communicated to the chairman and CEO of Implats, leading to the institution of appropriate action (e.g. criminal prosecution or pertinent disciplinary procedure).

Likewise, the group takes an unequivocal position prohibiting bribery and other corrupt practices. An Ethics Policy is in place, which aims to provide a framework for eliminating any unethical business practices among both employees and suppliers. The policy is supported by thorough internal auditing procedures, as well as by facilities enabling employees to disclose malpractice.

Tip Offs Anonymous (Mimosa)

The Tip Offs Anonymous programme, which Mimosa Mine embarked on in April 2004 and is managed independently by Deloitte, continues to afford employees the opportunity to report anonymously on fraud, theft, conflict of interest, corruption and any other forms of unethical behaviour. Postage-free envelopes are made available to employees for this purpose. Other facilities like telephone, fax and e-mail are also used to make anonymous reports. In addition, financial rewards are provided to individuals who suggest security systems improvements or whose tipoffs lead to the recovery of goods or conviction of the offender. Participation through Tip Offs Anonymous is open to all stakeholders, including suppliers and customers.

- a Sampling Helper, who is expected to report on surface at times, responded that she prefers working underground and not on surface, because there is more action underground;
- Cage Helpers admitted that the physical work was strenuous at first, but once they become comfortable with it, they managed the work with ease; and
- the overall feedback of the women was very positive, especially when enquiries were made regarding their first pay cheques. They expressed their appreciation at being given the opportunity to be employed and to support their families financially.

Impala has embarked on a Women in Mining Project, which aimed to employ an additional 300 women at the Rustenburg operations during FY2005.
An artisan tests an electrical panel at our Rustenburg operations.
Engaging with our stakeholders

The stakeholder base of Implats and its diverse operations comprises several interest groups, namely our shareholders and the investor analyst community; our workforce (both direct employees and contractors) and their union representatives; our business partners, suppliers and customers; the communities where we operate; and the authorities under whose jurisdiction we fall. We endeavour to build trust-based relationships with each of these stakeholder groups through regular engagement on pertinent issues in a spirit of honesty and transparency, using appropriate communication channels for each.
SHAREHOLDERS, INVESTOR ANALYSTS AND THE MEDIA

Implats communicates regularly with its shareholders regarding the group’s financial and operational performance. All communications with interested institutional and private investors are undertaken with due regard for the statutory and regulatory requirements on the communication of price-sensitive information by the company and its officers. Various media are used, including:

- abridged interim and annual financial statements, published in the major daily newspapers and on the Stock Exchange News System (SENS);
- interim financial results and annual financial reports; and
- ad hoc notices and/or circulars, published in the major daily newspapers and on SENS.

The shareholder communication functions of the group secretary and the share registrar are supported by an investor relations programme, which operates in South Africa, Europe, the United States, Canada and Australia. This programme, which aims to maintain contact with institutional shareholders, fund managers and analysts, comprises diverse initiatives such as formal disclosure of the financial results, road shows, press releases, ad hoc investor meetings, participation in investment conferences, the Implats website and scheduled teleconference calls. In addition to the requisite interim and annual financial statements, reports and notices circulated to shareholders, Implats also distributes copies of media statements and other notices to journalists specialising in the mining sector. Investor analysts and media representatives are also invited to attend the six-monthly results presentations.

These initiatives aim to keep investors, fund managers, analysts, the media and the market fully, timeously and honestly informed on all developments regarding Implats and its operations.

Implats adheres to a strict policy of declaring a ‘closed’ period twice a year – from the end of the interim and full-year reporting periods until the results for those periods are announced. During these timeframes, senior executives of the group may not trade in shares in the company and interaction with shareholders and analysts is discouraged.

The investor relations function was strengthened during the course of the year by the appointment of Bob Gilmour as head of Investor Relations. He brings extensive experience to the position, having previously played various roles within the group – including Manager: Market Research, Manager: New Business and spearheading (together with Les Paton) the Fixco initiative of the late 1990s, which saw Implats identify and rollout Best Practices across the organisation, implement a cost-effective capital plan and unlock the potential of the workforce.

WORKFORCE

Internal communications initiatives are in place, all of which are designed to facilitate the dissemination of key information to employees at various levels throughout the group, whether employed directly by Implats’ operations or by our contractors. Diverse media channels are utilised to accommodate the specific message and audience. Structures are also in place to encourage two-way communication and facilitate feedback on key issues.

In general, internal communication is viewed as a line function, which implies that communication follows the line of responsibility within the existing organisational structure. As such, internal communication is not a centralised function but rather an integral part of everyday activities. Accordingly, communication representatives have been appointed to create a semi-formal network throughout the organisation.

IMPALA

Impala’s Internal Communications Department strives to practise and promote a climate of open and honest debate through effective and efficient communication practices. This is achieved by adhering to several key communication principles, which include:

![An engineering learner acquires practical skills at our Rustenburg operations.](image-url)
Environmental Officer, Eugene Ngwenya, pictured underground during an internal environmental audit.

Internal communications initiatives are in place to ensure our employees are informed of corporate developments.

- disseminating information that is timely, accurate and complete;
- enabling two-way communication that allows for feedback from all levels of the organisation;
- facilitating joint communication with employee representative structures on issues relating to employee benefits and remuneration;
- creating and maintaining appropriate support structures to empower employees to take ownership of communication;
- promoting participation and involvement from all levels of the organisation through effective and timely communication;
- recognising employees’ rights to information about the company – both the good and the bad news;
- practising and promoting transparency through open and honest communication; and
- being proactive in communication through proper planning.

The overall objectives of the internal communication strategy are four-fold, namely:

- **Inform** – Keeping employees informed on work-related matters, such as production targets and results; work planning and methods; roles and tasks; financial budgets and expenditure; and rewards and benefits.
- **Regulate** – Maintaining work controls and standards, via policies and procedures; rights and obligations; work standards; safety, health and the environment regulations; and security.
- **Educate** – Enabling employees to attain change and improvement, through training and development; information on markets and customers; highlighting excellence and best practices; introducing new technology; and explaining organisational changes.
- **Integrate** – Building morale, trust and identity, by sharing the group’s values, mission and vision; company image and identity; constructive industrial and community relations; celebrating progress and achievements; and spelling out the company’s future plans.

**Rustenburg operations**

Effective communications is an ongoing challenge at our Rustenburg operations, largely as a result of the diverse composition and enormous scale of the workforce. This is addressed by adopting the following main communication channels:

- A Briefing Group System, which uses written and verbal communication in English and Tswana to cascade information to the estimated 28,000 people employed on site. The efficacy of each brief is monitored through structured feedback.
- Employee Communication Forums, one each for the diverse functions on site, which meet monthly to learn/share best practices and to source verbal feedback (in the language of choice) on communication issues.
- A monthly Management Communication Forum, attended by heads of department, at which key communication issues, such as those raised by the
Employee Communication Forums, are discussed and feedback provided.

- “Team Spirit”, a bimonthly, 20-page, in-house staff magazine that targets the literate population throughout the Implats group. The content of each issue covers news from all group operations as well as top-down corporate information in an effort to inform and educate employees.

- A Quest Hotline, through which employees may ask questions about any aspect of the group or its operations, or register concerns, complaints and compliments on any issue. Official responses are sought from the relevant manager or executive and are published in subsequent issues of “Team Spirit”. A monthly Quest Report is also compiled for the Management Communication Forum and may highlight the need for a targeted communication strategy on a specific issue.

- Billboards and posters, which are used to communicate strategic issues and behavioural values to employees and visitors to the site (i.e. suppliers, customers, contractors, community members).

- Communication Boards, which have been mounted in the main employee traffic areas throughout the operations for the regular dissemination of communication briefs, newsletters and other communiqués, both in English and in Tswana.

- Newsletters for individual departments and functions, with the frequency determined by need. For example, there is a bimonthly Transformation Management e-news update, a Weekly News Update, and a Communication Quarterly. The group’s interim and annual financial results are also communicated to employees via dedicated “Team Reports”.

- Public Address (PA) systems at the various shafts, which are used to announce targeted messages to employees in the language of choice.

- Videos, which are produced to communicate operations-specific or campaign messages to the workforce employed at the shafts. These videos are used daily and are generally changed on a fortnightly basis.

- The Intranet content, which is updated daily as a means of addressing the estimated 3,000 personnel who have access to the site on specific issues, in English only.

- A new employee induction programme, offered weekly in English and Tswana, which includes an Orientation Manual that is compiled and updated by the Internal Communications Department.

Surveys and audits are conducted on all of these communication channels on a regular basis to ensure their efficacy. Likewise all briefs are tracked to ensure that their content has been cascaded effectively. Communication training is also provided to line management and Briefing Group System leaders so as to equip them for their communications responsibilities.

The implementation of the Women in Mining project at our Rustenburg operations has required that separate change house facilities, equipped with lockers, be provided for female employees.

A training session in progress at the upgraded Mineral Processes training facilities.
**Employee recognition**

An employee recognition scheme – called MERIT – was introduced in FY2005. An anagram of Motivation, Excellence, Responsibility, Initiative and Teamwork, the MERIT Awards scheme is designed to recognise and reward employees who personify these values in the workplace. Anyone is entitled to nominate a fellow employee for a MERIT Award, with adjudication being undertaken at management level. Awards may be made at four levels – Platinum, Gold, Bronze and Blue – each of which attracts prizes with specific monetary values (not cash). The winners of the Platinum MERIT Awards will be adjudicated quarterly to determine the MERIT Employee of the Quarter, with the quarterly winners becoming the finalists for the MERIT Employee of the Year Award.

**Kopano Suggestion Scheme**

The Kopano Suggestion Scheme was implemented to improve safety, health, environment, efficiencies and cost-effectiveness at Impala. Ideas from own or external best practices, and employees are evaluated by multidisciplinary forums for approval by Senior Management. Employees are encouraged through various communication media to submit their ideas. Ideas found to be viable are implemented, and the responsible employee is rewarded proportionately to the resulting improvement.

416 ideas were submitted in FY2005, of which 75 were implemented and realised a cost-saving of R8.5 million. Most of the savings are realised by incorporating the concept into the business plan.

**Third Wave**

An extension of Fixco, the Third Wave Project embodies Impala’s quest to become the employer of choice. At our Rustenburg operations, the Top Employer initiative focused during FY2005 on remuneration and benefits, leadership and value implementation, fairness at work, care and concern for employees, C5 supervisor and shift supervisor training, the reintegration of mine overseers and mine managers, and investigating the viability of a Rustenburg Clinic. Cross-functional teams were established for each of these foci and were given a mandate to identify strategic issues, then develop and implement remedial actions.

For example, in the ‘fairness at work’ area, the design and implementation of a fair performance appraisal system was one of the most pressing issues identified. Impala has responded by developing an integrated performance management system that was approved by the Remuneration Committee of the Board in September 2004 and implemented. The system is currently applicable to all D- and E-level managers within the organisation. It is used to determine the bonus payments and annual increases of all E-level managers; and the annual increases of D-level managers. It is envisaged that, in time, the system will be expanded to include all C5 supervisors at our Rustenburg operations. This will be done in consultation with the relevant Unions and Associations at the appropriate time and at present no time frame has been determined for the system expansion to be implemented.

In the ‘care and concern for employees’ area, the establishment of a mentorship programme was identified as the most desirable initiative. Mentorship experts Clutterbuck & Associates were contracted to help establish an Impala-specific Mentorship Programme. This intervention was completed in April 2005 when the final matching sessions of mentors and protégés were held. After six months, a formal review of the programme will be conducted to determine whether it is functioning as intended, and to implement actions that will rectify any shortcomings that may exist.

With regards to ‘benefits and remuneration’, the harmonisation of leave benefits was identified as a key issue. This has been addressed and all employees at our Rustenburg operations are now entitled to 35 days’ annual leave. The move has simultaneously simplified leave administration and reduced Impala’s exposure to leave liability.
These Top Employer aspects of the Third Wave Project have been concluded successfully and henceforth the maintenance thereof will be an operational matter.

**Refineries**

Employees at Refineries receive copies of the “Team Spirit”. They also have access to the Quest Hotline service. In addition to these, Refineries also has an internal hotline that is used as a communication tool between employees and management.

Green Area Meetings, which are areas designated for communication, take place at least once a week in all workplaces. Employees receive feedback on issues relating to safety, health and environment, production matters, projects, HR issues, security issues and any other matter of importance. Specific workplace employee relations matters are highlighted, discussed and resolved.

**MARULA PLATINUM**

Marula Platinum publishes a monthly newsletter, additional to ‘Team Spirit’. The mine also communicates through a briefing system, regular memoranda, Union structures and regular departmental issues.

All new employees undergo an induction programme introducing them to Marula Platinum and work-related issues. In addition, all employees are trained in core business occupations; and also attend ex-leave induction programmes to ensure that key information and/or changes are communicated effectively.

**ZIMPLATS**

An in-house magazine called “Platinum News” was launched at the start of FY2005. A formal team briefing system has been put in place with the mandate to improve internal communication.

Two-way communication between management and employees is enhanced through monthly Works Council meetings, which are attended by six worker representatives and six representatives of management.

**MIMOSA**

A Works Council, comprising equal representation from management and workers, is a legal requirement and meets once a month to discuss all aspects of the business. Reporting to the Works Council is a Workers’ Committee comprising workers only, which also meets with Management on a regular basis to discuss various issues affecting workers and the business.

**Suggestion schemes and rewards**

Mimosa continues to involve employees in the running of the business through two suggestion schemes:

- To improve SHE performance; and
- Concerning general continuous improvement where employees are encouraged to contribute to the continuous improvement philosophy. There are financial rewards for all suggestions that are implemented and which lead to operational improvements.

Far left: Internal communication is viewed as a line function, which implies that communication follows the line of responsibility within the existing organisational structure.

Left: Community communication and liaison forums facilitate the flow of information between our operations and the surrounding communities. Pictured here are members of the Mafeny, Chaneng, Robega and Rasimone communities during a community liaison forum.
UNIONS (INCLUDING INDUSTRIAL RELATIONS)
Implats regulates the principle of freedom of association through compliance with the Labour Relations Act. The group has collective bargaining dealings on negotiations for wages and conditions of employment with unions, who must adhere to a Recognition and Procedural Agreement threshold minimum of 35% level of representation.

The group also participates in a Leadership Summit, which brings together the management of the group and leadership of the unions to discuss company-wide challenges.

IMPALA
Rustenburg operations
Currently, just two unions qualify according to the parameter outlined above, namely the National Union of Mineworkers (NUM) and the United Association of SA (UASA). Representation is as follows: 62.9% belong to NUM and 8.4% to UASA. NUM’s bargaining unit comprises non-supervisory employees (Category 3 to 8 and artisans) while UASA membership primarily comprises officials.

A total of 264,830 shifts were lost due to strike action during FY2005. Two events took place:

- A legal strike in October 2004 regarding a wage dispute, which involved all shafts and sections; and
- A two-day illegal strike on 25 and 26 October 2004, regarding a dispute concerning back-pay emanating from the wage agreement, which involved the north shafts only.

Formalised communications structures are in place at Impala and the shaft union, shaft committees and branch committees meet once a month to discuss issues such as transformation, employment equity, the Mining Charter and Employee Share Participation.

Forums have been established to promote harmonious employment relationships and improved productivity.

Refineries
Industrial relations (IR) are regulated in accordance with Refineries’ IR statement, which entrenches the principles of freedom of association in compliance with the Labour Relations Act.

A negotiated disciplinary code and procedure has been implemented. A grievance procedure is also in place. Employees have ready access to these and other HR procedures. Training is also provided.

A Recognition and Procedural Agreement regulates relations with the unions. Two bargaining structures have been established in accordance with this agreement.

Only two unions are recognised, namely the NUM and UASA. 57.7% of employees are members of NUM while UASA has 27.9% membership. Management representatives meet union representatives at least once a month to discuss and negotiate matters of common interest.

MARULA PLATINUM
Marula Platinum embraces the principles of freedom of association and concluded a recognition agreement with NUM in April 2005 with membership threshold being at 50% plus one for recognition. Employee membership of NUM is currently 57%. Monthly meetings are held between NUM representatives and management, at which pertinent information is shared.

UASA has recently approached management on organisational rights and will be accommodated once the 50% plus one threshold has been established.

ZIMPLATS
88% of the workforce at Zimplats is covered by National Employment Council (NEC) in terms of the Mining Industry’s Collective Bargaining Agreement. 21% of employees are affiliated to the Associated Mine Workers’ Zimbabwe Union.
The business was affected by a three-day industry-wide illegal strike in October 2004, called by the union, in which 169 employees participated.

MIMOSA
In general, the workforce at Mimoso is not highly unionised, with less than 20% of the employees being members of AMWUZ.

As a result, Mimoso generally enjoys a stable IR climate. However, an industrial action took place during 2004 and lasted three days. Since then, there has not been any industrial action.

Due to the good current IR climate prevailing at Mimoso, there are no cases under mediation or arbitration. However, there are 17 cases currently at the Labour Court, which arose from the unlawful industrial action of 2002. Day-to-day disciplinary cases continue to be dealt with harmoniously through the Management/Worker committees. Existing Codes of Conduct help in the administration of disciplinary issues.

MARULA PLATINUM
Since its inception, Marula Platinum has given preference to local contractors and suppliers of goods and services and orders worth R10.3 million were placed with BEE companies in FY2005.
Members of the four communities were also invited to attend an open day at No. 20 Shaft on 8 January 2005, which gave them valuable insight into the nature of the project and the potential opportunities for interaction between Impala and themselves. The success of this initiative is such that it is currently being duplicated at No. 16 Shaft, where construction also commenced in 2005.

Impala engages on a continuous basis with the Royal Bafokeng Nation (RBN) regarding the implementation of the provisions of the mineral lease agreement between the two organisations. The engagement platforms include four sub-committees, respectively addressing environmental issues, corporate social investment, procurement and human resource matters, and a bi-annual forum that serves to co-ordinate these and other activities of mutual interest.

A Royal Bafokeng Economic Board (RBEB), on which a representative of Impala serves, was registered as a Section 21 company in 2002. The RBEB’s overall vision is to become economically self-sustaining by 2020 by attracting local, national and international investments that will create employment opportunities and empowerment. The key strategic objectives of the RBEB include diversifying the Bafokeng’s income streams; developing products and services that create a self-sustaining community; developing RBEB into an effective and efficient business; managing a communication and education process with all stakeholders; and facilitating development of economic infrastructure. The portfolios of the RBEB comprise mining and construction; manufacturing and services; agriculture; training; tourism; sport; investment development; communications; and finance and administration.

Additionally, the Internal Communications Department distributes articles considered newsworthy to the local community to Rustenburg’s community newspaper.

Communications channels and relationships with the communities are maintained primarily through engagement with Ekurhuleni Metro Municipal Wards’ Councillors. Refineries communicates with the Wards’ Councillors regarding community projects, and they, in turn, communicate the details of these projects to members of the communities during their community meetings. The media also plays a key facilitation role in our communications with the communities and relationships with the local media have therefore been established.

An environmental open day is held annually at Refineries, with the primary aim of communicating with local residents regarding Refineries’ efforts to minimise the impact of our operations on the environment.
MARULA PLATINUM

The ever-increasing needs of poor communities in the vast rural areas of the Sekhukhune district, where Marula Platinum is located, are addressed by four key structures involving major stakeholders from the community, government departments and the private sector. They include:

- The Joint Development Forum (JDF), established in 2002 between the Sekhukhune District Municipality and its five local municipalities (Greater Marble Hall, Greater Groblersdal, Greater Tubatse, Makhudutamaga and Fetakgomo), together with various mining companies.

- The Steelpoort Valley Producers Forum (PF), which comprises Marula Platinum; ASA Metals; Lebowa Platinum; Modikwa Platinum; Samancor Chrome; Ataclay; Maandagshoek; Two Rivers; Dwarsrivier; and Xstrata.

- The Marula Community Trust, which was established in August 2004 for the benefit of the immediate communities, primarily through social and economic upliftment projects. Emphasis is placed on initiatives that promote education; enterprise development and job creation; health and welfare; and social infrastructure (see page 113).

- The Marula Working Committee, a representative committee set up by Marula Platinum to liaise between the local community and the mine.

These forums are based on a model that is considered by many as a tangible solution to the challenge of sustainable development in some of the poorest regions of South Africa. The model, which can be implemented in any situation where the public and private sectors are required to work together, supports the need to:

- provide democratic and accountable government for local communities;
- ensure the provision of sustainable services;
- promote social and economic development;
- promote a safe and healthy environment; and
- encourage the involvement of communities and community organisations in matters of local government.

ZIMPLATS

In keeping with Zimplats’ overall stakeholder approach, the business engages in, develops and builds community relationships in the areas of community services, environment and heritage, education, training and business.

MIMOSA

One of Mimosa’s ambitions is to foster a mutually beneficial relationship with our community. Achievement of this has started in earnest through the active pursuit of interactive and proactive investments that add considerable value to our communities.

A formal community liaison forum has been established which comprises representatives of Mimosa management, the local chief, local councillor, village heads and other community elders. Regular meetings are held, where mutually beneficial issues are discussed.

Since its establishment three years ago, this community and social investment committee has accomplished several community development projects, including the donations of funding and resources to local schools and other community structures. Through this social investment vehicle, Mimosa also helps the community by outsourcing to cooperatives some of its non-core activities such as office cleaning, maintenance of the slimes dams and roads.
Relationships with other companies and government are also nurtured at two forums:

- the Mining Forum, where companies and government departments share important information on mining issues affecting their areas of operation; and
- the HR Forum, at which the participating companies share pertinent information on HR practices.

In the process of maintaining and facilitating good industrial peace, the Refineries – as with all our South African operations – engages with the Department of Labour, through the CCMA, on dismissals and interest disputes; the Labour Court on rights disputes; and the Safety and Security Department to ensure that employees comply with Labour Court orders.

ZIMPLATS

With regards to regulatory authorities, SMC continued to attend meetings of the Mupfure River Sub-catchment Council in FY2005. This body, which comprises various stakeholders from national government, local government, traditional chiefs and farmer organisations, provides a forum for discussing water management issues and no major issues were raised during the year.

IMPALA

Rustenburg operations

Our Rustenburg operations enjoy sound, long-standing relationships with the various authorities that govern the Bojanala District of North West Province. Amenable working relationships are also nurtured with provincial and national government departments, including the Department of Minerals and Energy (DME), Department of Water Affairs and Forestry (DWAF), Department of Environmental Affairs and Tourism (DEAT), Department of Health (DOH), Department of Labour (DOL), and Department of Agriculture, Conservation and Environment (DACET, specifically the Chief Air Pollution Control Officer (CAPCO)).

Refineries

Refineries has developed a strong working relationship with the Ekurhuleni Metro, and has aligned its community projects with the municipality’s priorities. Sound relationships have also been established with the Gauteng Departments of Education, Social Welfare and Health. These diverse government departments work together with the Refineries on the community development projects that fall within their respective areas of focus.

AUTHORITIES

As a responsible corporate citizen, Implats endeavours to uphold the prescripts of the local, provincial and national authorities that govern the districts in which the group’s operations are located.

IMPALA

ZIMPLATS

The Macharora Community Liaison Forum, comprising members of the Mafenya, Chaneng, Robega and Rasimone communities and Impala Platinum representatives.
The safety and well-being of our employees is an important aspect of our SHE systems.
Putting safety first

Safety is a top priority issue at all our operations, especially with regard to deep level mining and its greater associated risks. Not only is it about putting strategies in place to eliminate workplace accidents, but, equally importantly, the cultivation of a mindset amongst all our employees that safety is an issue which needs to be respected at all times.

Health and Safety Representatives, elected by the workforce, are trained to assist in the identification of hazards and prevent accidents.

A fatal risk review system has been introduced to assess the compliance of Implats' operations with group-wide controls in this area. The initiative uses peer review methodology to evaluate the management of fatal risks at all our operations, whether underground, opencast, plant or refining operations.

The main objectives of the review are to:

1. Analyse and review fatal risk management systems, including:
   - understanding and assessing the manner in which fatal risks are controlled at the site;
   - analysis of the effectiveness of fatal risk control mechanisms and management systems' implementation and compliance at the site; and
   - identification of improvement opportunities in fatal risk management systems at the site.

2. Develop plans to implement agreed improvement opportunities.
SAFETY AND INJURY PERFORMANCE

As a group, Implats achieved commendable improvement in safety performance during FY2005, marked by significant reduction in incidences, especially at our Rustenburg operations. This resulted in a 34% improvement in Implats’ Fatal Injury Frequency Rate (FIFR) to an all-time best of 0.069 (FY2004: 0.104). Moreover, the number of injuries caused by Fall-of-Ground (FOG) at our Rustenburg operations reached an all-time low, attributable in part to improved hangingwall conditions at the stope face as a result of the in-stope bolting programme.

Refineries maintained its NOSCAR status for the seventh consecutive year with an audit result of 97.45%. The audit scope included both the BMR and PMR operations. Refineries also received the 2005 Best Occupational Medicine and Health Practitioner Award and the 2005 Best Advanced Safety Representative Award from NOSA; and was rated among the top 100 International NOSCAR companies.

However, notwithstanding the group’s continued focus on safety, regrettably seven employees lost their lives as a result of occupational accidents during FY2005.

Safety is a top priority at all Implats’ operations, especially with regard to deep level mining. Strategies have been put in place to eliminate workplace accidents and to cultivate a ‘safety’ mindset among our employees.
The first women appointed in underground operational environment were at No. 1 Shaft at our Rustenburg operations.

**IMPALA**

**Rustenburg operations**

Our Rustenburg operations regrettably reported four fatal injuries during FY2005, three of which were FOG incidents and the fourth the result of an underground locomotive collision. The resulting FIFR of 0.052 is, nevertheless, the best in the history of the Rustenburg operations and is a 50% improvement over FY2004.

The in-stope bolting programme is now well established, having been implemented at 113 of the targeted 142 panels. Early indications suggest that the programme will be hugely successful, with much improved hangingwall conditions already recorded. This and other efforts to prevent falls-of-ground – such as the new scraper winch programme – resulted in a 20% improvement in the FOG injury rate.

Our behaviour-based safety management programme, Tsiboga, has been entrenched throughout the operations and has resulted in a significant decline in Rustenburg operations’ Lost Time Injury Frequency Rate (LTIFR), as depicted in Figure 6. Much of the year was spent in training front line supervisors (shift supervisors and foremen) in the principles of Tsiboga and gaining commitment from employees to work safely. Coaching management and supervisors to conduct an effective health and safety audit in the workplace is ongoing.

The first women appointed in underground operational environment were at No. 1 Shaft at our Rustenburg operations.
The implementation of the in-stope bolting programme has coincided with the introduction of drill jigs, which are suspended from the bolts to give a controlled and accurate drill hole for blasting. This methodology is expected to improve the quality of the blast and cause less damage to the stope-hanging wall. Eleven panels were equipped with drill jigs by the end of FY2005, with a further 50 to be equipped by the end of the calendar year to give a total of 48.

The combination of the in-stope bolting programme’s hydraulically pumpable steel bolts and “Strocam” yielding support units has also contributed meaningfully to our ground and strata control programmes. All development ends now use the hydraulic expanda bolts, as do a significant number of stope panels, as mentioned earlier.

The Ground Control District (GCD) system, introduced at our Rustenburg operations in May 2002, has been extended to include support and management systems where there is greater potential for seismic activity. Substantial benefits have already been experienced at No. 10 Shaft.

**Figure 8**: LTIFR improvements versus Tsiboga contacts, Rustenburg operations, FY2004 and FY2005

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**Figure 9**: Large Falls-of-Ground versus Implementation of Ground Control Districts programme, Rustenburg operations.
Refineries

Refineries recorded seven lost time injuries during FY2005, resulting in the overall LTIFR deteriorating to 1.20 (FY2004: 0.45), with that for Refineries personnel being 0.81 at year-end.

Following a lost time injury incident involving a standard concrete mixer, a case study on the safety aspects of this type of machinery was communicated to fellow stakeholders in the industry.

A zero fatality rate was maintained, bringing the record for this performance to nine years and four months (currently at 4,840,730 man-hours).

During the review period, Refineries conducted 2,334 Behaviour-Based Safety (BBS) Audits, involving 13,112 interactions between representatives of management and employees and/or contractors. This equates to an average of six people reached per audit throughout the course of the year.

Fire prevention

The old fire station within the Mineral Processes plant was demolished and a new one was built adjacent to the new Mineral Processes entrance during FY2005. A new reticulation pipeline was also installed throughout Mineral Processes and came into operation after year-end.

No. 4 Shaft achieved a remarkable 5 million Fatality Free Shifts (FFS) in FY2005. This is not only a recognised record in the industry, but also a proud achievement, which was, regrettably, marred by a fatal incident later in the year. The Rustenburg operations as a whole achieved 3 million FFS twice during the year under review and ended the year with a record 4 million FFS – the first time in the history of Impala that the entire operations has achieved this milestone.

The internationally acclaimed Occupational Safety and Health Accreditation System (OSHAS 18000) has been introduced at Mineral Processes as part of the SAP implementation project at the Rustenburg operations, and includes an all-encompassing Safety Management system (i.e. inclusive of health issues).

Members of the Luka community, who have been employed by Platinum Waste Resources, the company responsible for operating the landfill site at the Rustenburg operations.

A culture of safety is encouraged at all our operations, as is the wearing of personal protective equipment such as safety glasses.
ZIMPLATS

The Total Injury Frequency Rate, one of our key safety performance indicators, improved by 56% year-on-year. Regrettably, one Zimplats employee lost his life when a surface dump truck fell down the slope of rock dump, bringing the FIFR for the year to 0.13 (FY2004: 0). Although Zimplats’ LTIFR deteriorated to 0.80 (FY2004: 0.46), this rate remains the best of any operation in the Implats group and is largely attributable to the BBS programme that was implemented during the year under review.

Of concern, however, is that 80% of the lost-time injuries and the fatal accident that occurred were recorded among Zimplats’ contractors. The strategy to manage contractor safety performance has therefore been intensified.

Moreover, Zimplats’ safety performance was achieved against a background of increased activity at operations level. The following new projects were undertaken during the year, each of which included distinct safety challenges:

• Ngezi underground expansion;
• Ngezi weir construction;
• management village construction and commissioning;
• new plant site earth works; and
• Ngezi power-line construction.

MARULA PLATINUM

Regrettably, there were two fatal accidents at Marula Platinum during the year, one on the surface at Driekop Shaft where a contractor’s worker fell onto a moving conveyor belt and was drawn under the tipping arrangement, and the second underground at Clapham Shaft where a load-haul-dumper operator was fatally injured while he was underground during blasting operations in the stopes, which had been initiated from the surface. In consequence, the FIFR increased from 0.20 to 0.49, a year-on-year increase of 141%.

During December 2004, the mining contract was terminated and Marula Platinum recruited labour from workers who were working for the mining contractor and novice labour from the local community. This required substantial retraining and restructuring so as to ensure business continuity in a safe manner, a process that enabled the overall operation to achieve an 11% improvement in its LTIFR over the prior year to 3.44 (FY2004: 3.87).

The associated increase in production has necessitated an increase in the number of workers underground. Regular safety meetings with members of middle management, who have to pass the facts on to their workers, coupled with renewed drives on changing the behaviour of the workers with regular safety behaviour interventions by the supervisors, is yielding improvements in safety levels.

ZIMPLATS

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• management village construction and commissioning;
• new plant site earth works; and
• Ngezi power-line construction.
In the year under review, Zimplats participated in the Zimbabwe Chamber of Mines, National Frequency Severity and Percentage Improvement competitions for the mining industry. SMC – which falls under the Smelters, Refineries and Coke Ovens Class 1 category – was awarded a trophy for winning the Frequency Severity Competition, after placing third in the prior year. Ngezi Mine – which falls under Mining Class 1 category – appeared for the first time in the Chamber’s books, by placing fourth in the Most Improved category.

Zimplats adopted and improved several safety initiatives to promote safety during the year, including:

* Chengeta, Zimplats’ behavioural intervention, was improved to ensure quality observations. This was achieved through the re-orientation of senior and frontline management with the overall aim of making Chengeta a way of life through observation and coaching.

* Sectionalised Platinum Rules were developed and launched for all disciplines within Zimplats (i.e. Open Pit, Underground, Laboratory, Process, and Engineering operations) and all employees have committed themselves to compliance with these safety guidelines.

* Several Risk Management activities were executed, including a loss prevention assessment for Zimplats, which was conducted by Risk Engineering Consultants from Zurich Risk Engineering who were accompanied by a representative from Alexander Forbes Risk Services Zimbabwe. All raised issues and recommendations are being addressed. CURA Risk Management software was commissioned during the year and the database input is in progress.

* Quarterly safety audits for the first three quarters of the financial year were conducted successfully so as to promote and formalise the safety system. Parameters such as Chengeta, the Platinum Rules and risks assessments audited to ensure that all operations have similar systems in place.

* A Zimplats’ Standards Committee, comprising members from all disciplines, was formulated and is mandated to standardise all Zimplats’ procedures, review and amend existing standards on a regular basis, and ensure all relevant procedures within the various departments are in place.

**MIMOSA**

Mimosa’s safety management programmes are geared to ensure that the safety of our employees, contractors and the community is not compromised. This is summed up in the maxim “nothing we do is so important that it cannot be done safely”.

Our efforts during the year were duly rewarded by the following sterling performances:

* no fatal injuries occurred during the year and, in fact, the mine achieved 1 017 704 fatality free shifts; and

* the LTIFR decreased dramatically from 2.61 in FY2004 to 1.40 in FY2005, reflecting management and employee commitment to reduce workplace injuries to zero through the adoption of a zero tolerance approach to substandard working conditions and unsafe actions.

Every disabling Injury at Mimosa is thoroughly investigated to determine the root cause(s). The process entails extensive analysis (such as by task, time of day and so on), so as to identify appropriate training areas, system failures and tools and equipment that are required to minimise the injuries. Remedial action plans are then drawn up to prevent a recurrence of the same injury.

**Safety culture**

Zero injuries is Mimosa’s primary target. This is a huge challenge, given that the operation has between 500 and 1000 employees working underground, where ground conditions keep changing, on a daily basis. We are determined to cultivate a culture of safety at Mimosa through
ongoing training, starting at induction and proceeding through formal training sessions out of the workplace and informal on-the-job training.

Several initiatives were pursued in FY2005 to further reduce and eventually prevent injuries in the workplace, including:

- **Changing Behaviour** – A programme to train all higher-level employees on BBS Management was initiated during the year and we expect to reap the benefits of the program from next year onwards.

- **Risk Management** – Risk management was introduced during FY2005 and every department has been tasked with identifying their specific risks and action plans to address these risks are being implemented.

- **Quarterly SHE Motto** – Every quarter, a new Safety, Health and Environment motto is adopted and a writeup is published. All employees are then trained on the motto, which is also displayed on all notice boards as well as on the three billboards that flank the major roads on the mine.

- **Monthly Tailgate Topics** – A tailgate topic is selected on a monthly basis and a write up on the topic produced. All employees are then trained on the topic for the month. The tailgate is also displayed on the three billboards and on all notice boards. The duration of the communication campaign for any one tailgate depends on whether every employee has been trained and when the expected behaviour change will have occurred. The operating sections are also expected to hold “toolbox talks” on issues specific to their areas of operation.

- **Monthly Bonus** – A monthly safety and production bonus was introduced to core process teams who are more vulnerable to injuries due to production pressures. The bonus is awarded to teams that meet their production and safety targets. This initiative has led to a drastic decline in injuries, without compromising production levels.

### Safety Schemes

SHE issues are key to Mimosa’s operations and all employees are engaged in SHE initiatives. There is a SHE Steering Committee comprising employee representatives and management, which meets once a month to deliberate on SHE matters. Every department has SHE representatives who also meet once a month to report on progress of activities happening in their respective departments. These forums have given workers ownership of SHE matters. Mimosa also runs a number of schemes designed to promote Safety, Health and Environment [SHE] awareness among our employees and thus improve our SHE management systems. The schemes currently running are:

- **Suggestion Scheme** – This gives employees the opportunity to submit suggestions that have the potential to improve aspects of our operations. Good and implementable suggestions have come forward and employees duly rewarded for their suggestions.

- **Safety Posters** – Employees are invited to draw posters with a Safety, Health or Environment theme every month. The top three posters are enlarged to at least A3 size and displayed on all notice boards and a financial reward is offered to the originators of the posters.

### Fire prevention

A complete fire risk assessment was conducted at Mimosa by fire engineering consultants, and the resulting corrective action plans are being implemented. A Fire Tender has been purchased and has been used on one occasion to put out a fire at a neighbouring mine. Water sprinklers have been installed to ameliorate the risk of fire along the main conveyor belts.

### Risk assessment

Risk assessment has been one of the major thrusts this year. As detailed earlier, each department has its own risk assessment and risk profile, and efforts are being made to complete and implement action plans to ameliorate the identified risks.
SAFETY OBJECTIVES

Our overall objective is to achieve a 50% reduction in LTIFR year-on-year, with a long-term objective of zero injuries.

IMPALA

Rustenburg Operations
- Reinforce the Tsiboga safety programme and ensure visible leadership.
- Implement a BBS programme at the team level (Team Tsiboga).
- Inculcate the belief that operations can mine without injury.
- Conduct one cross-operational safety audit each quarter.
- Implement line management self audits starting with a formal Shift Supervisor’s audit.

Refineries
- Manage incidents effectively and communicate to all stakeholders.
- Audit contractors before granting permission to come onto Refineries’ sites.
- Maintain a world-class safety management system.
- Improve on the risk management system via CURA Risk Management software.

MARULA PLATINUM
- Improve incident management, reporting and awareness.
- Include a formal employee behaviour audit as part of the Safety Officer’s audit program.
- Reinforce the Meerkat programme with focus on quality observations, including the introduction of a reward scheme for the best Meerkat observation.
- Establish a development programme for learner Safety Officers and Safety Representatives.

ZIMPLATS
- Create a management-driven safety culture based on international best practices.
- Entrench our BBS programme (Chengeta) as a way of life through senior management involvement and development of a Chengeta program at team level (C-Lower category).
- Strengthen the safety department and upgrade the skills of the Safety Officers.
- Continuously improve the occupational health and safety of employees.
- Support the safety programme through continuous training and risk assessments.
- Improve the effectiveness of the quarterly audits through management involvement.
- Upgrade our occupational hygiene/health skills through increased resources.
- Monitor all occupational hygiene risks.
- Implement fully the CURA Risk Management System with the aim of reducing insurance claims.
- Implement the ‘green card system’ as a way of promoting the platinum rules, Chengeta and standard procedures.
- Maintain 25% of the total workforce with valid first aid certification through refresher training.

MIMOSA
- Implement enterprise-wide risk management methodology.
- Implement an emergency preparedness programme.
- Entrench the BBS programme in all departments.
- Maintain the contractor SHE training programme.
- Develop a SHE promotion and reward system.
- Achieve zero fatalities and a LTIFR of 0.70.
Employees place a ventilation pipe underground, wearing comprehensive personal protection equipment.
Implats consciously strives to enhance the health and wellness of our employees and their dependants by addressing and managing their health risks while simultaneously providing access to comprehensive occupational, preventative and curative healthcare facilities. The group has responded proactively to the HIV/AIDS epidemic by implementing a number of programmes to minimise the incidence of infection within the organisation and the communities in which it operates; as well as providing comprehensive care and treatment for those individuals who are infected with the virus.
OCCUPATIONAL HEALTH & HYGIENE

Our aim is to have standard Occupational Health Codes of Practice and Medical Fitness criteria across all Implats’ operations.

Pre-employment and annual examinations are performed on all employees to ensure that they are fit to perform the work for which they are employed and to ensure the early detection and treatment of any occupational disease that may arise. Exit examinations are also performed on all people leaving the group’s employ to ensure that no occupational disease or injury is undetected or unreported at the time that the employee leaves our employ.

IMPALA

Rustenburg operations

Occupation Health Screening is performed at the Occupational Health Centre, located within the Rustenburg operations’ mining area and 34,066 Occupational Health examinations were performed on Impala employees and contractors during FY2005. Noise, heat and pulmonary tuberculosis remain the main occupational risk factors.

The PIVOT Occupational Hygiene Management Programme was implemented at our Rustenburg operations during the year under review. The programme is now operational and all statutory reports are generated using this software. A switch will, however, be made to SAP in FY2006.

Noise

Noise-induced hearing loss is an occupational risk in our underground operations, where rock drills are used. All employees have undergone baseline audiometric screening, the results of which have been submitted to our insurer, the Rand Mutual Assurance. New employees are subjected to audiometric screening and baselining as part of their pre-employment examinations.

Rustenburg operations’ Occupational Health Centre has been equipped with new diagnostic audiometric equipment, including Audiometric Tympano and Acoustic Steady State Response (ASSR) Machines. These measures allow sophisticated hearing loss diagnosis as well as the detection of exaggerated hearing loss.

A comprehensive hearing conservation programme is in place to ensure that the risk of our employees developing hearing loss is reduced. To date, 22,254 (97%) Impala employees (FY2004: 17,634) and 37% of permanent contractors have been fitted with individually customised hearing protection devices (Noise Clippers) at a cost in excess of R10 million. Plans are in place to complete the contractor fitment by August 2005.

The statutory personal noise-monitoring programme was implemented in full during the year under review and the first report on the first monitoring cycle, which ended in December 2004, was submitted to the DME. During the cycle period, 814 personal samples were taken across the property. The results revealed that our rock drill operators (RDO) are at highest risk of noise-induced hearing loss with noise exposures ranging between 110dB(A) and 130dB(A).

A road show was undertaken at the Rustenburg operations’ shafts to inform and educate line management and supervisors of the consequences of noise exposure and noise-induced hearing loss as well as the importance of wearing Noise Clippers. An informative video has been developed to inform employees regarding the benefits of wearing Noise Clippers, copies of which have been provided to all shafts and the Occupational Health Centre.

Recently, the Mine Health and Safety Council established milestones for limiting occupational noise exposure and eliminating noise-induced hearing loss. These include no deterioration in hearing greater than 10% after December 2008 and that, by December 2013, the total noise emitted by all equipment installed at any workplace may not exceed 110dB(A).
All employees have lung function tests at our Occupational Health Centre.

A project to determine the benefits of implementing silenced rock drills has been conducted with the assistance of the Council for Scientific and Industrial Research (CSIR), whereby muffled rock drills were compared to the current standard unmuffled rock drill. The results, which were received in June 2005, indicate that although much has been achieved in silencing rock drills, there is currently no rock drill that can be used underground without using custom-made hearing protection devices.

**Heat-related disorders**

Heat is a risk factor for certain underground employees. Accordingly, all underground areas and our employees working in these areas are subject to a Thermal Stress Management Programme.

This involves closely monitoring underground temperatures and implementing interventions in the event that the wet bulb temperature exceeds 25 degrees centigrade. In addition, all underground employees undergo screening for heat intolerance at our Heat Testing Centre, followed by a heat acclimatisation process involving acclimatisation and monitoring in the work place. A total of 22,718 heat tolerance screening tests were performed during the year.

Our heat monitoring programme showed that thermal stress levels fell within the Occupational Exposure Limits (OELs) and, for the sixth consecutive year, no new cases of heat stroke were diagnosed.

The first cold-stress quarterly monitoring period at Rustenburg operations was completed in August 2004. No over-exposures were identified.

**Pulmonary tuberculosis**

Pulmonary tuberculosis (TB) remains a concern against the progression of the HIV epidemic (60% of our TB patients are HIV positive) and is therefore monitored as an occupational disease at our Rustenburg operations and Marula Platinum.

All employees are screened annually for TB and infections are aggressively treated and followed up according to World Health Organisation (WHO) guidelines. The details of all TB patients are submitted to the Medical Bureau of Occupational Diseases (MBOD) for possible compensation. In total, 231 new cases of TB were diagnosed during the year, 22% less than in FY2004. Of the 297 cases submitted last year, the MBOD found that only 108 (36%) were occupation-related.

The objectives set for FY2005 were achieved in terms of six-monthly screening of known HIV-positive employees for TB. Following investigations, digital X-ray screening will be implemented in FY2006 to further improve the detection of occupational lung diseases and TB.

**Occupational diseases**

Seven cases of silicosis were diagnosed in employees during FY2005, all of whom had previous gold mine exposure. Two cases of mesothelioma were found and both of these employees had worked on asbestos mines in the past. All of these cases were reported to the MBOD.

**Biological monitoring**

Employees who work in areas where potential exposure to heavy metals or hazardous chemicals could occur undergo biological monitoring. All employees who were tested at our Mineral Processing plant were found to be within normal limits. At our Assay Laboratory, one employee was found to have an elevated blood lead level. This employee was closely monitored and the level has returned to normal limits.
A total of 1,782 samples for platinum mine dust were taken underground during FY2005. Results indicate that personal exposures are below 0.3 milligrams per cubic metre, which is approximately 10% of the Occupational Exposure Limits (OEL) of 3 milligrams per cubic metre. A slight increase in personal dust and sulphur dioxide exposure has occurred at the Mineral Processes plant, as a result of problems experienced at the acid plant.

A trial with low sulphur diesel was conducted at the No. 14 Shaft Trackless section to determine the impact on air quality. A 33% reduction in diesel particulate matter (DPM) in exhaust emissions was recorded. Further tests are to be conducted to quantify the overall benefits of switching to low sulphur diesel.

**Refineries**

All the Occupational Health and Hygiene objectives set by Refineries for FY2005 were achieved, including annual medical evaluation for 98% of all employees per annum. Moreover, the occupational disease frequency rate has been maintained at zero for the year under review.

**Occupational Health Screening**

All pre-employment, annual and exit medicals are done in the Medical Centre at the Safety, Health, Environment and Quality (SHEQ) Department. Every fulltime employee and contractor working on site goes through a full medical examination every year, irrespective of the area in which they work.

Only employees and contractors working in areas with possible exposure to platinum salts undergo the related skin prick tests. Any person suffering from any health-related condition could be requested to repeat a full medical examination or parts thereof more frequently, at the discretion of the Occupational Medical Practitioner.

Exit medicals are done on all employees leaving the company, before the last day of service. 2,307 pre-employment medicals were conducted during the twelve months under review, as well as 2,551 annual medicals and 324 exit medicals.

**Occupational Diseases**

No new cases of Allergy to the Complex Salts of Platinum (ACSOP) were reported during FY2005. However, two cases with bronchospasm were removed from the PMR and transferred to the BMR. One case was moved to a different section inside the PMR.

Although there has not been an increase in TB cases among Refineries’ employees, an increase in TB incidence has been detected during pre-employment screening of contractors. These individuals have been referred to the Tuberculosis Clinic for further investigation. The results and the details of treatment provided are forwarded to the Refineries’ Medical Centre where the Directly Observed Treatment Short-course (DOTS) programme is offered on site.
Noise

The Hearing Conservation Programme at Refineries is operating effectively. Noise-induced hearing loss is a potentially high risk for the operation, but has a low residual value due to proper management. Indeed, Refineries has maintained a zero noise-induced hearing loss rate for the past ten years.

Baseline audiometry screening has been conducted on all employees and contractors, and the results have been forwarded to Rand Mutual Assurance.

Biological Monitoring

Refineries’ biological monitoring programme continues to operate as planned. All substances monitored were within normal legal limits.

Additionally, 56% of the workforce was sampled for hazardous chemical substance exposure and less than 0.4% of those sampled were above the ACGIH OEL. There are no permanent respirator areas at Refineries, as guided by national exposure limits, although approximately 1% of the workforce is exposed above the OEL when compared to ACGIH limits.

A nickel research study on sampling methodologies to ensure optimal legal compliance with regards to hygiene sampling strategies, undertaken collaboratively with Tswane University of Technology, has been completed.

MARULA PLATINUM

All employees and contractors employed at Marula Platinum undergo annual medical surveillance. With the termination of the mining contract and the recruitment of own-labour by the mine during FY2005, virtually all our underground workers underwent exit medical examinations at Dilakong Clinic. For those people reemployed by the mine, the exit examination was taken as their initial, pre-employment examination.

ZIMPLATS

All new employees are examined medically for fitness before being engaged, as part of the selection process. The results act as a baseline for each individual’s medical file, which is kept centrally at SMC. These examinations include chest X-ray, urinalysis, visual acuity, audiometry, spirometry and a thorough physical examination.

On termination of employment, all employees undergo an exit medical examination, which includes the same range of tests.

Occupational hygiene

An occupational hygiene risk assessment was conducted at Zimplats at the end of May 2005 in preparation for the implementation of an occupational hygiene programme that both complies with the Zimbabwean legislation and is comparable with that implemented at the group’s South African operations.

Periodical pneumoconiosis screening is conducted and no cases of pneumoconiosis have been recorded at Zimplats.

Biological monitoring

All employees who work in an environment with potential exposure to lead or nickel undergo biological monitoring (blood and urine sampling) biannually. This is applicable primarily to employees who work in the laboratory.

MIMOSA

It is Mimosa policy that all permanent and contract employees are required to pass a medical screening examination before placement, and to undergo periodic

Different primary and curative care arrangements exist for Implats’ employees, depending on local conditions and facilities.
examinations thereafter. In general, the frequency of the periodic medical examination depends on individual occupations. However, everyone has to go for a medical examination upon expiry of his/her ticket from the Pneumoconiosis Bureau.

The periodic medical examinations include the following:

- Annually – Drivers and Hearing Conservation Programme.
- Biannually – Food handlers.

Upon leaving the employ of Mimosa, employees undergo an exit medical examination before receiving their terminal benefits.

The total number of medical examinations carried out during FY2005 was 939.

**Pulmonary tuberculosis**

TB is not strictly an occupational disease at Mimosa. TB nevertheless poses a risk to individuals throughout Zimbabwe and as such, the disease is screened symptomatically and during medical surveillance. A total of 19 new cases of TB were diagnosed during FY2005, a 137.5% increase on the eight cases recorded over the corresponding period last year. This is attributable to an increase in the number of employees (the count has more than doubled) and increased medical surveillance. The TB treatment programme includes screening of contacts and DOTS, as prescribed by the WHO.

**Noise**

To minimise the risk of noise-induced hearing loss a Hearing Conservation Programme is in place. The programme includes education on hearing conservation, provision of ear defenders and annual audiometric tests on employees working in high noise areas. A comprehensive noise survey was conducted during FY2005 to identify all areas where hearing protection is required.

**First Aid**

Permanent and contract employees, as well as external contractors, have the opportunity to receive Basic Mining First Aid Training so that they are appropriately equipped to render First Aid in case of emergency medical situations. This year, 278 employees were trained.

Mimosa entered two teams in the Chamber of Mines First Aid Competition: one surface and one underground. The underground team attained second position at zone level and went on to win the National Championships.

**Biological monitoring**

Some occupations, such as Reagents Preparation and Fire Assaying, could potentially expose employees to chemical risks. A comprehensive biological monitoring programme exists whereby those employed in these occupations go for blood lead level tests. The results of tests conducted during FY2005 revealed that all employees have normal blood lead levels.

**PREVENTATIVE AND CURATIVE HEALTHCARE**

Different primary and curative care arrangements exist for our employees, depending on local conditions and facilities.

Implats has set-up and registered an in-house medical scheme, known as the Impala Medical Plan (IMP), which aims to provide affordable private healthcare to employees and their dependants. Membership of IMP continues to grow and at year-end was 11,660 (FY2004: 11,500).

Employees’ monthly contributions to the scheme are fully subsidised (i.e. 100%). The premium payable for dependants who join the scheme is subsidised by 50%. The monthly contribution was contained at R160.00 per member during FY2005 and IMP attained the 22% Statutory Reserve, required in terms of the Medical Schemes Act, on 31 December 2004.

Far left: Audiometric testing at our Rustenburg operations.

Left: Impala Medical Services’ children’s ward.
330 vaccinations (FY2004: 543) were administered at our Rustenburg operations during the year. Refineries provides influenza vaccinations free of charge to all employees at Refineries and Head Office. Vaccinations are also offered to the children and family members of employees, at cost.

MARULA PLATINUM

The two medical clinics on the site of Marula Platinum have been fully equipped to stabilise injured or ill persons. The contract with emergency air ambulance providers has been finalised for airlifting seriously injured persons to medical care in Polokwane, which is approximately 120 kilometres from the mine.

Arrangements have been made to provide basic medical care to employees through the services of local medical practitioners.

Malaria

Impala’s operations are not located in malaria areas and therefore we do not consider malaria to be an occupational disease.

However, some of our employees do visit or originate from malaria-endemic areas and are thus at risk of infection. Treatment is provided to all employees diagnosed with malaria and 61 cases were treated during the year (FY2004: 290). Educational literature and chemoprophylaxis are provided to employees who travel to malaria-endemic areas and are proving effective.

Influenza

IMS provides influenza vaccination free of charge by to high-risk individuals especially those who are immuno-compromised or have chronic respiratory conditions and...
HIV AND AIDS

The HIV/AIDS epidemic is affecting families and businesses across southern Africa and remains a major focus area for Implats.

We have, as far as possible, adopted a common policy across the group for dealing with the impact of the epidemic. The Implats HIV/AIDS policy aims to:

- limit the number of new infections among our employees and in the communities where we operate;
- ensure that the rights of employees living with HIV are protected and respected;
- provide counselling, treatment and support services to employees living with HIV and AIDS;
- provide guidelines on managing the disease in the workplace; and
- minimise the impact of the disease within the company and the community.

Our programmes, which include HIV/AIDS education, treatment and management, receive high priority and focus at all levels of the group. Emphasis is placed on preventing HIV transmission and managing the impact of infection on both the individual and the company.

Malaria

Implats’ operations are not located in malaria-endemic areas and malaria is therefore not considered an occupational disease.

However, sporadic cases are reported, mainly when employees who visit malaria-infested areas return to work. Malaria testing kits are used to confirm the diagnosis and all malarial cases are treated according to the national malarial protocol. Malaria education campaigns are conducted with the assistance of the Zimbabwe Ministry of Health and Child Welfare.

MIMOSA

Mimosa undertakes various initiatives aimed at preventing diseases among our employees, their dependants and the community. These include providing health education through pamphlets and informal talks at community gatherings. Male and female condoms are freely distributed and at no charge, to prevent sexually transmitted infections (STIs) and hence HIV/AIDS.

Quality curative healthcare is offered to our employees and their dependants by our medical services staff. This is enhanced by the availability of drugs and very highly subsidised medication for lower-level employees (all higher-level employees are members of a medical aid scheme, as detailed below). Immunisation of employees’ children is undertaken at no charge.

Two medical schemes are in operation at Mimosa:

- Employees in Hay grades I and above are on Generation Health Medical Aid. The company contributes 50% towards employees’ monthly medical contributions.
- Lower level employees pay 6% of their basic wage towards the Medical Service Fund, which is heavily subsidised by the company.

These medical schemes are over and above the clinic facilities, which are available to everyone at the mine.

Malaria

Mosquito breeding areas and houses are sprayed regularly to prevent malaria. Employees and their dependants travelling to areas where malaria is endemic are given prophylactic drugs to prevent them from contracting the disease.

Dentistry services form part of the overall healthcare offering provided by Impala Medical Services.
Data from the mining activities at our Rustenburg operations in the North West Province indicates that the prevalence levels of HIV have stabilised at 16%, which is well below the reported levels of infection for similar populations in the province and among other mining companies. The prevalence rate at financial year-end was 15.9%.

Of those employees at Refineries who have undergone voluntary tests, the HIV rate is approximately 3.6%. Three people within the company have informed the Medical Centre that they are using Anti-Retroviral Therapy (ART), one of whom is receiving the regimen at the Medical Centre. Through health talks and weekly flyers, employees are encouraged to know their status and Implats’ Wellness Programme is running smoothly at Refineries.

Although HIV education programmes have been implemented at Manula Platinum, Zimplats and Mimosa, the HIV prevalence level at these operations remains undetermined but will form the focus of our initiatives in FY2006.

Implats is also extensively involved in community HIV programmes. Many of our principles and experiences have been incorporated into local community programmes to extend the fight against HIV/AIDS (see pages 72, 73, 120 and 121).

**HIV/AIDS prevention programmes**

Educating employees about the HIV/AIDS risk remains the cornerstone of our prevention programmes. Our aim is to ensure that all our employees fully understand the risk of contracting HIV and that they change their sexual behaviour to eliminate this risk.

The programme also equips employees with the knowledge of how to prevent HIV progressing to AIDS and highlights the importance of every adult living in Southern Africa knowing his or her HIV status and knowing how to manage a positive HIV condition.

Several focused initiatives make up our prevention programme, namely:

- **Educating current employees** – All employees undergo a formal education session at least once every twelve months to ensure that they are updated on the most recent, appropriate knowledge of the HIV epidemic in Southern Africa.

- **Educating new employees** – This programme aims to bring new employees’ level of understanding on HIV/AIDS up to that of our existing employees.

- **HIV positive peer educators** – In an effort to overcome the stigma associated with the illness, we utilise the services of several carefully chosen and trained employees who are already HIV-positive and who have come to terms with and openly disclose their status. These dedicated educators advise other employees on the realities of living and coping with HIV infection.

- **Impala’s “DO YOU KNOW” campaign** – This initiative delivers key messages aimed at prompting employee thinking on HIV, how it affects individuals and their families, and what every employee can do about it, using simple poster messages displayed around our operations.

- **Sexually Transmitted Infection (STI) programme** – While the primary transmission of HIV is sexual, other STIs dramatically increase an individual’s risk of contracting HIV. Contracting any STI also clearly indicates that the individual is knowingly or unknowingly engaging in high-risk sexual behaviour. As such, Implats places high priority on the treatment and counselling of patients who contract STIs. IMS provides free and comprehensive treatment for all employees and sponsors community STI clinics. Every patient who develops an STI undergoes extensive counselling and education on the dangers of STIs and is strongly advised to take a free, confidential HIV test.

- **Traditional Healers** – Impala continues to work closely with and provide assistance to traditional healers practicing around our operations. These traditional healers play a key role in our HIV education programme, primarily by assisting us to dispel the myths around the infection, encouraging safe sexual practices and supporting those living with HIV. Our Traditional Healers’ Cooperative played a leading role in the success of our Voluntary Counselling and Testing programme by coming forward for an HIV test to determine his or her personal status. By doing so, they joined senior Implats management and union leadership to demonstrate to employees the need to know their individual HIV status.

- **Commercial Sex Worker (CSW) Project** – Implats does not condone commercial sex work, but recognises it as a reality that poses a potentially high-risk area for the transmission of STIs. To counter this risk, our Rustenburg operations has established a project in association with other mining groups and the Department of Health (DOH), which aims to reduce the risk of infection being transmitted during commercial sexual contacts. The project uses CSWs to educate their clients and peers on the dangers of HIV transmission and the importance of condoms in reducing this risk and currently involves 97 CSWs.
Assisting employees living with HIV

HIV is a chronic illness. If diagnosed, treated and managed correctly, the onset of AIDS can be delayed, if not prevented. Several initiatives are in place within Implats, including:

- **Breaking the Stigma of HIV** – The stigma surrounding HIV remains a major obstacle to combating the epidemic in southern Africa. Implats encourages the support and protection of HIV-positive employees through the group’s policies and programmes, the latter having been put in place at all levels of the organisation so as to provide forums for openly discussing HIV and breaking the stigma associated with HIV infection.

- **Voluntary Counselling and Testing (VCT)** – To manage HIV as a chronic illness, the patient needs to be diagnosed as HIV-positive by taking a voluntary and confidential HIV test and then joining a treatment programme. Impala provides free voluntary counselling and testing for all employees and their partners, as well as post-test counselling and treatment programmes. Every employee is encouraged to know his/her status. Our CEO, senior management, union leadership, medical staff and traditional healers have spearheaded this programme by publicly undergoing confidential HIV testing and encouraging other employees to follow their example. Some 7,680 HIV tests were done during the year (FY2004: 6,570).

- **Anti-Retroviral Therapy (ART)** – ART is provided to employees and their dependants through the IMP. Patients who are on our Wellness Programme whose immune systems have failed, or who have contracted AIDS-defining infections, are eligible to start receiving ART. Our ART roll-out programme achieved its objective of increasing ART uptake by 50% during FY2005.

- **HIV/AIDS Councils** – HIV/AIDS is a nationwide problem affecting all people. Implats remains committed to sharing the group’s knowledge and expertise in this area, as well as gaining new knowledge by actively participating in and providing support to local, regional and provincial HIV/AIDS Councils.
HIV community support

HIV is affecting communities across southern Africa, including those in which our employees live. Impala provides financial and technical support to these communities through a number of NGOs and community organisations that are involved in the fight against HIV and AIDS. These are more fully reported on in the Impala Community Development Trust report on pages 120 and 121, but include:

- **Home-based care** – Individuals who develop AIDS and their families require care and support. Wherever possible, this is done within the home environment. Impala supports four NGO Home-Based Care Organisations that provide care in communities where our employees live, namely Hlalaphille, Tapolo, Kopano Women’s Group, and EbenEzer Care Group.

- **Hospice** – Where home-based care is no longer possible, patients in the terminal stages of their illness often require Hospice Care. Impala supports the Tapolo Hospice in Phokeng, a facility that provides care and is integrated into the Tapolo Home-Based Care Programme. Patients who are in the programme and require hospice admission are referred into Tapolo Hospice for stabilisation or end-stage care.

- **Orphanages** – As a direct result of the AIDS epidemic, the number and needs of orphans are growing across South Africa. Impala recognises the needs of these children and supports the Botho Jwa Rona, Bana Bakgotso and Tshireletso orphan and care facilities.

It has, however, become increasingly clear that while orphanages will continue to play an important role, a preferable solution to the South African AIDS problem lies in foster parentage and adoption of these children. Together with the Department of Social Development (DSD), Impala has identified a need to support those orphans who are living with extended families and who are waiting, but have not yet received, official grants from the DSD. Aiming to overcome this hiatus, Impala has partnered with the DSD and Lifeline to give these children interim support while they wait for official adoption and the receipt of their Government-subsidised social grant. On average, Impala currently supports 90 of these children per month.

- **Community STI Programme** – Given the high risk of HIV transmission in the presence of other STIs, Impala provides free STI treatment via St Joseph’s Mission clinics to high-risk communities. This complements Impala’s own STI treatment programme for the group’s employees and their partners.

- **Youth Programme** – We believe that it is vital to establish safe sexual practices in teenage and young adult groups. Our youth programmes are therefore designed to engage and empower youths to take informed decisions regarding their sexuality and morality. This is done through youth workshops and training sessions in the communities.

- **Commercial Sex Worker Project** – The CSW Project is integral to Impala’s HIV/AIDS prevention programme and also forms an important part of the communities’ response to HIV risk. It is essential that, if commercial sexual contacts take place, the risk of HIV transmission is
Marula Platinum has implemented the Impala HIV/AIDS education and management model for its employees and contractors and plans to intensify the programme during the coming year. The communities surrounding the operations have also been involved in the various components of the programme.

Zimplats

HIV/AIDS remained a major focus area at Zimplats in FY2005. Initiatives in this area included the adoption of the Implats’ HIV/AIDS policy and the launch of an HIV/AIDS workplace programme in partnership with two NGOs. The latter, while in its infancy, was engaged in the following activities during the year:

- education;
- peer educator training;
- prevalence survey;
- voluntary counseling and testing; and
- provision of drugs.

The primary priority at Zimplats has become awareness campaigns and education on the deadly pandemic.

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Research – Implats has undertaken to support the South African AIDS Vaccine Initiative (SAAVI) for the next five years. An effective AIDS vaccine would make a major contribution to preventing the further spread of HIV, but remains some way off.

IMPALA

Rustenburg operations

The HIV/AIDS interventions at our Rustenburg operations are incorporated in the aforementioned activities.

Refineries

A group of 23 volunteers from the Refineries HIV/AIDS committee completed a two-part Group Peer Educator Training course designed, inter alia, to equip them to answer questions on HIV/AIDS. The course content included fundamental facts about HIV/AIDS, preventing HIV transmission, care and support for those infected with HIV, healthy living, and stigma/discrimination/prejudice against people living with AIDS (PLWA). The group comprised representatives of management and NUM as well as employees.

Refineries has three HIV/AIDS community projects – Oasis Rover Crew, the Nigel Caring Community, and New Image.
HEALTH OBJECTIVES

IMPALA

Rustenburg Operations

- Implement digital X-ray screening for all Impala employees and contractors working on Impala.
- Implement new Occupational Health SAP Module at the Occupational Health Centre.
- Revise and enforce the hearing conservation programme to meet the milestones set for the mining industry.
- Equip all permanent contractors with Noise Clippers.
- Quantify the risk of exposure to DPM.
- Quantify the benefits of low sulphur diesel by introducing low sulphur diesel to an entire trackless fleet at a shaft.
- Revise the baseline risk assessment for airborne pollutants.
- Model and manage the impact of risk equalisation fund and compulsory membership on IMP and Implats.
- Extend preferred provider arrangements to control specialist and external service cost escalations.
- Continue preventative and treatment programmes aimed at reducing HIV prevalence levels from current 16%.
- Increase ART uptake by a further 50% from current base.

MIMOSA

Mimosa has designed programmes that aim to:

- increase awareness among employees, their dependants and the community; and
- prevent HIV transmission the same stakeholders.

HIV/AIDS awareness induction is provided to all employees and external contractors. Awareness talks are also given at community gatherings. Male and female condoms are distributed free of charge at various strategic points. A Knowledge, Attitudes and Practices survey (KAP) was carried out by an external consultant, the results of which will be used to further enhance our strategies for dealing with the HIV/AIDS threat. During FY2005, peer educators were nominated and trained by specialists in HIV/AIDS counselling.

PRODUCT HEALTH AND SAFETY

The majority of the materials and products that are dispatched from our operations do not pose any health or safety risk. The single most important exception is sulphuric acid, which is transported by road from Mineral Processes in Rustenburg to the Refineries. Protocols governing the transportation of hazardous materials (Hazmat) are adhered to. In addition, a full description of the relevant Hazmat protocols is published on the Implats website.

A detailed description of our products and their application may be found in the 2005 Implats Annual Report.

All new employees are inducted on HIV/AIDS issues as well as STIs. This is aimed at enlightening and educating employees on the existence of HIV/AIDS and the services that are available in the company. An insignificant number of STIs were recorded at Zimplats’ clinics during FY2005 and all were treated according to the national STI protocol.

HIV/AIDS awareness induction is provided to all employees and external contractors.
MARULA PLATINUM

• Implement Occupational Health Module for Marula Platinum employees and contractors.
• Extend private primary and curative healthcare cover for Marula Platinum employees.
• Implement HIV/AIDS screening and wellness programmes for Marula Platinum employees in line with Impala’s HIV/AIDS policy.

ZIMPLATS

• Improve ventilation and undertake periodical planned and unplanned surveys.
• Purchase noise dosimeters for measurement of personal exposure levels.
• Purchase heat stress monitoring equipment, as well as profile and monitor heat exposed areas.
• At Portal 2, replace the current 37/75 kW axial flow fans with the permanent 4 x 185 kW axial flow fans.
• Monitor and maintain the underground mine environmental conditions within the set occupational exposure limits.
• Establish an occupational hygiene baseline and develop a formal occupational hygiene programme that will enable recording of occupational exposures.
• Maintain the biological exposure level to within the OEL.
• Improve the medical facilities at both Selous Metallurgical Complex and Ngezi Medical Clinics (infrastructure and equipment).
• Improve the diagnosis and treatment of malaria.
• Continue with the HIV/AIDS workplace programme, focusing on:
  – employee access to Voluntary Testing and Counselling;
  – prevalence survey for Ngezi operations;
  – assisting affected employees;
  – evaluating the effectiveness of the programme; and
  – implementing an appropriate wellness programme for HIV-positive employees.

MIMOSA

• Conduct biological monitoring in accordance with existing legislation.
• Extend Mimosa Mine Clinic to provide for emergency healthcare to injured employees.
• Equip Mimosa Mine Clinic to stabilise seriously injured employees.
• Implement an appropriate employee wellness programme.
• Establish a workplace/shaft base clinic.
• Establish and equip an Occupational Health Centre.
• Purchase outstanding occupational hygiene monitoring equipment.

ZIMPLATS

• Implement Occupational Health Module for Marula Platinum employees and contractors.
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Managing our impact on the environment

The process of mining, be it at production, processing, or refining level, has a direct impact on the mining site and its surrounds. It is therefore incumbent on the operating company to anticipate, prevent as far as possible and mitigate the effects of its actions. Three critical areas in this regard are air, water and land management.

Impala has developed an Environmental Management System (EMS), in line with world-class standards. As part of the implementation of SAP as the business system across Implats, as detailed on page 29, all group operations (excluding Mimosa) will run the same EMS, which is based on the principles of ISO 14001.
The company operates in accordance with its SHEQ, which provides the framework for best practice. Key commitments are:

- compliance with all applicable laws, regulations and standards;
- pollution prevention; and
- continual improvement in environmental performance.

The enactment of the MPRDA (detailed under Operating Environment, on pages 17 to 20) and the promulgation of the National Environmental Management Air Quality Act and the National Environmental Management Amendment Act have introduced several legislative changes with regards to environmental impact and performance issues. Implats is cognisant of these changes and has implemented initiatives to ensure the group’s compliance with the revised South African legislation and associated environmental regulations.

As outlined on page 32, Implats will implement a set of corporate standards across all operations over the next two years, thereby forming the basis for the development and application of SHE management systems at all levels within the group. The standards will cover all operational aspects and activities that have the potential to affect the health and safety of people, the environment, or the community; and will extend throughout the entire life cycle of operations – from exploration and planning through to operation, closure, decommissioning, remediation and rehabilitation.

**IMPALA**

**Rustenburg operations**

Our Rustenburg operations’ Environmental Management System (EMS) retained its ISO 14001 certification during the verification audit by the British Standards Institute in July 2004. The positive outcome of the audit led to a recommendation that the operations be subject to annual verification audits only in future, instead of the previous six-monthly audits. This is a considerable achievement, given that the Rustenburg operations is the largest of its kind in the world.

Our focus going forward will be to retain Rustenburg operations’ ISO 14001 certification while modifying the EMS where necessary to comply with the new ISO 14001: 2004 standard.

The addenda to the Environmental Management Programme Reports (EMPRs) for the following production components were formally approved by the DME during FY2005:

- No. 11 Shaft;
- No. 14 Shaft;
- No. 12 Shaft;
- Smelter Expansion;
- Concentrator upgrade; and
- 1A, 1B, 11C, 14B Ventilation Shafts, Concentrator crushers as well as No. 6 Dryer.

The EMPR addenda submitted during the year for No. 16 Shaft, the UG2 and remaining Merensky opencast operations have received positive records of decision (RODs) from the DME.

Aiming to facilitate community participation in environmental matters, our Rustenburg operations appointed a Community Liaison Officer during FY2005, who, inter alia, successfully established community forums in nine of the ten communities neighbouring on the property. The exception is Luka where, despite ongoing dialogue with certain Luka residents, establishing a representative forum in the community remains a challenge.

Senior management incumbents at our Rustenburg operations received training on their personal responsibility and liability with regards to environmental legislation during June 2005, with a view to not only creating awareness of their legal responsibilities but also to provide practical advice on the ‘do’s and don’ts’.

Rustenburg operations did not incur any environmental non-compliance breaches resulting in fines during the year.
Energy

Energy consumption at our Rustenburg operations was maintained at around 2,130,000 megawatt hours. The average unit consumption decreased by 1.1% to 135.1 kilowatt hours per tonne milled.

Air quality

The air quality surrounding our Rustenburg operations is affected by dust and gaseous emissions, in particular sulphur dioxide emissions from the smelter operations.

A sulphur balance approach is taken to calculating (and therefore managing) total sulphur dioxide emissions from the operations (i.e. including all fugitive emissions), thus providing an auditable, consistent and reliable measurement.

Increased production levels, driven by Rustenburg operations’ objective to achieve higher production and improved profitability, placed pressure on the smelter operations during the first six months of FY2005 with regards to meeting the scheduled process permit conditions for sulphur dioxide negotiated in September 2004. On application to the Chief Air Pollution Control Officer for the North West Province (CAPCO-NW), Impala was given the opportunity to renegotiate the scheduled process permit in February 2005 to 36 tonnes of sulphur dioxide per day, so as to accommodate a higher smelting production rate of 75,000 tonnes/month (i.e. maximum furnace capacity, which is the worst case scenario).

Importantly, the new permit includes availability and running time targets for the acid and Sulfacid™ plants respectively, rather than limits. Should these targets not be met, permit compliance will not be compromised, providing total sulphur dioxide emission is below the permit requirement. This arrangement is more favourable than the prior limits which, if not met, constituted a violation of permit requirements regardless of total sulphur dioxide emissions.

Moreover, the new scheduled process permit has been structured to accommodate our long-term strategy to decrease sulphur dioxide emissions to less than 20 tonnes of sulphur dioxide per day by December 2006, as outlined in Table 6.

The acid plant achieved an average availability of 90.1% and the Sulfacid™ plant a running time of 91% during the past year.

Substantial research and development work has been undertaken by the Mineral Processes technical and production teams to identify appropriate technologies for reducing the operations’ sulphur dioxide emissions in line with the requirements of the new permit, to ensure sustained compliance. Implementation of the technologies identified will begin during FY2006.

The Mineral Processes team has also developed a long-term sulphur dioxide reduction strategy document to ensure compliance with current and future legal requirements as well as the delivery of production.

The air quality performance for FY2005 was affected negatively by two events:

- an acid plant shutdown during Easter, which resulted in increased sulphur dioxide emissions in April; and
- engineering problems on the acid plant blowers which affected the acid plant availability, and therefore the sulphur balance, in both April and May.

Dust fall-out, primarily from roads and tailings, continues to be monitored at ten locations in the vicinity of the mine. A conventional bucket-and-water filtering system is used to determine monthly fall-out concentrations. Based on the guidelines for dust deposition classified by the Department of Environmental Affairs and Tourism (DEAT), the majority of dust fall-out is ‘slight’ (less than 250 milligrams per square metre/day).

Impala continues to participate in the North West Air Pollution Control Forum (NAPCOF), which allows industries from the North West Province, together with CAPCO-NW, to meet on a regular basis to discuss air quality management performance.

### Table 6: Summarised scheduled process permit conditions, negotiated in February 2005.

<table>
<thead>
<tr>
<th></th>
<th>Total sulphur dioxide emissions (tonnes/day)</th>
<th>Acid plant availability target</th>
<th>Sulfacid™ plant running time target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current</td>
<td>35.8</td>
<td>100 %</td>
<td>100 %</td>
</tr>
<tr>
<td>August 2006</td>
<td>20.6</td>
<td>100 %</td>
<td>100 %</td>
</tr>
<tr>
<td>December 2006</td>
<td>18.6</td>
<td>100 %</td>
<td>100 %</td>
</tr>
</tbody>
</table>
Figure 10: Total sulphur dioxide emissions, Rustenburg smelter operations, FY2004 and FY2005.

Water management

The main water management challenges facing our Rustenburg operations are fresh water consumption and quality, the latter primarily being a factor of effluent discharge into water resources in compliance with the National Water Act, which prohibits the discharge of polluted water into the environment. Emphasis is placed on responsible water usage throughout the operations, which includes an objective to achieve zero effluent discharge.

The volume of fresh water consumed at the operations fluctuated between 26.4 megalitres/day and 40.5 megalitres/day, resulting in a yearly consumption of 12,254,412 kilolitres. In support of our efforts to reduce fresh water consumption, an agreement has been entered into with the Rustenburg Water Services Trust whereby 10 megalitres/day of treated sewage effluent will be provided to the Rustenburg operations, which equates to approximately 15% of the operations’ total daily water demand (fresh and recycled) of 65 to 70 megalitres/day. The necessary reticulation is currently under construction and this water will be available as from 2006, once the Rustenburg sewage plant upgrade has been completed.

Plans are currently being formulated to increase the volume of internal recycling, for which a capital expenditure budget of R3.7 million has been allocated over the next five years. This follows an investigation into strategies to maximise the use of secondary water to ensure compliance with Regulation 704 of the National Water Act.

Total annual fresh water consumption declined 4.6% year-on-year, reflecting a 6% decline in water consumption per production unit to 0.78 kilolitres per tonne milled.

Monthly sampling of water from the Leragane stream, which flows through the property, took place during those months in which water flowed. Tests revealed that conductivity, sulphate and chloride concentration levels in the Leragane stream exceeded our water permit objective values, especially during the dry season (see Figure 11). However, some improvement was noted later in the year when sulphate levels complied with the objective value. At the same time, conductivity and chloride levels improved substantially.

Nitrate concentration levels followed a similar trend, although these exceeded the permit objective value for most of the review period (see Figure 11). To minimise the impact of the shafts’ activities on the surrounding streams, a groundwater extraction system is being installed to prevent seepage of polluted water into the stream.
Rehabilitation work continues at the Merensky opencast operations and is part of the operating contract. Some 195,638 square metres were completely rehabilitated during FY2005.

A cultural heritage site was discovered close to the No. 16 Shaft construction site. The services of an archaeologist were secured to recover and log the items found.

REFINERIES

Environmental management receives high priority at Refineries. The entire operation has held ISO 14001 certification for five consecutive years and has been a signatory to the International Responsible Care initiative for seven consecutive years. No environmental breaches were incurred during the year.

Extensive preventative initiatives have been implemented to eliminate or minimise the causes of environmental complaints. This has resulted in a 7.78% reduction in the overall number of complaints received to 83 (FY2004: 92), 46 of which were Refineries-related.

The number of noise-related complaints, however, increased by 62.5% year-on-year. Given the complex nature of the operation and its surrounding industrial and residential areas, identifying the potential sources of noise for rectification purposes, proved challenging. A comprehensive study was therefore undertaken in November 2004, which fingerprinted the noise at the receptors and then overlaid the fingerprints of all fans and pumps in the plant. This revealed three potential sources of noise, namely the EPMR extraction fans, the ammonia sulphate fan and the leach plant extraction fan, and led to the testing of noise-reducing materials in the EPMR fans so as to reduce the noise at source.

Surface and ground water projects

Pro-active groundwater studies are being conducted at the acid plant, No. 12 Shaft, No. 14 Shaft and the Luka Village to determine whether the Rustenburg operations is impacting on the groundwater quality in these areas. If necessary, remediation work will commence early in FY2006.

During this process, the groundwater model has been updated using additional information to model the diverse scenarios and design mitigation measures.

Land, biodiversity and waste management

A closure programme and conceptual closure plans for the entire Rustenburg operations were compiled during FY2005, as required by the MPRDA, and will be submitted to the DME in FY2006 for approval.

The capital for the implementation of the tailings dam rehabilitation (the ‘woodchip project’) has been approved, allowing the project to become fully operational during the first quarter of FY2006. The project has been awarded to a community-based business which is 75% owned by 15 women from the Luka community and which will provide employment for a total of 36 Luka residents. The owners of the small business enterprise have received business skills training, along with comprehensive training in rehabilitation techniques.

The landfill site, established at our Rustenburg operations for the disposal of domestic waste, is now fully operational. The landfill is operated by Platinum Waste Resources, a joint venture between two Luka community groups – Itereleng Waste Recovery Projects (30%) and Rampete Metal Processors (20%) – and Envirofill (50%).

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A cultural heritage site was discovered close to the No. 16 Shaft construction site. The services of an archaeologist were secured to recover and log the items found.
Ekurhuleni Metro’s new Air Quality Management Plan. The requirements of this plan are currently being rolled-out across the diverse industries in the region. In addition, Refineries represented the forum at the launch of the new Ekurhuleni ambient monitoring stations, which event was attended by the Gauteng MEC for Environmental Affairs.

During FY2005, Refineries also became an industrial member of the National Association of Clean Air.

Water management

The annual water consumption at Refineries has dropped from 32.55 kilolitres per tonne matte milled in the prior year to 30.05 kilolitres per ton matte milled in FY2005. The decreased water usage is a direct reflection of the increase in water recycled through the Effluent Treatment Plant (ETP), which uses reverse osmosis technology to remove the chemicals from the process water to produce potable quality water that can be reused.

Refineries is a trustee of the Blesbokspruit Environmental Centre just outside Springs. The main aim of the centre, which is situated within the Ramsar wetland site, is to promote environmental education within local schools and communities.

Energy

The amount of electricity consumed at Refineries – 124,746 megawatt hours – remained relatively constant year-on-year, this despite the higher levels of construction work taking place within both the PMR and the BMR and an increase in amount of matte milled.

Air quality

In compliance with the ROD from Gauteng’s Department of Environmental Affairs, Conservation, Environment, Land and Tourism (DACEL&T) on the EIA, received in January 2004, quarterly stack sampling commenced at the start of the year under review measuring sulphur dioxide, chlorine, nitrous oxides, ammonia and particulates. This has enabled the Refineries to predict the emissions from all sources more accurately. The process has revealed a 35.9% increase in stack emissions to 1,078.1 tonnes (FY2004: 786 tonnes), primarily particulates that were not measured previously. The main sources of emission are currently the boilers in the BMR and a project to optimise the operation of the boilers and thereby minimise their impact on the environment is at development stage.

Although the nitrous oxide (NOx) gases emitted by Refineries are not the major pollutant, their high visibility makes them the most noticeable to the public. A De-NOx scrubber is currently being installed and will be commissioned in December 2005. A combination of classical wet scrubbing and modern technology ultraviolet (UV) reactors, the De-NOx scrubber at Refineries is the first South African application of UV reactors and the second PGM installation worldwide. The plant will remove hydrochloric acid (HCl), chlorine (Cl2), sulphur dioxide (SO2), nitric oxide (NO) and nitrous dioxide (NO2) from the feed gas stream.

The amount of direct greenhouse gases produced by Refineries dropped by 10.3% to 125,576 tonnes for the review period (FY2004: 140,000 tonnes). This improvement is primarily attributable to a reduction in the amount of coal used in the boiler operations, with the indirect greenhouse gas emissions due to the use of electricity having remained relatively constant at 112,271 tonnes.

The requirements of the new Ekurhuleni Air Quality Management Plan are currently being implemented. This plan was developed by the Ekurhuleni Metro.

A representative of Refineries chairs the Springs Air Forum, an industry-based association with membership drawn from small and large industrial operations in Springs, Brakpan and Nigel. During the review period, the Springs Air Forum was instrumental in the collaborative development of the
Air quality
Dust fall-out from the tailings dams was monitored throughout the year and will continue to be monitored going forward. The results at the time of the sampling indicated that the volume of dust generated by the tailings dams was not significant and was within prescribed limits. The starter-wall slopes are being vegetated to prevent excessive dust generation. The top of the slimes dams is kept wet while slimes are deposited onto it. Consideration is being given to implementing a woodchip project, as implemented at our Rustenburg operations, and a decision will be taken early in the 2006 financial year.

Some dust roads have been topped with stone to prevent excessive generation of dust. Further amelioration methods will be explored during the coming year.

Water management
Water management and water quality remain the key focus areas at Marula Platinum, due to the arid environment in which the mine is situated. The quality of both surface and ground water is monitored regularly to ensure that the mining operations do not pollute the water resources of the communities living around the mining area.

Marula Platinum is committed to conserving water and curbing wastage. Accordingly, every effort is made to recycle all water used, by pumping it from underground into the process-water system. No water is discharged into surface watercourses.

Land, biodiversity and waste management
The amount of waste produced at Refineries increased 7% year-on-year to 2,327.2 tonnes (FY2004: 2,174 tonnes), the excess largely comprising the brine generated by the ETP. Thus, although there has been an increase in total waste generated, the waste disposed of to landfill has remained constant. Additionally, the volume of waste recycled during the year increased from 587 tonnes to 743.4 tonnes (i.e. 26.6% of total waste is recycled).

Environmental recognition and awards
The Environmental Superintendent at Refineries was awarded the Springs Chamber of Business and Commerce President’s Award for Outstanding Contribution to Environmental Management in Springs during FY2005.

MARULA PLATINUM
Marula Platinum remains committed to upholding its environmental responsibilities and continually strives to improve its environmental performance.

Energy
The amount of electricity consumed by Marula Platinum’s operations amounted to 64,036 megawatt hours for FY2005.

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site in Burgersfort. Recycling of some elements of waste, such as metals, is achieved by selling the waste to merchants. Waste wood is supplied to the community at a nominal price.

ZIMPLATS

Zimplats is committed to ensuring high standards of environmental care and continually improving its environmental performance. This commitment is clearly spelt out in the company’s Safety, Health and Environment Policy and is endorsed by an ongoing quest to develop a culture where all employees strive to better Zimplats’ overall year-on-year environmental performance.

SMC achieved and retained ISO 14001 certification in October 2004 and March 2005 respectively while significant progress has been made during the review period to align the Ngezi operations’ EMS to ISO 14001. March 2006 has been set as the target date for achieving the latter certification.

SMC and Ngezi operations came first and second respectively in the regional environmental audit for 2005, organised through the Association of Mine Managers of Zimbabwe, with SMC ultimately winning the national finals. Interdepartmental trophies have been introduced at each of the two operations, which will be awarded to the winners of the annual internal EMS audits.

Zimplats did not commit any environmental non-compliance breaches resulting in fines being levied during the year, neither was any incident recorded that involved regulatory authorities.

The entire Ngezi expansion environmental impact assessment (EIA) document was approved by the Department of Natural Resources.

Four unused radiation sources, dating back to before Zimplats was acquired by Implats, were returned to Process Automation in South Africa for safe disposal, with the approval of the Ministry of Health and Child Welfare.

Work to amend the Hartley Platinum project’s environmental management plan (EMP), approved during BHP’s ownership of the operations, to reflect the current slag dumping method, was completed and the document submitted to the Zimbabwe Department of Natural Resources for approval.

Information on Zimplats’ hazardous waste management plans and waste reduction targets was supplied to the Zimbabwe Ministry of Health and Child Welfare following a written request in compliance with Sections 3 and 4 of the Hazardous Substances and Articles (Waste Management) Regulations, Statutory Instrument 37 of 2000.

To manage the environmental risks from main suppliers, including contractors of products and services, a standard clause on environmental conformance has been incorporated into contract documentation. This requires that contractors acquaint themselves with Zimplats’ EMS (as outlined in the site in Burgersfort).

before commencing any contracts; comply with all relevant environmental procedures and environmental requirements or obligations; and ensure that work undertaken in terms of the contract complies with all applicable environmental laws and regulations, Zimbabwe Platinum Mines Safety, Health and Environmental Policy and applicable ISO 14001 requirements. Contractors are also required to identify the significant environmental aspects (indirect impacts) of the products and services they offer, along with the relevant environmental procedures and environmental requirements to ameliorate these impacts.

Energy

Energy, while crucial to modern society, generally contributes to environmental degradation indicators such as air pollution and acid rain. The management of energy consumption is therefore central to strategies aimed at reducing air pollution and preventing global warming.

Zimplats’ targets of 0.72 kilowatt hours and 921 kilowatt hours for power used per tonne of ore milled and concentrate smelted respectively were achieved for most of FY2005. The total power consumed at SMC increased year-on-year from 161,473 megawatt hours to 186,241 megawatt hours. Exact consumption figures for Ngezi operations are not available yet due to inconsistent data.

Air quality

Monitoring of sulphur dioxide emissions from the SMC Smelter has been delayed due to problems encountered on commissioning the relevant equipment.

Surveys on the use and control of carbon fluorocarbons (CFCs) have become a requirement since the introduction of the Statutory Instrument 133 of 2004, which deals with the control of ozone-depleting substances and ozone-depleting equipment. This has been included in the FY2006 Engineering Environmental Management Plan (EMP).

Minimal progress was made in implementing a dust fall-out monitoring programme at Ngezi operations during FY2005 and the project has therefore been included in the Environment Department’s EMP for FY2006.

Water management

Zimplats aims to conserve water by recycling, eliminating wastage and preventing water pollution.

The target set for reducing fresh water consumption at SMC has been achieved, with year-on-year fresh water consumption remaining almost constant at about 1.7 million kilolitres. Monthly patrols by the Security Department to check on leakages and illegal abstraction of water from the Manyame pipeline continued throughout the year. Plans are at an advanced stage to install a flow meter at SMC, which will lead to improved measurement and control of water drawn from Manyame dam, as well as an improved site water balance at SMC.

Water consumption per tonne of ore milled achieved the target of 0.72 kilolitres for most of FY2005.

At Ngezi operations, the target for water abstracted from the permitted boreholes was not achieved, largely as a result of the disparity between the low volume allocated in the permit compared to the activities and number of people on site. A request made to the Zimbabwe National Authority to review the permit limits from the current 126,000 kilolitres/annum to 200,000 kilolitres/annum was granted.

Rainfall was limited during the year, highlighting the need to monitor the operation’s water consumption very closely. Awareness of water conservation among employees is already an ongoing activity and forms part of the initial induction for all new employees, including contractors.

Land, biodiversity and waste management

Rehabilitation work continued at the SMC tailings dam and at the Ngezi open pit waste dumps, with a total of 2,300
Manufacturing compost is a key component of the Manonthsa Woodchips Project at our Rustenburg operations.

Recycling waste is a key component of the waste management strategy at Refineries. Pictured here is the waste recycling area within the operations’ SHEQ department.

Hazardous waste, primarily oil-contaminated material, increased at Ngezi operations due to the increase in mining equipment usage, and decreased at SMC. Lead-related waste from the laboratory is now being disposed of at the tailings dam, resulting in a decrease in the number of drums of hazardous waste stored in the temporary hazardous waste yard at SMC.

The temporary hazardous waste yard at Ngezi operations was upgraded during the year and a new enviro-burner was purchased. Proposals have been received to set up a temporary hazardous waste yard and land farm at Ngezi operations, the associated establishment costs of which have been accommodated in the FY2006 budget.

Oil-contaminated soil and wood chips are being removed to the land farm for biodegradation.

MIMOSA

Mimosa strives to minimise adverse environmental impacts due to its operations on- and off-site by optimising resource consumption, minimising waste generation at source and preventing pollution. The mine has chosen the NOSA Integrated Five Platinum Stars Safety Health and Environment (SHE) System as its guiding principles. Above all, Mimosa endeavours to surpass legislative requirements and continually improve the operation’s SHE systems and performance. Mimosa also strives to educate and train both its employees and the public on environmental matters so as to increase their level of awareness in this area.

This year’s environmental performance highlights included:

- achieving NOSA Four Platinum stars in the October 2004 audit;
- placing first in the Association of Mine Managers’ of Zimbabwe Environmental competition in the Masvingo mining region;
• The Zvishavane District Natural Resources Officer visited to verify Mimosa’s compliance with the EIA report for the low-density housing project on the mine property and was very pleased with the manner in which the natural resources had been conserved during the implementation of the project.

• The Association of Mine Managers of Zimbabwe (AMMZ) Environmental competition, which is based on ISO 14001 standards and involves an initial audit to determine the regional winners followed by a second audit to determine the national champions. Mimosa attained first position at regional level in the 2005 competition; and placed fourth at national level with a score of 85%.

• An integrated SHE inter-company audit for the mine, conducted mid-May 2005, resulted in Mimosa achieving an overall rating of Four Platinum Stars with a DIFR of 0.31 and an effort rating of 80%.

Environmental impact assessments

In terms of our Environmental Policy, Mimosa is committed to continuous improvement and, to this end, internal and external environmental audits are carried out on a regular basis throughout the year. Internal audits are done every quarter and those departments that are rated below NOSA Four Platinum stars are placed in the Intensive Care Unit (ICUI), which results in monthly audits until they attain at least a four-star rating. At least six external audits were conducted during the year namely:

• The integrated safety, health and environment (SHE) NOSA Five Platinum Star System audit, conducted by NOSA.

• Zimbabwe National Water Authority’s Effluent and Waste Disposal Permit compliance audit, which is conducted at least once a year to verify whether all conditions specified on the permits have been met. This year’s audit led to the permits for Mimosa’s two tailings dams to be upgraded, as indicated earlier.

• Obtaining the approval of the Zimbabwe Ministry of Environment and Tourism for the EMP for the completed housing development project on the mine property; and

• Achieving compliance with ‘Permit to Discharge Effluent and Waste’ conditions during an audit by the Zimbabwe National Water Authority’s Pollution Control Unit, as a result of which the related permits for the two tailings dams were reclassified positively from Red to Green.

Energy

Mimosa is well aware of the environmental impact arising from the energy consumed by its activities, especially given the current capacity constraints on Zimbabwe’s power base whereby the energy requirements of the country cannot be met without importing additional power. We therefore strive to optimise the consumption of energy across our operations and contained the year-on-year increase in energy consumption to 8%. The increase was due to increases in underground infrastructure and throughput to the plant.
Air quality
Mimosa’s operations emit dust and gases that have the potential to affect air quality negatively. Various projects are therefore being pursued to improve air quality at and around our operations. These include wet scrubbing gases from the laboratory; and spraying dust generated at the crushers with water to prevent it from becoming airborne.

Water management
The sole supplier of water to Mimosa is the Zimbabwe National Water Authority (ZINWA). The mine has a permit that allows 2,600,000 kilolitres of water per year to be drawn from the Palawan Dam on the Ngezi River. That permit expires in March 2009, and 1,941,260 kilolitres of water was consumed in FY2005. A weir has been constructed on the river, from where water is pumped into a reservoir on the mine. No groundwater is used.

A water management plan has also been implemented, which aims to reduce fresh water consumption, improve water quality and reduce effluent run-off.

Efforts to reduce the amount of water consumed at Mimosa will be vigorously pursued in the coming year. The plans to achieve this include:

- achieving a target of 0.8 kilolitres per tonne of ore milled (maximum);
- increased recycling of underground water; and
- optimising the use of process water.

The wastewater outflow from Mimosa complied with the requirements of the Discharge Permits for the Disposal of Effluent and Waste during FY2005.

Scheduled sampling of water from nearby rivers and streams as well as boreholes around the tailings dam is conducted on a monthly basis, to determine the impact of our operations on the aquatic and surrounding environment. Not only is this mandatory in terms of our permits for disposal of effluent and waste, but the mine is located adjacent to streams that serve as the source of water for newly resettled villagers and it is thus particularly important that the quality of the water is monitored constantly. No adverse results were observed during the review period.

A concerted effort is being made to prevent spillage of plant and mining effluent into the public watercourses. Only two spills of effluent from the plant entered into streams.

Mimosa is an active participant in the Runde Catchment Council, which enforces the Zimbabwe National Water Authority Act. The council serves as the water management agency and comprises representatives of water users in the Runde River Catchment i.e. Industry and the local communities.

Ground water quality monitoring challenge
The mine at Mimosa has drilled five boreholes for monitoring the quality of ground water around the tailings dam. During FY2005, one of these boreholes collapsed and another’s power source was severed. The challenge remains to drill another borehole upstream of the mine and to develop a ground water model that will show movement of the ground water.

Land, biodiversity and waste management
Mimosa’s waste management plan is anchored on waste minimisation through optimising resource consumption, proper use of tools and equipment. We also recycle as many recyclable waste products as possible. Waste such as scrap metal is reprocessed into mill balls, while metal foundries collect used oil and grease for use as furnace fuels. Initiatives to minimise waste rock resulted in no waste rock being produced throughout the year.

General refuse from the offices as well as the high- and low-density villages is disposed of at the licensed refuse dump, while paper waste is sold to a recycling company. Other waste, such as wood pallets, is donated to the community. All medical waste is incinerated.

Sewage effluent is discharged into an evaporation pond after passing through four oxidation ponds.

Mimosa strives to rehabilitate all disturbed areas and previously polluted areas to their original state. The concurrent rehabilitation of the tailings dams is an ongoing activity and involves revegetation of the dams with indigenous grasses and trees that are most suited to the prevailing climate. Polluted areas are rehabilitated through the removal of the contaminant to the licensed dumping site.

This year, Mimosa rehabilitated two borrow pits that were used to extract gravel for the construction of roads at the new low-density village on the mine property.

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Land, biodiversity and waste management
Mimosa’s waste management plan is anchored on waste minimisation through optimising resource consumption, proper use of tools and equipment. We also recycle as many recyclable waste products as possible. Waste such as scrap metal is reprocessed into mill balls, while metal foundries collect used oil and grease for use as furnace fuels. Initiatives to minimise waste rock resulted in no waste rock being produced throughout the year.

General refuse from the offices as well as the high- and low-density villages is disposed of at the licensed refuse dump, while paper waste is sold to a recycling company. Other waste, such as wood pallets, is donated to the community. All medical waste is incinerated.

Sewage effluent is discharged into an evaporation pond after passing through four oxidation ponds.

Mimosa strives to rehabilitate all disturbed areas and previously polluted areas to their original state. The concurrent rehabilitation of the tailings dams is an ongoing activity and involves revegetation of the dams with indigenous grasses and trees that are most suited to the prevailing climate. Polluted areas are rehabilitated through the removal of the contaminant to the licensed dumping site.

This year, Mimosa rehabilitated two borrow pits that were used to extract gravel for the construction of roads at the new low-density village on the mine property.
ENVIRONMENT OBJECTIVES

IMPALA

Rustenburg Operations

- Retain ISO 14001 certification for the EMS and ensure that it complies with new the standard (ISO 14001:2004)
- Revise and condense various EMPR documents in accordance with DME request.
- Continue negotiations with the DWAF to obtain a water use licence.
- Implement sulphur dioxide emission reduction strategy to ensure sustained compliance with scheduled process permit.
- Implement stack sampling and monitoring programme in line with scheduled process permit and other requirements.
- Sustain current initiatives to optimise freshwater consumption and minimise surface and groundwater pollution.
- Develop a closure assessment model to determine financial liability for rehabilitation on an annual basis.
- Readdress waste management strategy and procedures to minimise waste generation and optimise waste recycling.
- Establish community liaison forum in Luka.
- Expand liaison forum agenda to include issues such as employment, Corporate Social Investment, HIV/AIDS, and procurement.

ZIMPLATS

- Retain ISO 14001 certification and upgrade to ISO 14001:2004 at SMC.
- Continue rehabilitation of the SMC tailings dam and the Ngezi open pit waste rock dumps.
- Build a reliable air quality monitoring database at SMC.
- Continue building the database on ground water abstraction at Ngezi operations.

MIMOSA

- Conduct a dust survey of all surface and underground emissions points.
- Reduce fugitive dust emissions from the crushing plant.
- Reduce fresh water consumption in the plant by 5%.
- Conduct concurrent revegetation of both the phase 2 and phase 3 tailings dams.
The Monontsha woodchip project at the Rustenburg mining operations may be replicated at Marula Platinum.
Implats acknowledges that mining is not a sustainable source of employment, and therefore makes every effort to build local capacity in the communities within which it operates. Conscious emphasis is placed on local recruitment, thereby providing education, skills development and training opportunities that might not otherwise have been accessible to residents of these communities. It is anticipated that this will empower individuals to seek alternative work opportunities once the mine ceases to operate, in turn contributing to the sustainability of the communities as a whole.

Comprehensive employee benefits are offered including a pension/provident fund, medical aid, competitive remuneration, career growth opportunities, occupational health facilities (described on pages 58 to 71) and an Employee Wellness Programme. Employees are graded in bands from A (unskilled) to F (senior management) in the Paterson Grading System.
SOCIAL AND LABOUR PLAN

As required by the MPRDA, Implats has submitted a Social and Labour Plan (SLP) to the DME in support of the group’s applications for mining licences. Essentially a comprehensive Human Resource (HR) development programme, the SLP includes employment equity plans and local economic development programmes, as well as their associated action plans for the next five years.

Its primary objectives are to:

• promote employment and the social and economic welfare of all South Africans;
• contribute to the transformation of the mining industry; and
• ensure that holders of mining or production rights contribute to the social and economic development of the area in which they operate, as well as the development of those areas from which the majority of the workforce is sourced.

Accordingly, the Implats SLP includes the group’s commitments to:

• career paths for our major disciplines;
• mentorship for employees and empowerment groups;
• internships and bursary plans;
• an employment equity plan;
• local economic development plans; and
• providing Adult Basic Education and Training (ABET) and portable skills training to employees.

Moreover, the Implats SLP documents the group’s Life-of-Mine Plan, which will be used as a framework from which our training and development strategies could be developed in terms of the mine’s long- and short-term production needs.

EMPLOYEE PROFILE

HEAD OFFICE

At our corporate Head Office, we employ 39 permanent employees and two contractors. Of these, 17 (41.5%) are female (including white females). At senior level there are three (15%) females, one of whom is black.

The total number of HDSA’s employed at our corporate Head office is 13 (31.7%) (excluding white females), of whom three are at senior level (15%). We employ two handicapped people, one is a black female and the other a black male.

The average age at our corporate Head Office is 45 years, the youngest person being 27 years of age and the oldest being 61 years-old. The average length of service is 11.4 years, with the range extending from 0.4 years to 40.1 years.

IMPALA

Rustenburg operations

A total of 26,373 people are employed directly at our Rustenburg operations, representing 92% of total group employees (FY2004: 26,804). Some 87% of employees are employed at the shafts. Of the total number employed at A to D level, 94% are HDSAs and 6% white. The majority of HDSAs, at 77.7%, are A-level employees (FY2004: 77%). The majority of whites, at 63.5%, are C-level employees (excluding Miners at C-1) (FY2004: 62%).

Some 94.3% (24,607) of total employees are black and originate from South Africa (77.3%) and neighbouring countries (22.7%); the majority are from the area in which the mine operates (a total of 14,500 from the North West province).

The majority of employees (11,813) are in the 36- to 45 year age bracket, with the 56- to 63-age bracket numbering the least at 1,036.

Average length of service ranges from nine years at A- and C-levels to 13 years at B-level. Staff turnover of 2,203 for the year under review amounted to 8.35% of total employees (FY2004: 9.29%). The average absentee level for the year was 1.1%, with the highest level of absenteeism (1.5%) occurring at the shafts and the lowest (0.7%) at Mineral Processes.

The operations employ 7,085 core contractors, the majority of whom (76%) work underground.

Refineries

Refineries provides direct employment to 990 permanent employees and 42 temporary employees; and indirect employment to 1,260 employees of contractors, bringing the total number of people employed on the site to 2,292 (FY2004: 2,156).

Of the permanent employees, 16% (162) are female. Of the individuals at senior management level, 22.2% are HDSAs (including white females). The proportion rises to 49.5% and 40% at middle management and supervisory levels respectively (see Tables 12 to 15). A total of seven people employed at Refineries are disabled: three white males, three African males and one African female.

The oldest employee band is E-level, where the average age is 57. Engineering learners are the youngest group overall, at average age 23. Employees at B7-level have the youngest average age of 38, followed closely by D-level employees at age 39. The average length of service across all employee bands ranges from eleven to 20 years. D-Lower employees have the second-lowest service years (eleven).

Employee turnover for the year was 1.31%, an improvement on the 1.73% and 2.67% in FY2004 and FY2003 respectively. The greatest degree of turnover was at levels B5 (2.65%) and C-Upper (2.17%).
Table 8: Women in mining per department, Rustenburg operations, FY2005.

<table>
<thead>
<tr>
<th>Department</th>
<th>Total Employees</th>
<th>Current Females</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Engineering</td>
<td>4,888</td>
<td>171</td>
<td>3.5%</td>
</tr>
<tr>
<td>Finance and Admin</td>
<td>418</td>
<td>161</td>
<td>38.5%</td>
</tr>
<tr>
<td>Geology</td>
<td>55</td>
<td>5</td>
<td>9.1%</td>
</tr>
<tr>
<td>Human Resources</td>
<td>439</td>
<td>60</td>
<td>13.7%</td>
</tr>
<tr>
<td>Medical Services</td>
<td>197</td>
<td>85</td>
<td>43.1%</td>
</tr>
<tr>
<td>Mining Production</td>
<td>18,212</td>
<td>120</td>
<td>0.7%</td>
</tr>
<tr>
<td>Minpro</td>
<td>828</td>
<td>101</td>
<td>12.2%</td>
</tr>
<tr>
<td>Rock Engineering</td>
<td>63</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>Safety and Health</td>
<td>92</td>
<td>15</td>
<td>16.3%</td>
</tr>
<tr>
<td>Sampling</td>
<td>157</td>
<td>6</td>
<td>3.8%</td>
</tr>
<tr>
<td>Survey</td>
<td>280</td>
<td>37</td>
<td>13.2%</td>
</tr>
<tr>
<td>Transport</td>
<td>504</td>
<td>12</td>
<td>2.4%</td>
</tr>
<tr>
<td>Ventilation</td>
<td>240</td>
<td>7</td>
<td>2.9%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>26,373</td>
<td>780</td>
<td>3.0%</td>
</tr>
</tbody>
</table>

Table 9: HDSA incumbents at management levels, Rustenburg operations, FY2005.

<table>
<thead>
<tr>
<th>Level</th>
<th>Total Employees</th>
<th>HDSA’s (Excl White Females)</th>
<th>%</th>
<th>HDSA’s (Incl White Females)</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior Management</td>
<td>52</td>
<td>7</td>
<td>13.46</td>
<td>10</td>
<td>19.23</td>
</tr>
<tr>
<td>Middle Management</td>
<td>369</td>
<td>65</td>
<td>17.62</td>
<td>111</td>
<td>30.08</td>
</tr>
<tr>
<td>Supervisory (C Upper)</td>
<td>709</td>
<td>273</td>
<td>38.50</td>
<td>300</td>
<td>42.31</td>
</tr>
<tr>
<td>TOTAL</td>
<td>1,130</td>
<td>345</td>
<td>30.53</td>
<td>421</td>
<td>37.26</td>
</tr>
</tbody>
</table>

Table 10: Equity demographics by ethnic group, Rustenburg operations, FY2004 and FY2005.

<table>
<thead>
<tr>
<th>Ethnic Group</th>
<th>FY 2004</th>
<th>FY 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Actual</td>
<td>Actual</td>
</tr>
<tr>
<td>African</td>
<td>25,099</td>
<td>24,757</td>
</tr>
<tr>
<td>White</td>
<td>1,680</td>
<td>1,564</td>
</tr>
<tr>
<td>Indian</td>
<td>5</td>
<td>28</td>
</tr>
<tr>
<td>Coloured</td>
<td>20</td>
<td>24</td>
</tr>
<tr>
<td>TOTAL</td>
<td>26,804</td>
<td>26,373</td>
</tr>
</tbody>
</table>

Table 11: Equity demographics by gender, Rustenburg operations, FY2004 and FY2005.

<table>
<thead>
<tr>
<th>Gender</th>
<th>FY 2004</th>
<th>FY 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Actual</td>
<td>Actual</td>
</tr>
<tr>
<td>Male</td>
<td>26,256</td>
<td>25,593</td>
</tr>
<tr>
<td>Female</td>
<td>548</td>
<td>780</td>
</tr>
<tr>
<td>TOTAL</td>
<td>26,804</td>
<td>26,373</td>
</tr>
</tbody>
</table>
**Table 12:** Women in mining per department, Refineries, FY2005.

<table>
<thead>
<tr>
<th>Department</th>
<th>Total Employees</th>
<th>Current Females</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>BMR</td>
<td>509</td>
<td>44</td>
<td>8.60</td>
</tr>
<tr>
<td>PMR</td>
<td>335</td>
<td>55</td>
<td>16.40</td>
</tr>
<tr>
<td>IRS</td>
<td>11</td>
<td>6</td>
<td>54.50</td>
</tr>
<tr>
<td>SHEQ</td>
<td>25</td>
<td>12</td>
<td>48.00</td>
</tr>
<tr>
<td>Human Resources</td>
<td>21</td>
<td>10</td>
<td>47.60</td>
</tr>
<tr>
<td>F&amp;A</td>
<td>59</td>
<td>25</td>
<td>42.40</td>
</tr>
<tr>
<td>Prot Services</td>
<td>7</td>
<td>2</td>
<td>28.60</td>
</tr>
<tr>
<td>Sales Admin</td>
<td>3</td>
<td>1</td>
<td>33.30</td>
</tr>
<tr>
<td>Corp Admin</td>
<td>3</td>
<td>1</td>
<td>33.30</td>
</tr>
<tr>
<td>Technical</td>
<td>17</td>
<td>6</td>
<td>35.30</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>990</strong></td>
<td><strong>162</strong></td>
<td><strong>16.40</strong></td>
</tr>
</tbody>
</table>

**Table 13:** HDSA incumbents at management levels, Refineries, FY2005.

<table>
<thead>
<tr>
<th>Level</th>
<th>Total Employees</th>
<th>HDSA’s (Excl White Females)</th>
<th>%</th>
<th>HDSA’s (Incl White Females)</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior Management (E)</td>
<td>9</td>
<td>2</td>
<td>22.20</td>
<td>2</td>
<td>22.20</td>
</tr>
<tr>
<td>Middle Management (D)</td>
<td>96</td>
<td>34</td>
<td>35.40</td>
<td>45</td>
<td>49.50</td>
</tr>
<tr>
<td>Supervisory (C Upper)</td>
<td>130</td>
<td>36</td>
<td>27.69</td>
<td>52</td>
<td>40.00</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>235</strong></td>
<td><strong>72</strong></td>
<td><strong>30.64</strong></td>
<td><strong>99</strong></td>
<td><strong>42.13</strong></td>
</tr>
</tbody>
</table>

**Table 14:** Equity demographics by ethnic group, Refineries, FY2004 and FY2005.

<table>
<thead>
<tr>
<th>Ethnic Group</th>
<th>FY 2004</th>
<th>FY 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Actual</td>
<td>%</td>
</tr>
<tr>
<td>African</td>
<td>603</td>
<td>61</td>
</tr>
<tr>
<td>Indian</td>
<td>22</td>
<td>2</td>
</tr>
<tr>
<td>White</td>
<td>360</td>
<td>36</td>
</tr>
<tr>
<td>Coloured</td>
<td>7</td>
<td>1</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>992</td>
<td></td>
</tr>
</tbody>
</table>

**Table 15:** Equity demographics by gender, Refineries, FY2004 and FY2005.

<table>
<thead>
<tr>
<th>Gender</th>
<th>FY 2004</th>
<th>FY 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Actual</td>
<td>%</td>
</tr>
<tr>
<td>Male</td>
<td>838</td>
<td>84</td>
</tr>
<tr>
<td>Female</td>
<td>154</td>
<td>16</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>992</td>
<td></td>
</tr>
</tbody>
</table>
and below where the average age of 33 is also the youngest for the entire operations. The average age of employees at the most senior, O+ level is 40 years.

An estimated 99% of all employees at Mimosa are Zimbabweans by birth, but come from diverse cultural backgrounds. The remaining 1% of the workforce is of Malawian, Zambian or Mozambican origin.

With the exception of Hay level I and NEC 11 & 12, where the average length of service is two years, the average service record at Mimosa is five years. Staff turnover increased substantially year-on-year, reflecting the increased number of employees on site; while 3,938 man-days were lost due to absenteeism or sickness in FY2005.

MARULA PLATINUM

At year-end, Marula Platinum employed 1,226 people. As the operation is in a buildup phase, additional labour will be recruited on a monthly basis in line with the Marula Platinum Business Plan and associated production profile. At full production, 2,750 people will be employed.

Marula Platinum’s recruitment strategy focuses on sourcing the greater percentage of labour from the immediate vicinity of the mine. Currently, 75% of employees are South Africans and reside within 50 kilometres of the mine property. A further 22% of South African employees live further away.

ZIMPLATS

A total of 743 people were in the employ of Zimplats at year-end. Employee turnover for the year was 9% (FY2004: 5.4%), with the voluntary resignation rate having stayed static at 2%.

Of the 26 senior management personnel, 19 are black (73%) and the balance white (27%). The gender split at this level is 96% male to 4% female.

The various contractors on our sites employ a further 1,170 people.

MIMOSA

Mimosa provides direct employment to 1,472 people and indirect employment to 148 contractors, amounting to a total count of 1,620 people on site. The majority of these individuals (1,420) are employed at Hay level H & NEC 10 and below where the average age of 33 is also the youngest for the entire operations. The average age of employees at the most senior, O+ level is 40 years.

An estimated 99% of all employees at Mimosa are Zimbabweans by birth, but come from diverse cultural backgrounds. The remaining 1% of the workforce is of Malawian, Zambian or Mozambican origin.

With the exception of Hay level I and NEC 11 & 12, where the average length of service is two years, the average service record at Mimosa is five years. Staff turnover increased substantially year-on-year, reflecting the increased number of employees on site; while 3,938 man-days were lost due to absenteeism or sickness in FY2005.
Implats’ initial Employment Equity Plan (EEP) was submitted to the Department of Labour (DOL) in FY2003. This document outlines specific strategies to comply with the Mining Charter’s requirements in terms of HDSAs in management positions (40%) and women in mining (10%) by 2009. These include an employment equity framework, developed in consultation with employee representatives; identifying talent pools among HDSAs and fast-tracking these individuals; and the determination of targets for forthcoming years. Employees have also been sensitized regarding the advantages of instilling a culture of diversity in the workplace.

An updated EEP was completed in June 2005, reflecting the group’s achievements to date and its revised plans. As previously, the group’s goals in this regard have been communicated openly to all employees via notice boards and other forums at our operations.

To accelerate the pace of employment equity within the group, Transformation Steering Committees have been established at all our operations. These committees were established in consultation with employee representatives and are responsible for ensuring employment equity progress.

**EMPLOYMENT EQUITY PLAN**

In line with its vision of ‘unlocking the potential of all its employees’ and in compliance with the Employment Equity Act, the MPRDA and the Mining Charter, Implats is intent on transforming the group’s South African operations to reflect the demographic profile of the country.

This will be achieved via initiatives in the following areas, each of which is detailed later in this chapter:

- accelerated training programmes to assist identified employees acquire the necessary knowledge and skill for promotion into management positions;
- learnership programmes in various disciplines;
- identifying potential successors through a succession planning process and individual development plans;
- creating openings in the various disciplines through retirements and volunteer mentorships;
- proactively employing and developing women;
- monitoring bursary holders for appointment on completion of their studies at tertiary institutions; and
- head-hunting the best talent available.

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- learnership programmes in various disciplines;
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- creating openings in the various disciplines through retirements and volunteer mentorships;
- proactively employing and developing women;
- monitoring bursary holders for appointment on completion of their studies at tertiary institutions; and
- head-hunting the best talent available.

An engineering learner at our Rustenburg operations acquires new skills through hands-on training.

Members of the Macharora Community Forum discuss issues of concern to the communities represented.
Table 16: Percentage breakdown of major labour-sending areas, Impala, FY2005.

<table>
<thead>
<tr>
<th>Area</th>
<th>Rustenburg operations (North West)</th>
<th>Refineries (Gauteng)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eastern Cape</td>
<td>9.7</td>
<td>4.8</td>
</tr>
<tr>
<td>Free State</td>
<td>1.4</td>
<td>2.1</td>
</tr>
<tr>
<td>Gauteng</td>
<td>1.8</td>
<td>72.3</td>
</tr>
<tr>
<td>KwaZulu-Natal</td>
<td>1.1</td>
<td>5.2</td>
</tr>
<tr>
<td>Western Cape</td>
<td>0.1</td>
<td>0.3</td>
</tr>
<tr>
<td>Mpumalanga</td>
<td>0.4</td>
<td>5.9</td>
</tr>
<tr>
<td>North West</td>
<td>60.3</td>
<td>2.3</td>
</tr>
<tr>
<td>Limpopo</td>
<td>1.2</td>
<td>4.6</td>
</tr>
<tr>
<td>Northern Cape</td>
<td>0.8</td>
<td>0.5</td>
</tr>
<tr>
<td>Swaziland</td>
<td>0.9</td>
<td>0.2</td>
</tr>
<tr>
<td>Botswana</td>
<td>2.2</td>
<td>0.2</td>
</tr>
<tr>
<td>Mozambique</td>
<td>9.3</td>
<td>0.2</td>
</tr>
<tr>
<td>Lesotho</td>
<td>10.9</td>
<td>1.0</td>
</tr>
<tr>
<td>Zimbabwe</td>
<td>–</td>
<td>0.1</td>
</tr>
<tr>
<td>Zambia</td>
<td>–</td>
<td>0.1</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>–</td>
<td>0.1</td>
</tr>
</tbody>
</table>

MIGRANT LABOUR

Migrant labourers (defined as individuals who are engaged in a paid activity in a country of which they are not nationals) currently account for 23% of the Impala workforce (FY2004: 23.6%). The majority of these 6,000 migrant labourers are employed at our Rustenburg operations, with a negligible number employed at Refineries. Only some 0.08% of employees at Marula Platinum are foreign.

The group does not discriminate against this segment of the workforce, but rather subscribes to the International Labour Organisation (ILO) conventions, which accord migrant workers equality before the law regarding human rights and labour legislation. At the same time, our recruitment strategy is to employ local labour as far as possible (i.e. sourcing employees living within a radius of 60 kilometres of our operations).

HOUSING AND LIVING CONDITIONS

Implats considers the facilitation of suitable employee accommodation to be an integral part of its commitment to uplifting the communities in which the group operates, especially as our employees are drawn from these communities.

An accommodation policy has been implemented and a draft accommodation strategy has been submitted to line management for approval. In essence, the company’s approach to housing is based on creating options that enable our employees to exercise realistic choices with regards to accommodation. Implats subscribes to the ideal that employees should reside with their families and therefore actively encourages home ownership and facilitates housing development. We also strive to discourage informal
operations enabling the process of upgrading company houses to continue. To date R8.2 million has been spent on upgrading 102 houses.

Implats’ local recruitment strategy means that Marula Platinum does not require a mine hostel, as all employees are housed privately in the area. Interim accommodation has been provided for 69 supervisory level and employees and their families in a park-home village at Steelpoort, some 40 kilometres from the mine; with 27 single employees housed in single quarters accommodation on the mine property.

Approximately 50 housing units are under construction at Burgersfort for senior employees and the first units should be completed by December 2005. Families will then be moved from the park-homes to these permanent mine houses.

Mimosa’s policy is to provide housing for all its employees. Some 1,357 employees stay in Zvishavane town, about 32 kilometres from the mine, while others live in the villages settlements in our operational areas and has partnered with local government on RDP Housing projects near the Rustenburg operations.

While providing family accommodation remains a priority, it is accepted that a sizeable portion of the labour force, especially that employed by our Rustenburg operations, is migrant and will thus continue to need single accommodation (i.e. hostels) for the foreseeable future. Impala has therefore made a commitment to improve the living standards in the remaining three operational hostels, where the occupancy has declined 3.4% year-on-year. At the same time, Rustenburg operations’ recruitment processes are focused on targeting local labour sources so as to localise the workforce as far as possible while still taking cognisance of the group’s employment equity targets (refer to section on Migrant Labour on page 96).

Rustenburg operations have established a home ownership committee who will table a proposal on a new home ownership scheme which is affordable to both the company and employees. This scheme will aim to facilitate access to appropriate finance to purchase stands, housing stock or to enable the employee to build his or her own property and become a homeowner.

The company has a scheme in place which provides collateral for employees who want to buy property. In FY2005, 38 employees (FY2004: 190) at our Rustenburg operations became home-owners through this scheme, bringing the total number of employees to take advantage of the scheme to 1,548 since its inception in 1989.

The provision of company housing for senior management (E-band) has ceased and the existing, formerly company-owned houses have been sold. The proceeds from these transactions will be allocated to housing projects for lower level employees while housing for middle management employees (C-band) is in the process of being upgraded. Capital expenditure of R15 million over three years (FY2004, FY2005 and FY2006) has been approved for disbursement on housing projects at our Rustenburg

**Figure 12:** Hostel occupancy, Impala Rustenburg operations, FY1992 to FY2005.

Far Left: An engineering learner at our Rustenburg operations.

Left: Process staff at the Refineries at work in the new leach section control room.
A female engineering learner learns her trade at the Rustenburg operations.

17,000 kilojoules in line with the Mining Charter at an additional cost of R4 million per annum. This was implemented in December 2004. The menu will be reviewed by a dietician on an annual basis.

Our Rustenburg operations also envisage implementing initiatives to address the nutrition of employees over whose diets Impala has no control. An example of such an initiative is video programmes to all employees during new man induction and ex-leave induction focusing on acceptable balanced diets, nutrition and health awareness and promoting awareness of supplementary nutrition in the diet of people infected with HIV/AIDS.

Mimosa recognises that the work involved in mining is physically strenuous work and therefore provides buns and a high-energy drink (Mahewu) to all underground staff. The scheme is yet to be extended to cover employees in other departments.

HUMAN RESOURCE DEVELOPMENT

Impalplats provides all permanent employees (and employees of contractors), access to Human Resource Development (HRD) Programmes, facilitated or managed by either the operations or the contracting companies. Timeframes and targets are established for each HRD Programme and progress is reported annually.

The group’s HRD Programmes are derived from an annual HR strategic planning process, which takes cognisance of the company’s business plan [i.e. production and sustainability needs] as well as legislation, community and environment perspectives. The latter include the Mining Charter, SLPs and...
local economic development programmes, workplace skills plans and the annual training report. Our primary HRD activities embrace core training (such as mining, metallurgy and engineering skills), functional literacy and numeracy, learnerships and skills development, portable skills, career paths and mentorship (including talent management), internships and bursaries.

Among our South African operations, these programmes are well developed within Impala Platinum and continue to evolve at Marula Platinum.

All of Impala’s training venues (of which there are ten, including the training facilities at Refineries) were accredited as training providers by the Mine Qualifications Authority (MQA) in March 2005.

### Functional Literacy and Numeracy

A Functional Literacy and Numeracy Programme has been implemented at each of our operations as a means to develop the educational base of the workforce through further learning. The programme primarily comprises Adult Basic Education and Training (ABET) courses, which give learners the opportunity to become functionally literate and numerate, namely:

- **ABET Level 1**: Communication and Numeracy
- **ABET Level 2**: Communication, Life Orientation and Numeracy
- **ABET Level 3**: Communication, Life Orientation, Natural Science and Numeracy
- **ABET Level 4**: Communication, Life Orientation, Natural Science and Mathematics

Other courses include basic computer literacy; and foundation and breakthrough courses in various languages – the latter providing a bridge for illiterate people to obtain literacy before entering the ABET programme. All ABET training is conducted in English as directed by the MQA Sector Education and Training Authority (SETA), supplemented by informal instruction in the language of choice.

Awareness of the Functional Literacy and Numeracy Programme is ensured through verbal communications during our new person and ex/leave induction programmes; as well as through relevant community forums and employee representative structures. A comprehensive marketing programme at the workplace and hostels ensures the part-time ABET development of more than 200 employees per intake.

---

**IMPALA**

A total of 6,484 Impala employees have attended ABET courses since 2000, the majority accommodated at the dedicated ABET centres developed at both the Rustenburg operations and Refineries.

Impala’s ambition is to train 800 employees in functional literacy and numeracy a year so as to achieve higher levels of literacy; and to increase our annual spend in this area to 0.26% of payroll by 2009.

**Rustenburg operations**

ABET classes have been offered to employees at the Rustenburg operations on a full-time, flexi-time or part-time basis since 1993 and an estimated 21.7% of the composite employee base is functionally literate.

Nine qualified trainers, who are also MQA-qualified assessors, facilitate the ABET training. One of our facilitators is also a qualified moderator.

Some 772 individuals participated in ABET training during FY2005 (FY2004: 571) at a cost of R6.4 million, which equates to 0.18% of the payroll.

**Refineries**

Refineries offers employees the opportunity to attend ABET classes on a full-time basis for three months (maximum 40 candidates at any one time) in an effort to eradicate illiteracy. The Refineries HRD Centre has four qualified ABET trainers of
ZIMPLATS

Literacy levels are high at Zimplats, with most employees fluent in reading and writing English. Zimplats has a minimum target employment level of education whereby the majority of employees are required to have at least four years of secondary education.

MIMOSA

Literacy levels at Mimosa are also generally high, with 60% of employees having completed primary school education and the remainder having completed secondary schooling also. Employees who express a desire to improve their performance are encouraged to enrol with the Adult Literacy of Zimbabwe (ALOZ) programme.

MARULA PLATINUM

No ABET training for employees took place at Marula Platinum during FY2005 as the mining and processing operations were outsourced to a contractor until November 2004. The contractors’ employees were, however, afforded the opportunity to attend ABET training at the hostel twice a week for the duration of the contract.

Literacy levels at the Marula Platinum plant remain high, with 77.6% employees fluent in reading and writing English. A comprehensive ABET strategy, targeted at the operations’ own mining and process employees, will be in place by January 2006.

MQA-registered assessor. A total of 306 employees registered for ABET classes in FY2005, of whom 260 passed their examinations in numeracy, communication, life orientation and science, which equates to a pass rate of 85% (FY2004: 84%). The enrolment breakdown per level, and associated pass rate was as follows: 107 candidates in Level 1 (95 passed); 104 in Level 2 (82 passed); 58 in Level 3 (48 passed); and 37 in Level 4 (35 passed).

A strategy has been developed for the implementation of NQF Level One (1), which strategy comprises of subjects that are classified as core, e.g. work/business orientation, employment relations, overview of the mining and mineral sector and occupational health and safety. Electives in engineering, metallurgy and mining form part of the qualification.

ZIMPLATS

A functional literacy and numeracy programme has been implemented at all our operations.

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The training facilities at our Rustenburg operations were extensively renovated and upgraded during FY2005. The new-look Mineral Processes Training Centre now also includes process simulator training facilities for Mineral Processes’ plant operators.

The development of skills in mining, metallurgy and engineering remain the core component of our people development strategy, primarily to ensure that our employees are equipped to fulfill their job requirements in a productive, yet safe manner. The majority of these interventions fall within the parameters of the MQA’s Mining Competent A and Mining Competent B skill levels; and are complemented by occupation-related and accelerated training initiatives.

Impala has also embarked on a comprehensive training programme to support the DME’s underground training and development programme. More than 11,000 employees at our Rustenburg operations obtained the Competent B certificate by the end of the 2004 calendar year.

Approximately 87% of Rustenburg operations’ employees hold NQF Level 1 general education and training qualifications (i.e. up to ABET 4). A further 12% hold NQF Levels 2 to 4 qualifications (grades 10 through 12), with just 1% holding tertiary qualifications (NQF Levels 5 to 8).

Refineries

Refineries’ HRD offers a wide range of in-house and externally facilitated training programmes to employees.
During the year, 4,416 permanent employees participated in skills development initiatives totalling 5,932 man-days’ training. In addition, 2,135 temporary employees were exposed to training initiatives. 75.5% of all employees trained in FY2005 (permanent and temporary) were black. The bulk of the training (63%) took place at plant and machine operator/assembler level.

Seven learnerships are in process in the engineering department. Other staff development programmes in this area include the Junior Engineering programme, whereby artisans attend full-time training to acquire an engineering ticket (there are currently three artisans on this programme); Engineers in Training (for which there are seven enrolled candidates) and the Maintenance Operative programme (50 trainees). The latter programme takes place at the SAPPI Training Centre and is of six to eight weeks in duration. Only employees who have completed ABET Level 3 and the Safety Permit course may enrol.

Career paths have been developed for all Refineries’ employees, including training plans with the vision of creating a talent pool for future needs. There is also a Diplomat Development programme, which aims to upgrade the technical skills and knowledge of Refineries’ employees who currently hold diplomas either in chemistry or chemical engineering. To date, eleven employees have undergone the Diplomat Development programme (out of a target group of twelve). Each candidate has been assigned a mentor and a supervisor to ensure that he or she progresses through the programme as anticipated.

More than three-quarters of Refineries’ employees (76%) hold qualifications above NQF Level 1. The majority of employees (27%) hold NQF Level 4 qualifications, while a further 22% are at NQF Level 5.

The total cost of training at Refineries during FY2005 amounted to R6.9 (FY2004: R1.9 million). The total value of grants received amounted to R2.9 million.

MARULA PLATINUM

A training centre has been established at Marula Platinum, and already serves as the primary venue for all core business training. A skills development plan is currently being developed.

ZIMPLATS

During the year, priority for internal training was given to Chengeta, a safety-related training programme, and environmental management training, in preparation for our ISO 14001 certification.

Zimplats’ management development programme – Makwiro Business Training – was conducted during the year and all 16 middle managers who participated in the course graduated. Supervisory development programmes were also conducted for first line supervisors, while Makwiro Business Awareness training was carried out to all new lower level employees – the objective being to give them an understanding of the Makwiro business.
Mobile equipment operator training continued throughout the year, with supplier organisations providing on-the-job training to the Zimplats operators. HIV and AIDS Awareness training was also carried out by an external organisation. A total of US$60,000 was spent on training in FY2005.

**MIMOSA**

Several training courses are offered at Mimosa, many of which are facilitated in-house. These include:

- Technical skills training, which embraces mining and engineering multi-skilling for low- and medium levels; engineering skills upgrading (offered by government-approved vocational training institutions); mining-related programmes offered by the Zimbabwe School of Mines (Mimosa currently has seven employees enrolled for courses in mining, geology and metallurgy); and other technical courses offered by the Polytechnics.

- Safety, Health and Environment training initiatives, which comprise inhouse NOSA-approved courses, external NOSA-facilitated programmes as well as other government-approved courses.

- Life skills programmes, which cover communication skills, inter-personal skills, time management and report writing.

A total of US$776,447 was invested in employee training initiatives in FY2005, including training levies paid to ZWADEF (1% of monthly wage bill) and the Standards Development Levy (0.15% of monthly wage bill, paid quarterly). The average period spent in training per employee during the year ranged from 96 hours in levels 2, 3 and 4; to 192 hours in level 1.

**Career Path Planning**

At Implats, we believe that every employee deserves the opportunity to develop his/her personal potential. To this end, a Career Path Planning model has been developed that helps our employees identify appropriate career paths, as well as to familiarise themselves with the requirements at each level within their chosen path.

The model makes use of the following employee development systems and methodologies:

- Individual Development Plan – Employees with development potential are assisted by their supervisors and a training specialist to formalise a personal development plan, which is reviewed regularly and assistance given as necessary. Employees’ self-development efforts are supported by a comprehensive, individual development system including psychometric evaluation, employee study-aid, performance evaluation and supervisory monitoring and feedback.

- Succession Planning – A system within all core disciplines that ensures awareness among all employees regarding promotional routes, job prerequisites and time frames. This system also formally identifies potential successors and assists with the identification of accelerated training opportunities for HDSA employees, as outlined below.

- Employee equity and accelerated training – To cater for our future manpower needs, accelerated training programmes are used to assist identified individuals (primarily HDSAs) progress through the organisation within one of the career paths available. Such programmes are developed individually, but are usually in specific disciplines, notably mining learner official, engineering junior engineer, financial learner official and human resources experiential training.

In addition, generic career paths for all major disciplines within our group have been compiled and are made available to assist employees follow their chosen careers.

Career path planning, mentorship and internship planning is underway at Marula Plainum and will be implemented by January 2006, as stipulated in the SLP. Accelerated training of HDSAs has not been instituted yet at Marula Platinum, but also forms part of the SLP.

A succession planning model is in place at Mimosa, in terms of which potential successors are identified and tested by a registered psychologist. Development programmes have also been implemented to close the gaps, thus ensuring the attainment of the requisite competency levels in readiness for succession.
Internships, Bursaries and Scholarships

Each year, Implats provides a number of tertiary education bursaries to qualifying students enrolled for registered courses in various fields of study, whether at university or technikon. Emphasis is placed on professional qualifications required for the optimum functioning of the organisation, namely:

• Mining Engineering;
• Metallurgy/Chemical Engineering;
• Mechanical and Electrical Engineering;
• Analytical Chemistry;
• Geology; and
• Finance – Accounting and Commerce.

All Implats bursaries include registration and tuition fees; residence fees; a cash allowance; and a personal computer allowance from the second year of study onwards. Bursars are required to undertake vocational work and serve internships after graduation. A total of 53 bursaries were awarded in FY2005, 37 of which were awarded to HDSAs (70%), at a total cost of R2.8 million.

Mentorship

Impala implemented a formal mentoring system in 2003, comprising a formal training and orientation programme for both mentors and protégés. Mentoring is undertaken at two levels, namely:

• Successors – All employees identified as successors are allocated a formal mentor. These mentors are directly involved in developing their successors, with formal feedback provided as required by Impala Platinum Mentorship Code of Practice. Emphasis is placed on mentoring HDSA successors by experienced mentors.

• Bursary students – Mentoring of students plays an important role in the success of bursary holders and is undertaken during the students’ occupational work over university holiday periods.

At our Rustenburg operations, preference in the mentorship programme is given to employees from the Royal Bafokeng Nation (RBN), with four RBN candidates having been placed on internal experiential training/mentoring programmes. Currently, 41 mentors are mentoring 75 protégés within Impala as a whole. A similar mentorship programme will be implemented at Marula Platinum, commencing in FY2006.

In support of the National Skills Strategy to transform the workplace through talent development, succession planning and individual accelerated training, Impala has implemented generic accelerated programmes for learner officials in mining, engineering, metallurgy, mine overseeing, line supervision and management programmes.

Mentoring is provided to NGOs, cooperatives and small- and medium-enterprises (SMEs) at corporate level, in terms of which several local community structures have been empowered to provide mentoring services to these groups at our Rustenburg operations, Refineries and Marula Platinum. Eighty-four such groups received mentorship assistance during FY2005.

A mentoring programme has been implemented at Mimosa, and is targeted at middle- and senior managers. Action plans have been developed to match individual aspirations and company strategic thrusts.

IMPALA

At operational level, Impala provides 75 scholarships to children of employees for senior secondary schooling purposes (Grades 9 to 12). Priority is given to applicants whose subject choices include mathematics and science. A further 75 school enrichment scholarships are awarded to HDSAs.

Seven HDSA women, enrolled for M.Sc. degrees in Innovation and Technology at the Da Vinci Institute, are completing the practical component of their training at Impala (three at Mineral Processes, three at Refineries [ranging from senior chemical engineers to plant managers] and the balance at Marula Platinum). The women are beneficiaries of a bursary programme sponsored by the North West Province’s MEC for Education, which allows
them to pursue their studies on a full-time basis, and will finish their dissertations by June 2006.

The company is committed to the implementation and maintenance of the industry-related learnerships and skills development programmes released by the MQA and, in particular, supports the engineering and mining disciplines. Engineering apprentices have been trained at the Rustenburg operations since 1987.

**Rustenburg operations**

Learnerships have been introduced in several disciplines at Impala, all of which have been developed according to South African Qualifications Authority (SAQA) specifications, including the conversion of training and development programmes towards the learnerships or skills sets listed by SAQA, and facilitation of these programmes at accredited training facilities. Those learnerships to be implemented by Impala include:

- Blasting Certificates;
- Engineering Electrician;
- Engineering Boilermaking;
- Engineering Diesel Mechanic;
- Engineering Instrumentation Mechanic;
- Engineering Fitting; and
- Engineering Rigging.

The number and type of learnerships offered each year is dictated by the varying business needs of the company and at present, Impala is in the process of qualifying 39 engineering artisans, and up to 50 blasting certificates per annum. Due cognisance is given to the group’s employment equity strategy.

**Refineries**

Refineries provided 26 bursaries to children of employees in FY2005, as well as seven bursaries to students studying at tertiary institutions (three at first-year level; one at second-year; two at third-year; and one at fourth-year).

In addition, 83 study aid grants were made to employees to further their education.

**MARULA PLATINUM**

Marula Platinum currently has provided study bursaries to three students from the local community, all of whom are studying full-time at the University of the Witwatersrand. Two of the bursars are mining engineering students and the third is studying geology. Two of the three bursars are women.

**ZIMPLATS**

Apprenticeship training is ongoing at Zimplats, with five apprentices currently undergoing training in various disciplines. Two students are currently at the Zimbabwe School of Mines Diploma under the Zimplats sponsorship programme.

Four graduate trainees are currently enrolled for a two-year learnership programme. Zimplats currently does not offer bursaries, either to employees and their family members, or students. However, the company does assist local colleges/universities by offering vacation and attachment places to those in need.

**MIMOSA**

At Mimosa, a scheme is in place for bursaries for employees, but not for their family members.

The operation also offers career opportunities to students and graduates, notably the following:

- Apprenticeships, where the inaugural intake of apprentices are currently in their second year; and
- Graduate trainees, where Mimosa currently has 13 trainees from diverse disciplines (mining, geology, information technology, human resources, SHE, electrical/mechanical engineering, metallurgy, chemistry and accountancy).
• Blasting certificate training;
• Safe handling of material and tools;
• Safe lifting and transportation of equipment;
• Artisan skills (electricians and boilermakers);
• Engineering-related skills (semi-skilled professions);
• Driver training and mobile machine training; and
• Computer skills.

Portable supervisory and management skills training opportunities are also provided, covering competencies such as employee development, financial planning, HIV/AIDS management, and industrial relations. Certain internal experiential training courses are also open to non-company employees as a means to develop skill levels in the local community.

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EMPLOYEE OBJECTIVES

Our overall objective is to implement Implats’ new EEP across our South African operations by the end of FY2006. This will include achieving 31% HDSA management (34% including white women) across Impala and increase the percentage of women employees (including white women) to 4% at group level.

IMPALA

- Enrol 800 Impala employees for ABET, bringing the functionally literate and numerate proportion of the workforce to 22%.
- Implement Integrated Workplace Skills Development Plan to address skills priorities for 15,985 HDSA employees (including accelerated HDSA training).
- Enrol a further 75 protégés in the Impala mentorship programme.
- Provide mentoring to 40 NGOs, 20 cooperatives and 10 SMEs.
- Implement a viable and affordable home ownership scheme for all Rustenburg operations’ employees.
- Upgrade a further 100 houses in the greater Rustenburg area at a cost of R15 million.
- Reduce the number of hostel residents to 9,000 by providing alternative accommodation options.

MARULA PLATINUM

- Enrol 60 Marula Platinum employees for ABET.
- Develop an Integrated Workplace Skills Development Plan.
- Develop and implement an accelerated HDSA training programme.
- Increase spend on Training and Skills Development to 5% of payroll.
- Implement a mentorship programme, based on that already operational within Impala.
- Provide mentoring to five SMEs.
- Build 50 permanent homes for employees at Burgersfort, some 43 kilometres from the mine.

ZIMPLATS

- Reduce employee turnover to less than 5%.
- Improve communications throughout the company.
- Extend the induction programme to include employees returning from leave.
- Implement a performance management system.
- Implement a succession-planning programme.

A female engineering learner applies the knowledge and skills applied in the workplace, at our Rustenburg operations.

Engineering learners attend a class at the Rustenburg operations HRD Centre.
Contributing to sustainable growth and development in South Africa

As a committed corporate citizen, Implats, since its inception, has whole-heartedly embraced the notions of Corporate Social Responsibility and Corporate Social Investment (CSI) – the former addressing the group's overall response to economic, social and environmental considerations and the latter (in addition to its regular business activities) the group's contribution to the communities in which it operates. More recently, in compliance with legislation regarding ownership, employment equity, human resource development, and affirmative procurement, our activities have been extended into rural communities in the areas from which our labour is sourced.

As such, the group has traditionally upheld the socio-economic tenets underscored by the Mining Charter component of the MPRDA and the SLPs required for the registration of mining rights in terms of the Mining Titles Registration Amendment Act. The planning and reporting requirements introduced and governed by the new legislation have, however, provided a meaningful framework upon which to develop and implement strategies that will contribute to the sustainable socio-economic development and transformation of South Africa.
MINE COMMUNITY AND RURAL DEVELOPMENT

Implats cooperates with public and private sector stakeholders in the formulation of integrated development plans (IDPs) and local economic development (LED) plans for the communities surrounding the group’s operations and its labour-sending areas, as well as the implementation of the same. Close working relationships are maintained with the relevant authorities and community structures to ensure that the IDPs are implemented responsibly and appropriately.

The major focus areas for Implats’ mine community and rural development activities are the greater Rustenburg and Springs areas (Impala) and the Burgersfort/Steelpoort area (Marula Platinum) in South Africa; as well as the communities around our operations in Zimbabwe. The key labour-sending areas currently supported by the Rustenburg operations in particular are in the Taung region (North West Province) and the O R Tambo District of the Eastern Cape. The group projects incorporated into the LED and IDPs fall into four main categories, as outlined below, and form the basis for much of our CSI strategy.

Poverty alleviation

Implats intends to monitor its local spend and the group’s indirect influence in the areas in which it operates. Real spend will be plotted to determine a wealth creation index (WCI), which is a measure of the total value of local spend by the operations, through community projects and by employees, visitors, suppliers and local service providers.

A WCI pilot study was established for Marula Platinum in FY2005 to determine the effect of the operations on wealth creation in the surrounding communities. This revealed that the appointment of local labour and the procurement of goods and services from local suppliers have yielded a growth in the index from R2 million since July 2002 to over R12 million in June 2005.

WCIs will be introduced for the Rustenburg operations from July 2006.

Education

Both Impala and Marula Platinum are involved in a range of integrated educational programmes that focus on increasing the pool of quality learners in the communities surrounding our operations. Our primary objective is to increase the number and grades of HDSA matriculants passing higher grade mathematics and science with a C symbol or above to 30% by 2009. The total financial investment in these projects in FY2005 amounted to R6.8 million (detailed on pages 116 to 121).

Healthcare

The current focus of Implats’ community development in the healthcare arena is on HIV/AIDS. We support programmes that promote HIV/AIDS awareness, the extension of home-based care for those with AIDS and ensuring acceptable levels of care for AIDS orphans. Support was provided for eight programmes near the Rustenburg operations, four near the Refineries and one near Marula Platinum during FY2005 at a cost of R2.6 million, and included 15,297 home-based care visits (detailed on pages 120 and 121).

Enterprise development

In April 2005, Implats introduced a system of rating suppliers according to both Mining Charter requirements and those proposed by the DTI’s new Draft Codes of Good Practice. Further details on this system, which is part of our Procurement strategy, are provided on pages 121 and 122. We also contribute to regional and economic sustainability by supporting the development of entrepreneurial SMEs and other businesses that can benefit from the company’s input in terms of business planning, funding processes and start-up operations.

Dikuno Process Solutions, a BEE enterprise, is responsible for operating the slag plant at our Rustenburg operations.
AFFIRMATIVE PROCUREMENT

Implats is committed to meeting the procurement transformation requirements of the MPRDA in general and the Mining Charter in particular by increasing the group’s spend with HDSA suppliers of capital goods, services and consumables.

To this end, the group has developed a proactive procurement policy that enables the identification and development of accredited HDSA suppliers so as to facilitate greater spend with such suppliers. The policy has given rise to a preferential procurement programme that incorporates the following practical guidelines:

- Where capacity to enhance local businesses can be pooled with other large corporate entities, this should be pursued, provided the co-ordination effort does not delay nor dilute Implats’ social commitment.
- If no pooling of effort can be established within a reasonable time-frame, Implats will embark on a leadership role to provide the necessary assistance to local business development, with the objective of attracting other contributors once the programme has become functional.

As part of a consultative process involving political, economic and community stakeholders, Implats has committed itself to initiate, facilitate, support and enhance the opportunities for SMEs in the communities surrounding the group’s operations. This process is designed to:

- address the structural and development issues facing SMEs in general and HDSA enterprises in particular; and
- increase the business opportunities for SME/HDSA enterprises with proven capacity.

Of the R4.4 billion discretionary spend incurred by the group’s South African operations in FY2005, some R1.36 billion (30%) was spent with HDSA suppliers (FY2004: R817 million). The substantial increase in HDSA spend is largely attributable to industry co-operation and the support received from the South African Mining Preferential Procurement Forum (SAMPPF).

Table 17: Breakdown of discretionary spend at Implats’ South African operations, FY2005.

<table>
<thead>
<tr>
<th>Operations</th>
<th>Actual (R million)</th>
<th>HDSA Spend FY2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rustenburg operations</td>
<td>924.18</td>
<td>624.0</td>
</tr>
<tr>
<td>Refineries</td>
<td>416.97</td>
<td>128.0</td>
</tr>
<tr>
<td>Marula Platinum</td>
<td>20.70</td>
<td>15.8</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>1,361.85</strong></td>
<td><strong>767.8</strong></td>
</tr>
</tbody>
</table>

Figure 13: Breakdown of discretionary spend by category, Implats’ South African operations, FY2005.
Going forward, Implats has made a commitment to progressing the group’s procurement from HDSA companies. The new Draft Codes of Good Practice, released by the DTI, has been taken into account in our planning and strategy development processes, the aims of which are, inter alia, to:

- agree with the Implats Transformation Committee on annual HDSA procurement spend targets;
- measure and report HDSA procurement spend of our operations on a monthly basis;
- develop operational procedures to promote the preferential procurement policy and programme;
- communicate our preferential approach to existing and potential new suppliers;
- investigate current procurement practices and effect change, if required;
- entrench affirmative procurement performance indicators in the company’s award system;
- identify impact suppliers representing 80% of Implats’ procurement spend and institute dialogue with them in terms of transformation and joint venturing with HDSA suppliers;
- establish a preferential procurement steering committee to identify challenges, develop solutions and implement corrective actions;
- identify suppliers not yet conforming to HDSA status and to initiate dialogue with these parties to effect transformation;
- adopt an acceptable, legitimate and affordable industry accreditation methodology to minimise fronting;
- promote HDSA’s access to mining procurement;
- develop with provincial government a process to measure the economic benefit flow of preferential procurement at regional level; and
- design, establish and support the implementation and maintenance of local business support centres, if applicable.

The Marang Women in Agriculture project has created several jobs for members of the communities surrounding our Rustenburg operations.

South African Mining Preferential Procurement Forum (SAMPPF)

Implats is one of 28 members of the SAMPPF, a nonprofit organisation which is chaired by Impala Community Development Trust (ICDT) Chief Executive, Pierre Lourens. The SAMPPF continues to pursue several key procurement objectives by:

- promoting dialogue with stakeholders regarding the effective implementation of preferential procurement policies;
- providing reporting facilities to measure the progress of preferential procurement initiatives;
- continuously developing and maintaining a database of credible suppliers from which the mining industry can source goods and services; and
- streamlining the maintenance and improving the accuracy of supplier information.

The SAMPPF has developed a database of 30,000 suppliers (of which 1,458 have been identified as HDSAs) covering all areas of mining activity. The estimated value of the annual procurement opportunities is R32 billion. As indicated earlier, Implats’ discretionary spend amounted to R1,361 billion in FY2005, equating to 30% of the group’s total procurement for the year. This is well in advance of the target to achieve 20% originally set for FY2009.
University of Potchefstroom. A group of 15 ladies from the local community own 75% of the business, with the remainder held by a landfill consultant. The project provides employment to a total of 36 people from the local community.

• Badirammogo, a small private company formed by twelve BEE shareholders (majority owned by two of the shareholders), to fulfil the duties of the former ‘tea ladies’. This business has adopted the model developed and implemented by Monontsha and is proving extremely successful.

• Dikuno Process Solutions, a BEE enterprise comprising 38 former Mineral Processes employees (two of whom are managing shareholders) that is responsible for operating the slag plant – a component of our Rustenburg operations’ business that processes the slag and sludge from the plants.

A number of further outsourcing opportunities are currently under investigation, including road maintenance, garden services, the canteen (and general catering), and the crushers within the smelter operation. In addition, Rustenburg operations’ central concentrator continues to purchase washers required by the mills that are made by learners at a blind school using cotton thread, rather than using alternative suppliers.

Marula Platinum is also involved directly in supporting a number of local BEE initiatives, and gives preference to local contractors and suppliers of goods and services. Services
valued at R10.3 million were procured from BEE companies in and around the area during this financial year.

Further details of our enterprise development programmes may be found on pages 121 to 123.

OWNERSHIP AND JOINT VENTURES

The sale of Implats’ interest in Lonplats (comprising a 27.1% stake in each of Western Platinum Limited and Eastern Platinum Limited, which together comprise Lonplats) was concluded in September 2004. The transaction involved the direct sale of 9% in Lonplats to Historically Disadvantaged South Africans (HDSAs), comprising Dema Group, Andisa Capital, Vantage Capital and the Bapo Ba Magole Tribe; and the sale of the 18.1% balance to Lonmin Plc. Subsequently, the HDSA investors and Lonmin have each on-sold 9% of Lonplats to Incwala Resources (Proprietary) Limited, a newly-formed company that will be HDSA controlled. The latter earned Implats and Lonmin the coveted Dealmakers’ ‘2005 Deal of the Year’ Award.

Implats received US$763 million on the finalisation of the transaction, of which US$95 million has been made available by Implats as vendor finance to various BEE companies and will only be fully repaid by 2011.

At operational level, a 20% stake in Marula Platinum has been set aside for BEE ownership and the agreement signed between Marula Platinum and the local communities on 5 August 2004 should become effective by the end of FY2006. The agreement, which concerns the formation of the Marula Community Trust (the Trust), entails an allocation of 5% to the Trust; the retention of 5% for direct investor participation in the project, such as community groupings and local business interests, from the Sekhukune district and the Limpopo province; and a 10% stake held by Mmakau Mining.

The Trust will be managed and controlled by five Trustees who will be responsible for the administration and application of the fund’s finances. Trustees comprise local attorneys, business people, members of the Marula Working Committee (a representative committee set up by Marula Platinum to liaise between the local community and the mine). The Trust held its first public meetings during April 2005 in the villages around Marula Platinum. At these meetings, the local communities identified the need for water in the Greater Tubatse area as a priority over electricity and any other infrastructure development. The Marula Community Trust therefore appointed a contractor to provide borehole water to ten schools in the area, with the assistance of the Marula Platinum geologist, who assisted the contractor to identify possible water sources and advised the Trustees on water quality and quantity. The water provided to the schools will also be available to the community through the Governing Body of each school.

In addition, the Marula Community Trust has adopted community projects initiated by Marula Platinum through the ICDT. These include a home-based care vegetable garden project in Forest Hill (GorGwele) community and the informal traders around the mine. R1 million was donated to the Trust by Implats during FY2005.

The Library Project, supported by our Rustenburg operations, has led to numerous satellite libraries being established in the villages surrounding greater Rustenburg.

Implats contributes to regional and economic sustainability by supporting the development of entrepreneurial SMEs.
BENEFICIATION

As the Beneficiation Act has not yet been promulgated, Implats has appointed a representative to participate with the DME and other industry stakeholders in determining the criteria to qualify for offset.

Nevertheless, in keeping with Mining Charter recommendations that companies add value beyond mining and processing in efforts to generate new economic activity, Implats supports the establishment of industries that add value to the metal and minerals mined in South Africa. Through its world-class precious and base metals refineries Implats is not only able to refine the metals to the required specifications of end users – from ingots to salts – but also offers these facilities to other producers, both locally and internationally. The platinum produced by Implats is exported either in the form of bars to jewellery manufacturers, or as a powder to automotive manufacturers. A significant proportion of the latter is supplied locally to one of the largest manufacturers of autocatalysts.

Through its agreement with A1 Specialized Services and Supplies Inc in the USA, Implats is the largest recycler of autocatalysts in the world.

During FY2004, Implats was part of a multinational, multi-stakeholder venture that set up a Cape Town-based jewellery beneficiation project to produce finished and semi-finished jewellery. Silplat (Proprietary) Limited (Silplat) was established in collaboration with Silmar SPA, an Italian jewellery manufacturer (51%); Implats (17.5%), SA Link (Proprietary) Limited, a Cape Town jewellery manufacturer (14%); SANIP – the National Industrial Participation office of SAAB and British Aerospace (BAE) Systems (12%); and SA specialist corporate finance house Microfin Holdings (Proprietary) Limited (5.5%).

In addition to its equity interest in Silplat, Implats also participates in the project by way of a platinum loan, believed to be the first of its kind in the jewellery business. Silplat’s business plan includes downstream beneficiation of 25,000 ounces of platinum jewellery after five years.

The pilot project phase of the Silplat venture, which ended in February 2005, yielded sales forecasts for the remainder of the 2005 calendar year of 210kg of platinum. It is hoped that several shortcomings identified in the pilot project phase, due primarily to lack of management experience in producing quality jewellery, the current high dollar price of platinum, levelling off in the demand for platinum jewellery and the rand/dollar exchange rate, have been overcome following the appointment of new personnel to manage the project from March 2005.

In addition, Implats donated R50,000 to the Hans Merensky Platinum Jewellery Design Centre at the Tshwane University of Technology in FY2004 (see page 119 for more details).

IMPALA COMMUNITY DEVELOPMENT TRUST

All Implats’ social development activities and the funding thereof are managed by the Impala Community Development Trust (ICDT), which was established in 1998. Reflecting the concepts of corporate citizenship, the ICDT has adopted a number of key principles from the South African Grantmaking Association’s (SAGA) Code of Practice. These include:

- contributing to positive social change, which supports social and economic transformation, through funding and development efforts, aimed at sustainable development programmes to bring about a just, equitable and prosperous society;
- working in partnership to create a shared development vision, founded on mutual understanding, respect, trust, responsibility and accountability in the knowledge that social and economic transformation is beyond the scope of donors alone;

Implats' CSI priorities reflect the local economic development priorities of the relevant provincial and/or local authorities.
nurturing and reflecting diversity by embracing diverse perspectives and experiences to ensure relevance and effectiveness.

The policy of the ICDT is to act as facilitator rather than a sole sponsor of social investment projects. In this way the long-term sustainability of projects is encouraged, additional donors are attracted and former disadvantaged communities are empowered. By pooling its resources with those of other donors and government institutions, the impact of the ICDT’s effort is significantly more than would otherwise be the case.

Wherever possible, Implats’ CSI priorities reflect the local economic development priorities of the relevant provincial and/or local authorities.

The ICDT allocated funding to the value of R15.2 million to community development projects during the year under review. As in prior years, preference has been given to projects that promote education and training, health and welfare, enterprise development, environmental awareness, and safety and security.

- cultivating mutual respect by acknowledging our partners’ organisational visions and priorities and respecting their cultural values and practices to avoid distortion of organic development processes;
- being open and accessible so as to allow grant seekers the right to make informed choices about their funding partners, and to redress the inherent power imbalance between those we fund and those who request;
- championing accountability by establishing appropriate practices that demonstrate high standards of internal and external accountability;
- practising consistency so that potential grant partners receive fair opportunities to access funding and other resources and to ensure even-handedness and non-discrimination;
- adopting a professional and effective approach to build funding programmes that impact positively on critical social challenges and in so doing gaining respect as credible and effective development practitioners; and
- nurturing and reflecting diversity by embracing diverse perspectives and experiences to ensure relevance and effectiveness.

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EDUCATION AND TRAINING

In pursuit of a mission to ensure that a growing number of local and previously disadvantaged candidates aspire and/or apply for employment in the mining industry, ICDT provides funding and strategic support to the following main initiatives:

- **Edumap**, a matriculant bursary programme to attend a foundation year before enrolling at a tertiary education institution so as to improve the pass rate in engineering and other mining career orientated subjects at universities and technikons. This programme has improved the matriculation results of students in all subjects, with the average results for mathematics and science increasing by 20.4% and 14.4% respectively, and has also improved the pass rate of HDSA’s following engineering degrees at universities from 33% to 92%. Participating learners are also given career planning advice (including excursions) and assistance in applying for bursary finance for tertiary education. A team of full-time dedicated staff has forged close links with the University of the Witwatersrand and tertiary education institutions in all nine provinces. By redefining the parameters of the programme, the needs of most universities and technikons are accommodated such that all the students in the Edumap programme should be admitted to the mainstream programmes of tertiary institutions or to the sponsoring companies. ICDT has contributed financially to Edumap since its inception in 1998 and currently sponsors ten students at a cost of R39,500 per student per year. Moreover, six Edumap students sponsored by ICDT in 2000 completed their fourth year of study at university in FY2004.

- The **Impala Post-Matric Programme**, at Fields College in Rustenburg, which aims to redress the severe backlog in quality schooling for HDSA’s locally, forcing learners to leave the area or accept inferior education. The ICDT has set up a post-matric programme similar to the Edumap at Fields College – to create a Centre of Educational Excellence – and has also provided educational infrastructure items such as classrooms and laboratories, science apparatus and educational materials. 20 learners matriculated from the Edumap programme at Fields College with mathematics and science on higher grade at the end of the 2004 academic year, double our target for ten learners. Ten of these students are now studying engineering or science at a university or technikon. At least seven of them have passed all their first semester subjects in 2005, while the results of the remaining students are awaited.

- **Maths and Science Upgrading Programme**, operated through the North West Department of Education, which
aims to increase the number of learners passing mathematics and science on the higher grade. The programme includes enrichment courses for educators and learners at selected schools, bursaries for high performers, and the Dinaledi Computer Centre (one of only seven such facilities in the North West province). The programme attracted 225 mathematics and science learners to its enrichment classes on Saturdays and during school holidays in FY2005, 75 of whom were employees’ children. In addition, 140 mathematics, science and English educators participated in the programme: 55 attended an NQF assessment programme; 55 attended national curriculum statement training for Grades 10, 11 and 12; and 30 attended the schools’ environmental policy programme training.

Refineries also operates a Maths and Science project through the Star School, which aims to enhance learners’ knowledge so as to increase the pass rate. Funding was provided for 200 mathematics and science learners from various disadvantaged schools within Ekurhuleni East to attend Saturday classes in FY2005 at a cost of more than R472,500.

In addition, funding of R140,000 was provided for mathematics and science educators from 14 schools in Ekurhuleni East (and their principals) to attend a Maths, Science and Technology Teachers Development project, which provides theoretical and practical training with a view to improving their teaching skills.

- **School Achiever Programme**, where Refineries, through ICDT, provided funding for 200 Grade 12 mathematics and science learners to attend vacation classes in FY2005.

- **Career guidance**, where the ICDT provides funding and strategic support to career guidance initiatives designed to attract and prepare targeted high school pupils to join the mining industry.

- **School road shows and visits**, where employees of Refineries visited 20 schools in Ekurhuleni in FY2005 to encourage Grade 9 learners to choose mathematics and science on higher grade and to consider engineering as a profession. Learners from the same schools visited Refineries to see the operations’ engineers and chemists in action.

- **Infrastructural support** (through the North West Education Trust (NWET) and other initiatives) to improve the quality of education facilities in the areas of Implats’ operations, particularly the rural reaches. A two-tier strategy is followed namely:

  - participating in public-private partnerships to build educational infrastructure (schools, classrooms, and so on), upgrade water and sanitation services, and facilitate human resource development (training of educators and learners) at schools in the North West Province; and
  
  - establishing new or converting facilities into community centres and helping HDSAs to run these centres to the benefit of the community.

Established in 1998, NWET provides private sector donors with a vehicle to contribute (on a 50/50 basis with government) towards improved educational capacity in the North West province. The NWET has proved to be one of the most successful, cost-effective and sustainable public-private partnerships in South Africa: classrooms, water and toilets valued in excess of R137.4 million have been provided by the donors to the Trust since its establishment. In recognition of the group’s contribution to the success of NWET, Implats has received a certificate of appreciation from the North West Department of Education.

Other infrastructural support projects supported by the ICDT during FY2005 included the following:

- The **ablation facilities were refurbished** by the Refineries at two schools in Ekurhuleni East at a cost of more than R160,700.

High school learners receive career guidance at Rustenburg operations’ Career Exhibition Centre.
- **Kele Primary and Secondary School** is another of Rustenburg CDC’s success stories. The school started in a private house in 1996 and provides education for 765 learners from pre-school to Grade 12. Kele’s first group of Grade 12 learners wrote their final exams with the North West Department of Education in October 2004.

- The Freedom Net Centre and Future Kids, which together with the ISETT SETA present a one-year course in Technical Support at the centre to groups of 150 students.

- **Bakerton ABET Centre**, Springs, which provides literacy and numeracy training to adults from historically disadvantaged communities in the area (primarily Slovo Park and Everest), is sponsored by Impala in the form of facilitator wages, learning materials and furniture. More than R236,257 has been invested in this project.

- **Matshidiso Special School**, a facility where disabled children are taught practical skills such as gardening, baking, sewing and welding, received gardening tools and a bakery machine from Refineries. The equipment will enhance the school’s ability to generate funds from vegetables grown in the gardens and loaves of bread baked on the premises. More than R56,522 has been spent on these projects.
Two schools for physically and mentally disabled children in the Rustenburg area received funding during March 2005, namely Iteko School (Tlhabane) and Buitengewone Onderwys Skool (Rustenburg). The latter facility received four classrooms and a swimming pool for occupational therapy sessions.

The Hans Merensky Platinum Jewellery Design Centre at the Tshwane University of Technology receives financial support from Implats. The platinum manufacturing course offered by the Centre focuses on the theoretical aspects of platinum jewellery manufacture and forms part of the jewellery programme in the Fine and Applied Arts Department (offered in the third-year and B-Tech students’ syllabus). The Centre’s facilitator and its students are also engaged in two of the University of Cape Town’s platinum research projects. Three B.Tech students, who have specialised in platinum manufacture, completed their degrees in the 2004 academic year.

Olympia Park School in Kwa-Thema, a special school for children with learning difficulties, received a range of practical teaching aids from Refineries, including a car engine, fully-stocked tool boxes and steel tables.

Lefaragatlhe Primary and Moremogolo Primary School in Phokeng each received donations of English books from the Rustenburg operations.

Ekurhuleni East College has received process control and electrical equipment to the value of more than R47,800 from Impala. This equipment will help improve the standard of engineering education at the college.

Approximately US$79,000 was donated from the Zimplats Chairman’s Fund to schools, universities and charitable organisations.
• Impala donated R1 million to the Marula Community Trust and the board of Trustees received training in various aspects of managing a community trust.

Mimosa supported several education-related community projects during FY2005, notably:
• painting a classroom block at Zvishavane Primary School;
• donating books to schools in Zvishavane District;
• constructing a Blair toilet block at Bungwe Primary School;
• sponsoring under-privileged pupils at the above school;
• a donation of cement to the Better Schools Programme; and
• providing Zvishavane Police Library Equipment.

HEALTH AND WELFARE

In addition to accepting responsibility for the healthcare of our employees, Implats is also concerned about the health and wellbeing of people living in the communities where we operate.

HIV/AIDS remains a key focus area for all communities in South Africa. Accordingly, community HIV/AIDS programmes continued to receive support from ICDT during the year. In addition to financial support, we have shared and incorporated the key learning points from our successful employee HIV/AIDS programmes into these community programmes.

• Sexually Transmitted Infections (STIs), where ICDT funds the treatment of all STIs in the Freedom Park clinic operated by St Joseph’s Mission.

• Access to Voluntary Testing and Counselling (VCT) is a vital element to any HIV programme and we have provided funding for VCT at the STI Clinic.

• ICDT has funded the Tapologo Counselling Clinic in Phokeng, which provides counselling to individuals and families already affected by AIDS.

• Home-based Care (HBC) is another important and under-resourced requirement for managing the HIV epidemic in South Africa. As such, ICDT has funded and supported a number of home-based care initiatives for families coping with terminally ill individuals living at home. These include the Tapologo HBC operating in the Phokeng/Rustenburg area, Reatlegile HBC in Taung, Kopano Women Project in Morokweng, and Eben-Ezer Care in Ganyesa. All of these projects enjoy support from Impala and the Department of Health.

• Many AIDS patients eventually require Hospice care in spite of the availability of HBC Programmes. ICDT has continued to support the Tapologo Hospice during the year.

• An increase in the number of orphans in South Africa is a direct result of the HIV/AIDS epidemic. ICDT recognises the needs of this very vulnerable sector of society. We provided financial support to the Botho Jwa Rona, Bana Bakgotso and Tshireletso care centres which provide shelter and care for these children.

ICDT, in conjunction with the Department of Social Development, also provides support to orphans who are living with their extended families while they are waiting for the processing of their official child support grants. This support assists their foster families to provide the necessary care, support and schooling to the children.

While HIV/AIDS has received considerable attention and funding, because of the scale of the epidemic, ICDT has also contributed to a number of other Community Health Programmes, namely:

• Care for the Disabled – The Spes Bona home for the disabled and the Bessie Mpelelele Newana Care Centres both received ICDT funding during the year.

Impala has established several clinics within the local community.
ENTERPRISE DEVELOPMENT

Implats has launched with the Springs Chamber of Commerce a regionally-focused Business Linkage Centres (BLCs), which developed a methodology to stimulate economic growth in the area by supporting the development of the SME sector. Two BLCs have been launched to date:

• The Springs BLC was established in 2000 and is affiliated to the Springs Chamber of Commerce and Industry. Local SME's have been encouraged to join the BLC where their details are logged and forwarded to the sponsoring companies of the BLC. The sponsoring companies, of which there are 14, then try and allocate work to an SME where possible as well as endeavouring to mentor and develop them into a viable business.

Having identified a lack of essential business skills, Refineries in conjunction with the BLC approached the Ekurhuleni East College to assist and formulate business related training modules. These twelve training modules and courses aim to assist SME's improve their business skills. In addition successful "Tendering" workshops have been held during the past year, attended by more than 250 SME's.

To accelerate SME business development and procurement, several other modules are to be introduced, namely: financial and project management, tendering, costing, health and safety, as well introduction to computers. More than 350 SME's have attended the training, which takes place every Saturday morning at the Kwa-Thema campus, Kwa-Thema, Springs.

The SMEs trained through the above initiative have been invited to tender on Impala Platinum Refineries Corporate Social Responsibility programme where services that they are able to provide are utilised. The total that Impala has spent to date on this initiative is in excess of R250,000, R149,300 of which was invested during FY2005.

• Community Hospital – The Rustenburg Provincial Intensive Care Unit was equipped with an air-conditioning unit and equipment for arterial catheterisation.

• The Rustenburg CANSA Association provides an invaluable service to cancer sufferers in our community and ICDT continued to give support to the organisation.

• The Rustenburg Hospice not only provides direct hospice care to our community but has also assisted us by sharing their skills and knowledge with other organisations that we support who provide care to the terminally ill.

• Rustenburg Life Line provides counselling and telephonic assistance to any members of our community who are faced with personal or family crisis and the very experienced Life Line Counsellors are available 24-hours-a-day. Life Line has also shared their counselling knowledge and training with many of the other projects which require these skills.

The ICDT has also supported several health and welfare projects through the group’s other operations during the year, including:

• Building a structure for Nigel Caring Community, a home-based care NGO in Duduza that provides support to end-stage cancer and HIV/AIDS patients who can no longer take care of themselves. More than R476,200 has been invested in the project this financial year.

• Ongoing support for Oasis Rover Crew and New Image Rover Crew, two HIV/AIDS home-based care initiatives for which ICDT purchased houses in FY2004.

• Providing support for Child Welfare in the greater Springs area, which enables better facilities to be provided for approximately 100 children each year.

• Mimosa provided equipment to Mhondongori Clinic.

Far Left: ICDT, in conjunction with the Department of Social Services, provides support to orphans.

Left: ICDT has provided funding to the Tapologo Counselling Clinic in Phokeng, which provides counselling to individuals and families already affected by AIDS.
operations, which will create more than 30 additional jobs. A business plan is to be developed and finalised.

- **Poultry Project**, an entrepreneurial initiative undertaken in a joint venture with the RBN supplying chickens to the local market, which has generated 30 jobs. The canteen at the Rustenburg operations has placed a perpetual contract for the supply of chickens through the project. Together, the Marang Women in Agriculture Project and the Poultry Project have created 50 jobs for people from the Phokeng and Luka communities (near our Rustenburg operations).

- **Road-building and Maintenance Job-creation Project**, where 30 students from Kanana (15) and Sunrise Park (15) received training during FY2004 in supervisory skills, setting out, basic concrete skills, barrier kerbs, block paving, re-install base course (eroded by potholes) and hand-binder sprayer. Practical sessions were conducted in Kanana (kerbs and paving) while the Department of Water and Sanitation provided the materials required for pipe laying. The project, which ultimately aims to provide 100 people with jobs every year, led to just twelve jobs being created in Kanana during FY2005, largely due to budgetary constraints.

Impala remains committed to this programme and has, with the BLC, targeted groups for training in other areas, namely youth groups in Kwa-Thema, Germiston Chamber of Commerce and staff of ERGO.

The response and attendance from participating SME’s has always been positive which has proved both to Impala and the BLC that the training and development of SME’s is vital to the success of small business.

- **Sekhukhune BLC**, established near Marula Platinum, which provides Safety, Health and Environment, Labour Relations and Business Skills training, is experiencing financial difficulty. However, representatives of SME’s are offered tender training courses on how to cost and price effectively; tender advice; business and UIF registration; workmen’s compensation; business profile development and business information through a Marula Platinum support programme.

Other enterprise development projects supported by the ICDT during FY2005 included:

- **Hawkers Project**, which aims to commercialise the hawking business at the Rustenburg operations’ No. 6 hostel, by building 90 formal stalls. This joint venture project between Impala and the RBN will commence once the project’s administration is finalised.

- **Marang Women in Agriculture**, where 20 jobs have been created in hydroponic and bee-farming projects. The organisation supplies vegetables and honey to the local market, and has begun skills training in the community. Plans are in place to supply larger volumes of fresh produce to the canteen at our Rustenburg operations, which will create more than 30 additional jobs. A business plan is to be developed and finalised.

- **Poultry Project**, an entrepreneurial initiative undertaken in a joint venture with the RBN supplying chickens to the local market, which has generated 30 jobs. The canteen at the Rustenburg operations has placed a perpetual contract for the supply of chickens through the project. Together, the Marang Women in Agriculture Project and the Poultry Project have created 50 jobs for people from the Phokeng and Luka communities (near our Rustenburg operations).

- **Road-building and Maintenance Job-creation Project**, where 30 students from Kanana (15) and Sunrise Park (15) received training during FY2004 in supervisory skills, setting out, basic concrete skills, barrier kerbs, block paving, re-install base course (eroded by potholes) and hand-binder sprayer. Practical sessions were conducted in Kanana (kerbs and paving) while the Department of Water and Sanitation provided the materials required for pipe laying. The project, which ultimately aims to provide 100 people with jobs every year, led to just twelve jobs being created in Kanana during FY2005, largely due to budgetary constraints.
At operations level, the following projects received ICDT support during FY2005:

- **Schools Envirocare Project**, a two-phased initiative that aims to raise awareness of the environment among the local community through education and, in doing so, exceeds the Department of Education’s requirements regarding the development of environmental management skills among learners. The project encourages educators and learners to take remedial action against environmental problems by raising overall awareness of every individual’s responsibility toward the environment. In the second phase, the schools are required to implement the Environmental Policy and Action Plan that they had developed during phase 1, using equipment supplied by Impala – thereby taking remedial action against the environmental challenges confronting the respective schools. Since its inception in 2002, 167 primary and middle schools and 334 educators have benefited from the project, of which 137 schools have completed both phases. Our target to involve 25 primary and middle schools in the project during FY2005 was exceeded, as 30 schools participated actively in the initiative.

- **Capacity-building Project**, where the Rustenburg operations helped to enhance the business skills of 23 NGOs and community-based organisations (CBOs) during FY2005.

**ENVIRONMENTAL AWARENESS**

The ICDT works with Impala’s Environmental Steering Committee to increase awareness in the community regarding environmental constraints and opportunities. At corporate level, this includes providing support for NGOs involved with specific environmental awareness programmes – such as Africa Foundation, Honorary Rangers, Grootvalley Bosbokspruit Conservation and the John Volker Bird Book Fund.

At operations level, the following projects received ICDT support during FY2005:

- **Schools Envirocare Project**, a two-phased initiative that aims to raise awareness of the environment among the local community through education and, in doing so, exceeds the Department of Education’s requirements regarding the development of environmental management skills among learners. The project encourages educators and learners to take remedial action against environmental problems by raising overall awareness of every individual’s responsibility toward the environment. In the second phase, the schools are required to implement the Environmental Policy and Action Plan that they had developed during phase 1, using equipment supplied by Impala – thereby taking remedial action against the environmental challenges confronting the respective schools. Since its inception in 2002, 167 primary and middle schools and 334 educators have benefited from the project, of which 137 schools have completed both phases. Our target to involve 25 primary and middle schools in the project during FY2005 was exceeded, as 30 schools participated actively in the initiative.

- **Environmental Awareness and Waste Management**, a joint venture between Impala and Bojanala Platinum District Municipality, which aims to educate the community in classifying waste, encourage good housekeeping, raise environmental awareness and
Producers Forum, plans and promotes cost-effective and sustainable infrastructure services that are essential to meet our growing production targets, while addressing the needs of surrounding communities for the most basic services. District and local municipalities lack the capacity to provide these basic services. R12.5 million was commissioned by the donors to date to ensure that mining expansion in the area is handled responsibly and appropriately.

In addition, the Rustenburg operations hosted approximately 50 children from local schools to a Water Awareness Programme workshop in February 2005. Presented by Batho-Pele Tsunami, a company dealing with water awareness issues, the workshop equipped attendees with an understanding of pumps, pump repair and other plumbing-related matters.

**SAFETY AND SECURITY**

The ICDT supports projects that have the potential to enhance the safety and security of the communities serving Implats’ operations. These include:

- **Safety at Schools**, where Impala, in partnership with Bojanala West Department of Education, has helped several schools in the Rustenburg area improve the physical safety component of their safety programmes by hosting Safety at Schools workshops.  

- **Zimplats’ attachment programme for university students** pursuing studies in the environmental field continued with one student being attached for a full year.

- **Recycling Project**, where twelve people from Thlabane have been trained to use recyclable materials such as glass and paper, as well as in safety, first aid and diversity management.

- **A group of students and staff members from two local universities** pursuing degree programmes in the environmental field visited SMC for guided study visits aimed at exposing them to environmental management in practice.

- **Through the SAMPPF, Impala jointly supported a study on HDSA supplier development** in the area where mining companies operate.

- **To foster a mutually beneficial relationship with the surrounding community,** Mimoso sells scrap items such as drums, plastic containers and bulk bags to local residents and employees. These items are cleaned thoroughly and are declared safe before they are sold.

- **Marula Platinum, in a joint venture with major mining companies in the Sekukhune area (the Steelpoort Valley** promote recycling. 62 people from Kanana village took part in the project during FY2004, which included a clean-up campaign. All have pledged to help schools and the community become involved in recycling. The project was implemented in other villages around our Rustenburg operations during FY2005.

- **Zimplats’ attachment programme for university students** pursuing studies in the environmental field continued with one student being attached for a full year.

- **The revamped Daveyton Police Station**, which was sponsored through Refineries, was unveiled in February 2005. The two-phased project, which started in 2003,
comprised the refurbishment of the training room, offices, client service centre, magistrate’s court and prisoners’ cells. The former guards’ room was converted into a trauma centre, where victims of violence and abuse can be attended to in confidence.

• The surveillance cameras that were donated by Refineries to the Springs Chamber of Commerce to help create a secure environment for the community were upgraded in FY2005 at a cost in excess of R34,300.

POLITICAL CONTRIBUTIONS

Implats encourages the personal participation of its employees in the political process and respects their right to absolute privacy with regard to their personal political activity. The group does not provide funding to any political party for administrative or campaign purposes.

Together, the Marang Women in Agriculture project and the Poultry project have created 50 jobs for people from the Phokeng and Luka communities near our Rustenburg operations.

The revamped Daveyton Police Station, sponsored by the ICDT through Refineries, was unveiled in February 2005.

The new landfill site, established at our Rustenburg operations for the disposal of domestic waste, is now fully operational.
SOCIO-ECONOMIC DEVELOPMENT OBJECTIVES

Mine community and rural development

- Complete WCI pilot study at Marula Platinum in readiness for implementation at Rustenburg operations and Refineries in FY2007.
- Continue engaging with stakeholders in the local communities and labour-sending areas to ensure appropriateness of IDPs.

Procurement

- Raise HDSA spend to 33% on discretionary spend across the group.

Ownership

- Place 6% of Implats in HDSA hands by the end of FY2006.
- Finalise the agreements regarding the placement of 20% of Marula Platinum in HDSA hands during FY2006.

Corporate social investment (ICDT)

IMPALA

Rustenburg operations

- 50 mathematics, science and English educators to participate in our education programmes.
- 20 Implats-selected candidates to matriculate through the post-matric programme with mathematics and science on higher grade.
- 75 higher grade mathematics and science learners to attend holiday school enrichment programmes.
- 50 primary schools and middle schools in the Bojanala District to participate in phase two of the schools environment project.
- Create 15 jobs through an agricultural small business in Phokeng (i.e. the poultry project).
- Create 50 jobs through small business at Mineral Processes.
- Build capacity in 20 NGO’s, CBO’s and small business in the Rustenburg area.
- Build a new primary school at Freedom Park.
- Partner with Anglo American Trust to build a high school at Fields College in Rustenburg.
- Set up a vegetable garden at Phokeng Village.
- Donate 100 computers to NGO’s, CBO’s and schools and also provide training.
- Extend partnership relations with Labour Sending Areas by participating in their integrated development plans.
- Set up a satellite police Station at Freedom Park.

Refineries

- Train 120 SMEs on Business Management/Tendering Skills.
- Award CSI projects to ten SMEs.
- Employ 20 local facilitators/teachers for ABET and mathematics and science programmes.
- Have 200 Grade 11 and 12 higher grade mathematics and science learners attend the mathematics and science incubator programme.
- Have 200 Grade 11 and 12 higher grade mathematics and science learners attend the school achiever programme.
- Have 50 Grade 10 learners attend the Junior Achiever Programme.
- Train 70 mathematics and science teachers in Advanced Learning Techniques.
- Have 50 community members attend ABET Classes.
- Upgrade the ablution facilities at three local schools.
- Reach 2,400 Grade 9 learners from 20 schools through mathematics and science school road shows and visits to Refineries.
- Set up a structure or buy a house for one NGO dealing with HIV/AIDS.
- Support the three previously sponsored HIV/AIDS NGOs in Kwa-Thema and Duduza.
- Install two CCTV cameras in the Springs CBD.

MARULA PLATINUM

- Train two or three high school educators in mathematics and science teaching skills.
- Assist two or three high schools develop computer skills.
- Implement an HIV/AIDS programme on the mine and extend this to the broader community.
- Implement a road safety awareness campaign in the neighbouring schools and community.
- Provide five boreholes to schools (through the Marula Community Trust).
- Establish a woodchip project.

MIMOSA

- Promote environmental awareness in the community surrounding Mimosa through informal training sessions.
- Use the local community at Mimosa to rehabilitate previously polluted areas and to repair the strip road.
**Key Statistics**

<table>
<thead>
<tr>
<th>Units</th>
<th>Impala Platinum Limited</th>
<th>Rustenburg Operations</th>
<th>Refineries</th>
<th>Marula Platinum</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EMPLOYEES</strong></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>No of employees</td>
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<tr>
<td>Ore milled (tonnes)</td>
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<td>766,134</td>
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<td>Matte milled (tonnes)</td>
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<td>Tailings retreated (tonnes)</td>
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<tr>
<td>Damp slag treated (tonnes)</td>
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<td>Electricity purchased (MWh)</td>
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<td>100% coal fired</td>
<td>100% coal fired</td>
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<tr>
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<td>Petrol (litre)</td>
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<td>Energy from petrol (GJ)</td>
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<td>Diesel (litre)</td>
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<td><strong>WATER CONSUMPTION</strong></td>
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<tr>
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<td>Recycled water (kilolitre)</td>
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<td>Water consumed from electricity purchased (kilolitre)</td>
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<td>138,427</td>
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<td><strong>AIR EMISSIONS</strong></td>
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<tr>
<td>SO₂ from operations (tonnes)</td>
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<td>604</td>
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<td>Chlorine (tonnes)</td>
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<td>NOₓ (tonnes)</td>
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<td>CO₂ from coal consumption (tonnes)</td>
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<td>SO₂ from electricity purchased (tonnes)</td>
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<td>CO₂ from electricity purchased (tonnes)</td>
<td>7,566</td>
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<td><strong>AREA REHABILITATED</strong></td>
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<td>m²</td>
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<tr>
<td>ISO 14001 Certified</td>
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<td><strong>WASTE</strong></td>
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<tr>
<td>General waste disposed (tonnes)</td>
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<td>699,35</td>
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<tr>
<td>Tailings (tonnes)</td>
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<td>759,457</td>
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<tr>
<td>Slag (tonnes)</td>
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<tr>
<td><strong>HIV PREVALENCE</strong></td>
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</tr>
<tr>
<td>%</td>
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<td>No of fatalities</td>
<td>4</td>
<td>0</td>
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</table>

*Employees in service at 30 June 2005 including capital projects.
<table>
<thead>
<tr>
<th></th>
<th>Units</th>
<th>Zimplats</th>
<th>Mimosa</th>
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</thead>
<tbody>
<tr>
<td><strong>EMPLOYEES</strong></td>
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<tr>
<td>No of employees</td>
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<td>1,472</td>
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<tr>
<td>No of contractors</td>
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<td>1,170</td>
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<tr>
<td>Total no of employees</td>
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<td>1,620</td>
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<tr>
<td><strong>PRODUCTION</strong></td>
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</tr>
<tr>
<td>Ore milled tonnes</td>
<td>tonnes</td>
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<td>1,423,608</td>
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<tr>
<td>Matte milled</td>
<td>tonnes</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Tailings retreated</td>
<td>tonnes</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Dumps slag treated</td>
<td>tonnes</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td><strong>ENERGY</strong></td>
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</tr>
<tr>
<td>Electricity purchased</td>
<td>MWh</td>
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<td>Means of electricity generation</td>
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<tr>
<td>Energy from electricity purchased</td>
<td>GJ</td>
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<td>336,096</td>
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<tr>
<td>Coal</td>
<td>tonnes</td>
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<tr>
<td>Energy from coal</td>
<td>GJ</td>
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<td>Petrol</td>
<td>litre</td>
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<td>Energy from petrol</td>
<td>GJ</td>
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<td>Diesel</td>
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<td>Energy from diesel</td>
<td>GJ</td>
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<td>Sasol gas</td>
<td>GJ</td>
<td>–</td>
<td>–</td>
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<tr>
<td><strong>WATER CONSUMPTION</strong></td>
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<td></td>
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<tr>
<td>Fresh water</td>
<td>kilolitre</td>
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<td>1,941,260</td>
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<tr>
<td>Recycled</td>
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<tr>
<td>Water consumed from electricity purchased</td>
<td>kilolitre</td>
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<tr>
<td><strong>AIR EMISSIONS</strong></td>
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<td></td>
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<tr>
<td>SO2 from operations</td>
<td>tonnes</td>
<td>8,064</td>
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<tr>
<td>Chlorine</td>
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<tr>
<td>Ammonia</td>
<td>tonnes</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>NOx</td>
<td>tonnes</td>
<td>Not quantified</td>
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<td>COx</td>
<td>tonnes</td>
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<tr>
<td>CO2 from electricity purchased</td>
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<td>–</td>
</tr>
<tr>
<td>NOx from electricity purchased</td>
<td>tonnes</td>
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<td><strong>AREA REHABILITATED</strong></td>
<td>m²</td>
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<td>14</td>
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<td>External</td>
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<td>6</td>
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<td>Ngezi operations (No)</td>
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<td><strong>WASTE</strong></td>
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</tr>
<tr>
<td>General waste disposed</td>
<td>tonnes</td>
<td>189 telecons at SMC &amp; 2777 drums at Ngezi operations</td>
<td>261</td>
</tr>
<tr>
<td>Tailings</td>
<td>tonnes</td>
<td>1,982,606</td>
<td>1,377,663</td>
</tr>
<tr>
<td>Slag</td>
<td>tonnes</td>
<td>70,240</td>
<td>–</td>
</tr>
<tr>
<td><strong>HIV PREVALENCE</strong></td>
<td>%</td>
<td>17%</td>
<td>19%</td>
</tr>
<tr>
<td>LTIFR</td>
<td></td>
<td>0.8</td>
<td>1.4</td>
</tr>
<tr>
<td>No of fatalities</td>
<td></td>
<td>1</td>
<td>0</td>
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## VISION & STRATEGY

<table>
<thead>
<tr>
<th></th>
<th>FY2003</th>
<th>FY2004</th>
<th>FY 2005</th>
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</thead>
<tbody>
<tr>
<td>1.1 Statement of the organisation’s vision and strategy regarding its contribution to sustainable development</td>
<td>AFR</td>
<td>CRR</td>
<td>p7</td>
</tr>
<tr>
<td>1.2 Statement from the CEO describing key elements of the report</td>
<td>EHSC</td>
<td>CRR</td>
<td>p4-8</td>
</tr>
</tbody>
</table>

## PROFILE

### ORGANISATIONAL PROFILE

<table>
<thead>
<tr>
<th></th>
<th>FY2003</th>
<th>FY2004</th>
<th>FY 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1 Name of reporting organisation</td>
<td>EHSC</td>
<td>CRR</td>
<td>p2</td>
</tr>
<tr>
<td>2.2 Major products and/or services</td>
<td>AFR</td>
<td>AFR</td>
<td>p2, AFR</td>
</tr>
<tr>
<td>2.3 Operational structure</td>
<td>AFR</td>
<td>AFR</td>
<td>p10-13, AFR</td>
</tr>
<tr>
<td>2.4 Major divisions, operating companies, subsidiaries, joint ventures</td>
<td>AFR</td>
<td>AFR</td>
<td>p10-13, AFR</td>
</tr>
<tr>
<td>2.5 Countries where organisation’s operations are located</td>
<td>AFR &amp; EHSC</td>
<td>CRR, AFR</td>
<td>p2, 10, AFR</td>
</tr>
<tr>
<td>2.6 Nature of ownership</td>
<td>AFR</td>
<td>AFR</td>
<td>AFR</td>
</tr>
<tr>
<td>2.7 Nature of markets served</td>
<td>EHSC</td>
<td>AFR</td>
<td>AFR</td>
</tr>
<tr>
<td>2.8 Scale of the organisation: number of employees, products produced/services offered (quantity or volume), net sales and total capitalisation. Plus value added, total assets, breakdowns of sales/revenues by country/region, major products and/or identified services, costs by country/region, employees by country/region</td>
<td>EHSC</td>
<td>CRR</td>
<td>*</td>
</tr>
<tr>
<td>2.9 Stakeholders</td>
<td>AFR</td>
<td>AFR</td>
<td>p40-SO</td>
</tr>
</tbody>
</table>

## LEGEND

- **Core indicators**
  - X = Not reported
- **Non-core indicators**
  - = Not applicable to Implats
- **AFR** = Annual Financial Report
- **EHSC** = EHS&C Report 2003
- **CRR** = Corporate Responsibility Report 2004
- **IFC** = Inside front cover
- • = Information not available
- * = Multiple references
<table>
<thead>
<tr>
<th>REPORT SCOPE</th>
<th>FY2003</th>
<th>FY2004</th>
<th>FY 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.10 Contact person (name and contact details)</td>
<td>EHSC</td>
<td>CRR</td>
<td>IFC</td>
</tr>
<tr>
<td>2.11 Reporting period</td>
<td>EHSC</td>
<td>CRR</td>
<td>p4</td>
</tr>
<tr>
<td>2.12 Date of most recent previous report</td>
<td>EHSC</td>
<td>CRR</td>
<td>p4</td>
</tr>
<tr>
<td>2.13 Boundaries of report and specific limitations of scope</td>
<td>EHSC</td>
<td>CRR</td>
<td>p4, 9</td>
</tr>
<tr>
<td>2.14 Significant changes in size, structure, ownership or products/services since previous report</td>
<td>EHSC + AFR</td>
<td>AFR</td>
<td>AFR</td>
</tr>
<tr>
<td>2.15 Basis for reporting joint ventures, subsidiaries, leased facilities, outsourced operations, etc.</td>
<td>EHSC + AFR</td>
<td>CRR, AFR</td>
<td>p9, AFR</td>
</tr>
<tr>
<td>2.16 Explanation of nature and effect of re-statements of information in earlier reports and reasons for re-statement</td>
<td>EHSC</td>
<td>AFR</td>
<td>AFR</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>REPORT PROFILE</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>2.17 Decisions not to apply GRI principles or protocols</td>
<td>EHSC</td>
<td>CRR</td>
<td>p9</td>
</tr>
<tr>
<td>2.18 Criteria/definitions used in accounting for environmental, economic and social costs and benefits</td>
<td>AFR</td>
<td>AFR</td>
<td>AFR</td>
</tr>
<tr>
<td>2.19 Significant changes from previous years in measurement methods used for economic, environmental and social information</td>
<td>EHSC</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>2.20 Policies and internal practices to enhance and provide assurance regarding accuracy, completeness and reliability of information in the report</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>2.21 Policy and current practice with regard to independent assurance</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>2.22 Means for obtaining additional information and reports on organisation’s economic, environmental and social activities</td>
<td>X</td>
<td>X</td>
<td>p9</td>
</tr>
</tbody>
</table>
### GOVERNANCE STRUCTURE AND MANAGEMENT SYSTEMS

#### STRUCTURE AND GOVERNANCE

<table>
<thead>
<tr>
<th>3.1 Governance structure of the organisation (major committees under board of directors)</th>
<th>FY2003</th>
<th>FY2004</th>
<th>FY 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>AFR</td>
<td>AFR</td>
<td>AFR</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>3.2 Percentage of board of directors that are independent, non-executive directors</th>
<th>FY2003</th>
<th>FY2004</th>
<th>FY 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>AFR</td>
<td>AFR</td>
<td>AFR</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>3.3 Process for determining expertise of board members (strategic direction + environmental and social risks and opportunities)</th>
<th>FY2003</th>
<th>FY2004</th>
<th>FY 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>AFR</td>
<td>AFR</td>
<td>AFR</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>3.4 Board-level process for overseeing identification and management of economic, environmental and social risks and opportunities</th>
<th>FY2003</th>
<th>FY2004</th>
<th>FY 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>AFR</td>
<td>CRR, AFR</td>
<td>p30-33, AFR</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>3.5 Link between executive compensation and achievement of organisation’s financial and non-financial goals</th>
<th>FY2003</th>
<th>FY2004</th>
<th>FY 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>AFR</td>
<td>AFR</td>
<td>AFR</td>
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</table>

<table>
<thead>
<tr>
<th>3.6 Organisational structure and key individuals responsible for oversight, implementation and audit of economic, environmental, social and related policies</th>
<th>FY2003</th>
<th>FY2004</th>
<th>FY 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>AFR</td>
<td>AFR</td>
<td>AFR</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>3.7 Mission and values statement, codes of conduct, policies relevant to economic, environmental and social performance</th>
<th>FY2003</th>
<th>FY2004</th>
<th>FY 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>EHSC + AFR</td>
<td>CRR</td>
<td>p3, 5-8</td>
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<table>
<thead>
<tr>
<th>3.8 Mechanisms for shareholders to provide recommendations/direction to board of directors</th>
<th>FY2003</th>
<th>FY2004</th>
<th>FY 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>AFR</td>
<td>AFR</td>
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#### STAKEHOLDER ENGAGEMENT

<table>
<thead>
<tr>
<th>3.9 Basis for identifying and selecting major stakeholders</th>
<th>FY2003</th>
<th>FY2004</th>
<th>FY 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>X</td>
<td>X</td>
<td>p40</td>
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<table>
<thead>
<tr>
<th>3.10 Approaches to stakeholder consultation (frequency of consultations by type and stakeholder group)</th>
<th>FY2003</th>
<th>FY2004</th>
<th>FY 2005</th>
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</thead>
<tbody>
<tr>
<td>X</td>
<td>X</td>
<td>p40-50</td>
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<table>
<thead>
<tr>
<th>3.11 Type of information generated by stakeholder consultations</th>
<th>FY2003</th>
<th>FY2004</th>
<th>FY 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>X</td>
<td>X</td>
<td>p40-50</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>3.12 Use of information resulting from stakeholder engagements</th>
<th>FY2003</th>
<th>FY2004</th>
<th>FY 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>X</td>
<td>X</td>
<td>p40-50</td>
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#### OVERARCHING POLICIES AND MANAGEMENT SYSTEMS

<table>
<thead>
<tr>
<th>3.13 Explanation of whether and how precautionary approach/principle is addressed</th>
<th>FY2003</th>
<th>FY2004</th>
<th>FY 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>EHSC + AFR</td>
<td>CRR</td>
<td>*</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>3.14 Externally developed, voluntary economic, environmental and social charters, principles or initiatives endorsed by the organisation</th>
<th>FY2003</th>
<th>FY2004</th>
<th>FY 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>AFR</td>
<td>CRR</td>
<td>*</td>
<td></td>
</tr>
</tbody>
</table>
3.15 Principal memberships in industry and business associations and/or national/international advocacy organisations X X p47-50

3.16 Policies and/or systems for managing upstream and downstream impacts X CRR *

3.17 Organisation’s approach to managing indirect economic, environmental and social impacts resulting from its activities X CRR *

3.18 Major decisions during reporting period regarding location of or changes in operations – – –

3.19 Programmes and procedures pertaining to economic, environmental and social performance EHSC CRR *

3.20 Status of certification pertaining to economic, environmental and social management systems EHSC CRR *

**ECONOMIC PERFORMANCE INDICATORS**

**DIRECT ECONOMIC IMPACTS**

<table>
<thead>
<tr>
<th>Customers</th>
<th>FY2003</th>
<th>FY2004</th>
<th>FY 2005</th>
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</thead>
<tbody>
<tr>
<td>EC1 Net sales</td>
<td>AFR</td>
<td>AFR</td>
<td>AFR</td>
</tr>
<tr>
<td>EC2 Geographic breakdown of markets</td>
<td>AFR</td>
<td>AFR</td>
<td>AFR</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Suppliers</th>
<th>FY2003</th>
<th>FY2004</th>
<th>FY 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>EC3 Costs of all goods, materials and services provided</td>
<td>AFR</td>
<td>AFR</td>
<td>AFR</td>
</tr>
<tr>
<td>EC4 Percentage of contracts paid in accordance with agreed terms, excluding agreed penalty arrangements</td>
<td>AFR</td>
<td>AFR</td>
<td>AFR</td>
</tr>
<tr>
<td>EC11 Supplier breakdown by organisation and country</td>
<td>AFR</td>
<td>AFR</td>
<td>AFR</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Employees</th>
<th>FY2003</th>
<th>FY2004</th>
<th>FY 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>EC5 Total payroll and benefits</td>
<td>AFR</td>
<td>CRR, AFR</td>
<td>AFR</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Providers of capital</th>
<th>FY2003</th>
<th>FY2004</th>
<th>FY 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>EC6 Distributions to providers of capital (analysed)</td>
<td>AFR</td>
<td>AFR</td>
<td>AFR</td>
</tr>
<tr>
<td>EC7 Increase/decrease in retained earnings for period</td>
<td>AFR</td>
<td>AFR</td>
<td>AFR</td>
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<table>
<thead>
<tr>
<th>Public sector</th>
<th>FY2003</th>
<th>FY2004</th>
<th>FY 2005</th>
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<tbody>
<tr>
<td>EC8 Total sum of taxes of all types paid (by country)</td>
<td>AFR</td>
<td>AFR</td>
<td>AFR</td>
</tr>
<tr>
<td>EC9 Subsidies received (by country or region)</td>
<td>AFR</td>
<td>AFR</td>
<td>AFR</td>
</tr>
<tr>
<td>EC10 Donations to community, civil society and other groups (cash/inkind, by group)</td>
<td>AFR</td>
<td>AFR</td>
<td>AFR</td>
</tr>
<tr>
<td>EC12 Total spent on noncore business infrastructure development</td>
<td>AFR</td>
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### INDIRECT ECONOMIC IMPACTS

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
<th>FY2003</th>
<th>FY2004</th>
<th>FY2005</th>
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<tbody>
<tr>
<td>EC13</td>
<td>Organisation’s indirect economic impacts</td>
<td>X</td>
<td>X</td>
<td>X</td>
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### ENVIRONMENTAL PERFORMANCE INDICATORS

#### Materials

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
<th>FY2003</th>
<th>FY2004</th>
<th>FY2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>EN1</td>
<td>Total materials used other than water, by type</td>
<td>EHSC</td>
<td>CRR</td>
<td>p128+129</td>
</tr>
<tr>
<td>EN2</td>
<td>Percentage of materials used that are wastes from sources external to the organisation</td>
<td>EHSC</td>
<td>X</td>
<td></td>
</tr>
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</table>

#### Energy

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
<th>FY2003</th>
<th>FY2004</th>
<th>FY2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>EN3</td>
<td>Direct energy use, segmented by primary source</td>
<td>EHSC</td>
<td>CRR</td>
<td>p128+129</td>
</tr>
<tr>
<td>EN4</td>
<td>Indirect energy use</td>
<td>EHSC</td>
<td>CRR</td>
<td>p128+129</td>
</tr>
<tr>
<td>EN17</td>
<td>Initiatives to use renewable energy sources and increase energy efficiency</td>
<td>•</td>
<td>•</td>
<td>•</td>
</tr>
<tr>
<td>EN18</td>
<td>Energy consumption footprint of major products</td>
<td>•</td>
<td>•</td>
<td>•</td>
</tr>
<tr>
<td>EN19</td>
<td>Other indirect energy use and implications and use of energy-intensive materials</td>
<td>•</td>
<td>•</td>
<td>•</td>
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</table>

#### Water

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
<th>FY2003</th>
<th>FY2004</th>
<th>FY2005</th>
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</thead>
<tbody>
<tr>
<td>EN5</td>
<td>Total water use</td>
<td>EHSC</td>
<td>CRR</td>
<td>p128+129</td>
</tr>
<tr>
<td>EN20</td>
<td>Water sources and related ecosystems/habitats affected by use of water</td>
<td>EHSC</td>
<td>CRR</td>
<td>*</td>
</tr>
<tr>
<td>EN21</td>
<td>Annual withdrawals of ground and surface water as percent of annual renewable quantity of water available from sources (by region)</td>
<td>EHSC</td>
<td>CRR</td>
<td>*</td>
</tr>
<tr>
<td>EN22</td>
<td>Total recycling and reuse of water</td>
<td>EHSC</td>
<td>CRR</td>
<td>*</td>
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</table>

#### Biodiversity

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
<th>FY2003</th>
<th>FY2004</th>
<th>FY2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>EN6</td>
<td>Location and size of land owned, leased or managed in biodiversity-rich habitats</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>EN7</td>
<td>Description of major impacts on biodiversity associated with activities and/or products/services</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>EN23</td>
<td>Total amount of land owned, leased or managed for production activities or extractive use</td>
<td>AFR</td>
<td>AFR</td>
<td>AFR</td>
</tr>
<tr>
<td>EN24</td>
<td>Amount of impermeable surface as percentage of land purchased or leased</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>EN25</td>
<td>Impacts of activities and operations on protected and sensitive areas</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>EN26</td>
<td>Changes to natural habitats resulting from activities and operations and percentage of habitat protected or restored</td>
<td>EHS C</td>
<td>CRR</td>
<td>*</td>
</tr>
<tr>
<td>EN27</td>
<td>Objectives, programmes and targets for protecting and restoring native ecosystems</td>
<td>FY2003</td>
<td>FY2004</td>
<td>FY 2005</td>
</tr>
<tr>
<td>------</td>
<td>--------------------------------------------------------------------------------</td>
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</tr>
<tr>
<td></td>
<td></td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>EN28</td>
<td>Number of UCN Red List species with habitats in areas affected by operations</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>EN29</td>
<td>Business units currently operating or planning operations in or around protected or sensitive areas</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td><strong>Emissions, Effluents and Waste</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EN8</td>
<td>Greenhouse gas emissions (by specific gas types)</td>
<td>EHSC</td>
<td>CRR</td>
<td>p128+129</td>
</tr>
<tr>
<td>EN9</td>
<td>Use and emissions of ozone-depleting substances</td>
<td>X</td>
<td>X</td>
<td>*</td>
</tr>
<tr>
<td>EN10</td>
<td>Nitrous oxide and sulphur oxide air emissions by type</td>
<td>EHSC</td>
<td>CRR</td>
<td>p128+129</td>
</tr>
<tr>
<td>EN11</td>
<td>Total amount of waste by type and destination</td>
<td>EHSC</td>
<td>*</td>
<td>*</td>
</tr>
<tr>
<td>EN12</td>
<td>Significant discharges to water by type</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>EN13</td>
<td>Significant spills of chemicals, oils and fuels</td>
<td>X</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>EN30</td>
<td>Other relevant indirect greenhouse gases</td>
<td>EHSC</td>
<td>CRR</td>
<td>p128+129</td>
</tr>
<tr>
<td>EN31</td>
<td>Production, transport import or export of waste deemed “hazardous”</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>EN32</td>
<td>Water sources and related ecosystems/habitats affected by discharges of water and runoff</td>
<td>EHSC</td>
<td>*</td>
<td>*</td>
</tr>
<tr>
<td><strong>Suppliers</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EN33</td>
<td>Performance of suppliers relative to environmental components of programmes and procedures in section 3.16</td>
<td>•</td>
<td>•</td>
<td>•</td>
</tr>
<tr>
<td><strong>Products and services</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EN14</td>
<td>Significant environmental impacts of principal products and services</td>
<td>EHSC</td>
<td>CRR</td>
<td>p13+14</td>
</tr>
<tr>
<td>EN15</td>
<td>Percentage of weight of products sold that is reclaimable at the end of the product’s useful life and the percentage that is actually claimed</td>
<td>X</td>
<td>•</td>
<td>•</td>
</tr>
<tr>
<td><strong>Compliance</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EN16</td>
<td>Incidents and fines for non-compliance with all applicable legislation, etc.</td>
<td>X</td>
<td>X</td>
<td>*</td>
</tr>
<tr>
<td><strong>Transport</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EN34</td>
<td>Significant environmental impacts of transportation used for logistical purposes</td>
<td>X</td>
<td>•</td>
<td>•</td>
</tr>
<tr>
<td><strong>Overall</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EN35</td>
<td>Total environmental expenditures by type</td>
<td>AFR</td>
<td>AFR</td>
<td>AFR</td>
</tr>
</tbody>
</table>
### SOCIAL PERFORMANCE INDICATORS

#### LABOUR PRACTICES AND DECENT WORK CONDITIONS

<table>
<thead>
<tr>
<th>INDICATOR</th>
<th>DESCRIPTION</th>
<th>FY2003</th>
<th>FY2004</th>
<th>FY2005</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Employment</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LA1</td>
<td>Breakdown of workforce by region/country, status, employment type, employment contract. Also contract workers</td>
<td>X</td>
<td>CRR</td>
<td>p90-95</td>
</tr>
<tr>
<td>LA2</td>
<td>Net employment creation and average turnover</td>
<td>X</td>
<td>AFR</td>
<td>p90-95</td>
</tr>
<tr>
<td>LA12</td>
<td>Employee benefits beyond those legally mandated</td>
<td>AFR</td>
<td>CRR</td>
<td>p90</td>
</tr>
<tr>
<td><strong>Labour/Management Relations</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LA3</td>
<td>Percentage of employees represented by independent trade union organisations or other employee representatives</td>
<td>X</td>
<td>CRR</td>
<td>p46+47</td>
</tr>
<tr>
<td>LA4</td>
<td>Policy and procedures involving information, consultation and negotiation with employees over changes in the reporting organisation’s operations</td>
<td>X</td>
<td>X</td>
<td>p46</td>
</tr>
<tr>
<td>LA13</td>
<td>Provision for formal worker representation in decision-making or management, including corporate governance</td>
<td>AFR</td>
<td>AFR</td>
<td>AFR</td>
</tr>
<tr>
<td><strong>Health and Safety</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LA5</td>
<td>Practices on recording and notification of occupational accidents and diseases</td>
<td>EHSC</td>
<td>*</td>
<td>p63-67</td>
</tr>
<tr>
<td>LA6</td>
<td>Description of formal joint health and safety committees</td>
<td>EHSC</td>
<td>CRR</td>
<td>p52</td>
</tr>
<tr>
<td>LA7</td>
<td>Standard injury, lost day and absentee rates and number of work-relate fatalities</td>
<td>EHSC</td>
<td>CRR</td>
<td>p53-59</td>
</tr>
<tr>
<td>LA8</td>
<td>Policies or programmes on HIV/AIDS</td>
<td>EHSC</td>
<td>CRR</td>
<td>p69-74</td>
</tr>
<tr>
<td>LA14</td>
<td>Evidence of substantial compliance with ILO guidelines for occupational health management systems</td>
<td>EHSC</td>
<td>CRR</td>
<td>p63-67</td>
</tr>
<tr>
<td>LA15</td>
<td>Formal agreements with trade unions or other employee representatives regarding health and safety at work and proportion of workforce covered by such agreements</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td><strong>Training and Education</strong></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>LA9</td>
<td>Average hours of training per year per employee by category of employee</td>
<td>AFR</td>
<td>CRR</td>
<td>p98-103</td>
</tr>
<tr>
<td>LA16</td>
<td>Programmes to support continued employability of employees and to manage career endings</td>
<td>X</td>
<td>CRR</td>
<td>p106</td>
</tr>
<tr>
<td>LA17</td>
<td>Specific policies and programmes for skills management or for lifelong learning</td>
<td>X</td>
<td>CRR</td>
<td>p101-103</td>
</tr>
<tr>
<td>Diversity and Opportunity</td>
<td>FY2003</td>
<td>FY2004</td>
<td>FY 2005</td>
<td></td>
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<tr>
<td>---------------------------</td>
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</tr>
<tr>
<td>LA10 Equal opportunity policies or programmes as well as monitoring systems to ensure compliance (and results of monitoring)</td>
<td>AFR</td>
<td>CRR</td>
<td>p95</td>
<td></td>
</tr>
<tr>
<td>LA11 Composition of senior management and corporate governance bodies, including male/female ratios and other culturally appropriate indicators of diversity</td>
<td>AFR</td>
<td>CRR</td>
<td>p91-94</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>HUMAN RIGHTS</th>
</tr>
</thead>
</table>

**Strategy and Management**

| HR1 Policies, guidelines, corporate structure and procedures to deal with human rights relevant to operations | X | X | X |
| HR2 Evidence of consideration of human rights impacts as part of investment and procurement decisions | X | X | X |
| HR3 Policies and procedures to evaluate and address human rights performance within the supply chain and contractors | X | X | X |
| HR8 Employee training on policies and practices concerning all aspects of human rights | X | X | X |

**Non-discrimination**

| HR4 Global policy and procedures/programmes preventing all forms of discrimination | AFR | CRR | p33 |
| Freedom of Association and Collective Bargaining |
| HR5 Freedom of association policy and extent to which this policy is universally applied independent of local laws | X | CRR | p46 |

**Child Labour**

| HR6 Policy excluding child labour as defined by ILO Convention 138 | X | X | X |

**Forced and Compulsory Labour**

| HR7 Policy to prevent forced and compulsory labour (as per ILO Convention Article 29) | X | X | X |

**Disciplinary Practices**

| HR9 Description of appeal practices, including human rights issues | X | X | X |
| HR10 Non-retaliation policy and effective, confidential employee grievance system | X | X | X |

**Security Practices**

<p>| HR11 Human rights training for security personnel | X | X | X |</p>
<table>
<thead>
<tr>
<th>Category</th>
<th>FY2003</th>
<th>FY2004</th>
<th>FY2005</th>
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</thead>
<tbody>
<tr>
<td><strong>Indigenous Rights</strong></td>
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</tr>
<tr>
<td>HR12 Policies, guidelines and procedures to address needs of indigenous people</td>
<td>EHSC</td>
<td>CRR</td>
<td>p48+49</td>
</tr>
<tr>
<td>HR13 Jointly managed community grievance mechanisms/authority</td>
<td>X</td>
<td>X</td>
<td>p48+49</td>
</tr>
<tr>
<td>HR14 Share of operating revenues redistributed to local communities</td>
<td>X</td>
<td>CRR</td>
<td>p111</td>
</tr>
<tr>
<td><strong>Community</strong></td>
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</tr>
<tr>
<td>SO1 Policies to manage impacts on communities in areas affected by activities</td>
<td>EHSC</td>
<td>CRR</td>
<td>p76-87</td>
</tr>
<tr>
<td>SO4 Awards received relevant to social, ethical and environmental performance</td>
<td>EHSC</td>
<td>CRR</td>
<td>*</td>
</tr>
<tr>
<td><strong>Bribery and Corruption</strong></td>
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</tr>
<tr>
<td>SO2 Policy, procedures/management systems and compliance mechanisms to address bribery and corruption</td>
<td>X</td>
<td>CRR</td>
<td>p38</td>
</tr>
<tr>
<td><strong>Political Contributions</strong></td>
<td></td>
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</tr>
<tr>
<td>SO3 Policy, procedures/management systems and compliance mechanisms for managing political lobbying and contributions</td>
<td>X</td>
<td>CRR</td>
<td>p125</td>
</tr>
<tr>
<td>SO5 Amount of money paid to political parties and institutions that fund political parties or their candidates</td>
<td>--</td>
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<tr>
<td><strong>Competition and Pricing</strong></td>
<td></td>
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</tr>
<tr>
<td>SO6 Court decisions regarding anti-trust and monopoly regulations</td>
<td>--</td>
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<td>--</td>
</tr>
<tr>
<td>SO7 Policy, procedures/management systems and compliance mechanisms for preventing anti-competitive behaviour</td>
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</tr>
<tr>
<td><strong>PRODUCT RESPONSIBILITY</strong></td>
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<tr>
<td><strong>Customer Health and Safety</strong></td>
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</tr>
<tr>
<td>PR1 Policy for preserving customer health and safety during use of products and services</td>
<td>X</td>
<td>X</td>
<td>p74</td>
</tr>
<tr>
<td>PR4 Number of and type of instances of non-compliance with regulations concerning customer health and safety (including penalties and fines)</td>
<td>EHSC</td>
<td>X</td>
<td>--</td>
</tr>
<tr>
<td>PR5 Number of complaints upheld by regulator or official bodies that regulate health and safety or products and services</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>PR6 Voluntary code compliance, product labels or awards with respect to social and/or environmental responsibility</td>
<td>X</td>
<td>X</td>
<td>p82</td>
</tr>
<tr>
<td>PR</td>
<td>Policy, procedures/management systems and compliance mechanisms relating to product information and labelling</td>
<td>PR7</td>
<td>Number and type of instances of non-compliance (including penalties and fines)</td>
</tr>
<tr>
<td>------</td>
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</tr>
<tr>
<td>PR9</td>
<td>Policies, procedures/management systems and compliance mechanisms for adherence to standards and voluntary codes relating to advertising</td>
<td>PR10</td>
<td>Number and type of breaches of advertising and marketing regulations</td>
</tr>
<tr>
<td>PR3</td>
<td>Policy, procedures/management systems and compliance mechanisms for consumer privacy</td>
<td>PR11</td>
<td>Number of substantiated complaints regarding breaches of consumer privacy</td>
</tr>
</tbody>
</table>