

Empowering South African society

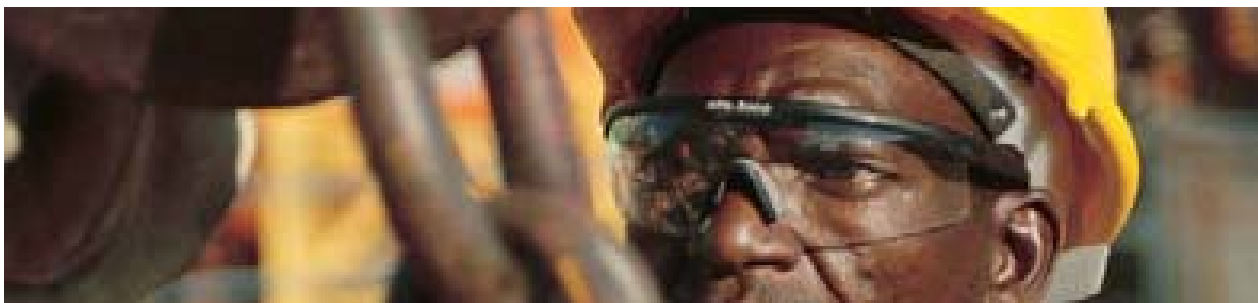
SOCIO-ECONOMIC TRANSFORMATION

Implats is committed to the transformation of the South African economy through black economic empowerment (“BEE”) and has embraced the principles of the Broad-Based Socio-economic Empowerment Charter for the Mining Industry (the Mining Charter), as contemplated in Section 100 of the Minerals and Petroleum Resources Development Act, Act No. 28 of 2002. The group’s progress towards achieving the recommendations of the Mining Charter are summarised in the tables that follow.

Human Resources Development

Has every employee been offered the opportunity to be functionally literate and numerate by 2009 and are employees being trained?

Achieved in FY2006	Targets for FY2007	Targets for FY2009
<p>7,434 employees have attended ABET courses since 2000.</p> <p>Impala Platinum:</p> <ul style="list-style-type: none"> • Full-time classes are available at Rustenburg operations and Refineries. • Part-time classes are presented at Rustenburg operations. • 23% of employees are estimated to be functionally literate and numerate at Rustenburg operations. • 950 employees participated in ABET (FY2005: 772). • 303 employees completed Introduction to Basic Computer course. • Cost of ABET – R8.4 million. <p>Marula Platinum:</p> <ul style="list-style-type: none"> • 78% of employees are estimated to be functionally literate and numerate. • No ABET training in FY2005 and FY2006 • ABET facilitator employed as of May 2006. • Currently performing Record of Prior Learning (RPL) and skills audit exercise on educational levels and needs. • First ABET class to commence by mid-August 2006. <p>Head office:</p> <ul style="list-style-type: none"> • All employees are functionally literate and numerate. 	<p>Impala Platinum:</p> <ul style="list-style-type: none"> • 949 employees targeted for ABET at a cost of R12.3 million. <p>Marula Platinum:</p> <ul style="list-style-type: none"> • 90 employees to be targeted for ABET training (60 full-time and 30 part-time) at a cost of R2.7 million. • Marula is still in the process of recruiting to achieve full capacity. 	<p>Impala Platinum:</p> <ul style="list-style-type: none"> • 800 employees targeted for ABET per annum. This will bring the proportion of workforce that is functionally literate and numerate to 26%. <p>Marula Platinum:</p> <ul style="list-style-type: none"> • 330 employees to be trained in ABET.



Human Resources Development (continued)

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

Achieved in FY2006	Targets for FY2007	Targets for FY2009																																				
<ul style="list-style-type: none"> An integrated workplace skills development plan for FY2007 has been submitted to the MQA for Impala Platinum (including Marula Platinum). Impala Platinum has been accredited by the MQA as a training provider. <p>Impala Platinum: Expenditure on skills development training amounted to 4.1% of the payroll i.e. R104 million (FY2005: R115 million). The reduced spend is largely as a result of the regulated Mining Competent A or B training initiative having been concluded.</p> <p>Generic career paths for all major disciplines are available to assist employees to follow a specific career. Succession planning and individual development plans are available for all HDSA employees identified in talent pools.</p> <ul style="list-style-type: none"> Rustenburg operations: 146 HDSA employees are presently enrolled in accelerated programmes. Refineries: 15 HDSA employees enrolled in accelerated training. <p>Workplace skills plan skills priorities – HDSA beneficiaries received training for FY2006:</p> <table border="0"> <tr> <td>Managers/Senior Officials</td> <td>54</td> </tr> <tr> <td>Professionals.....</td> <td>72</td> </tr> <tr> <td>Tech/ass professionals</td> <td>393</td> </tr> <tr> <td>Clerks</td> <td>117</td> </tr> <tr> <td>Service workers.....</td> <td>64</td> </tr> <tr> <td>Trades</td> <td>2,295</td> </tr> <tr> <td>Operators</td> <td>2,468</td> </tr> <tr> <td>Labourers.....</td> <td>16,743</td> </tr> <tr> <td>Engineering learners</td> <td>100</td> </tr> </table>	Managers/Senior Officials	54	Professionals.....	72	Tech/ass professionals	393	Clerks	117	Service workers.....	64	Trades	2,295	Operators	2,468	Labourers.....	16,743	Engineering learners	100	<p>Marula Platinum will be included into the Impala HRD quality training provider system.</p> <p>Impala Platinum: Expenditure is targeted at 5% of payroll.</p> <p>Impala will continue to offer accelerated training and development programmes within all major disciplines as defined in the SLP, Employment Equity (EE) Policy, succession needs and talent pool.</p> <p>Workplace skills plan skill priorities – HDSA beneficiaries planned for FY2007:</p> <table border="0"> <tr> <td>Mgrs/senior officials.....</td> <td>43</td> </tr> <tr> <td>Professionals.....</td> <td>58</td> </tr> <tr> <td>Tech/ass professionals ..</td> <td>315</td> </tr> <tr> <td>Clerks</td> <td>93</td> </tr> <tr> <td>Service workers.....</td> <td>15</td> </tr> <tr> <td>Trades</td> <td>1,836</td> </tr> <tr> <td>Operators</td> <td>1,874</td> </tr> <tr> <td>Labourers.....</td> <td>13,396</td> </tr> <tr> <td>Engineering learners</td> <td>181</td> </tr> </table>	Mgrs/senior officials.....	43	Professionals.....	58	Tech/ass professionals ..	315	Clerks	93	Service workers.....	15	Trades	1,836	Operators	1,874	Labourers.....	13,396	Engineering learners	181	<p>Continue to submit comprehensive workplace skills plans in terms of the Mining Charter, Social and Labour Plan and company needs.</p> <p>Impala Platinum: Impala Platinum envisages expenditure of 5% per annum for skills training and development.</p> <p>All HDSA employees on succession plan and HDSA talent pool will have an individual development plan in terms of the group talent management policy.</p> <p>Impala will continue to train and develop HDSA talent as per work place skills plan for 2007 to 2009.</p>
Managers/Senior Officials	54																																					
Professionals.....	72																																					
Tech/ass professionals	393																																					
Clerks	117																																					
Service workers.....	64																																					
Trades	2,295																																					
Operators	2,468																																					
Labourers.....	16,743																																					
Engineering learners	100																																					
Mgrs/senior officials.....	43																																					
Professionals.....	58																																					
Tech/ass professionals ..	315																																					
Clerks	93																																					
Service workers.....	15																																					
Trades	1,836																																					
Operators	1,874																																					
Labourers.....	13,396																																					
Engineering learners	181																																					

Human Resources Development (continued)

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

Achieved in FY2006	Targets for FY2007	Targets for FY2009										
<p>Marula Platinum:</p> <ul style="list-style-type: none"> • Currently spending an average of 5% of total payroll on training and development. • Generic career paths for all major disciplines are available to assist employees to follow a specific career. • Following the completion of the skills audit by October 2006, Individual Development Plans will be compiled, starting November 2006 for completion by October 2007. • One HDSA employee currently on an accelerated training and development programme for a Mine Overseer position. • 14 learners, including two HDSA women, are currently busy with various learnerships. <p>Bursaries and scholarships:</p> <p>Impala Platinum:</p> <p>The following full-time bursaries were provided in core disciplines:</p> <table border="0"> <tr> <td>HDSA</td> <td>35</td> </tr> <tr> <td>Non-designated</td> <td>15</td> </tr> <tr> <td>Total.....</td> <td>50</td> </tr> </table> <p>Scholarships were also provided to:</p> <table border="0"> <tr> <td>Employees' children</td> <td>75</td> </tr> <tr> <td>School enrichment scholarships for HDSAs</td> <td>75</td> </tr> </table> <p>Da Vinci Women in Mining project:</p> <p>7 women are presently doing an MSc in Innovation and Technology. Once completed they will be placed on an accelerated development programme towards senior positions in the company.</p> <p>Marula Platinum:</p> <p>4 University bursars in place. 13 Graduate/Internship and Experiential Programmes (internal) in place.</p>	HDSA	35	Non-designated	15	Total.....	50	Employees' children	75	School enrichment scholarships for HDSAs	75	<p>Marula Platinum:</p> <ul style="list-style-type: none"> • It is envisaged that Marula Platinum will spend approximately 5% per annum of total payroll on training and development. • Individual Development Plans for total workforce to be completed by Oct 07. • 14 existing learners to continue learnerships plus a further 11 enrolments. <p>Impala Platinum:</p> <ul style="list-style-type: none"> • Continue to provide 50 bursaries at any given time. • 75 children of employees will receive scholarships and 108 school enrichment scholarships will be provided. <p>Impala Platinum will continue to support accelerated training of women in mining.</p> <p>Marula Platinum:</p> <p>4 University bursaries offered. 6 Community School Achievers Programmes offered. 10 Child of Employee school bursaries offered. 4 Graduate/Diplomat Internships and Experiential Programmes offered.</p>	<p>Marula Platinum:</p> <ul style="list-style-type: none"> • It is envisaged that Marula Platinum will spend approximately 5% per annum of total payroll on training and development. • Accelerated development programmes will be functioning for identified HDSA employees. • Historical total of 68 learnership enrolments is targeted. <p>Impala Platinum:</p> <ul style="list-style-type: none"> • Continue to provide 50 bursaries at any given time. • 75 children of employees will receive scholarships and 108 school enrichment scholarships will be provided. <p>Impala Platinum will continue to support accelerated training of women in mining.</p> <p>Marula Platinum:</p> <p>4 University bursaries offered. 6 Community School Achievers Programmes offered. 10 Child of Employee school bursaries offered. 4 Graduate/Diplomat Internships and Experiential Programmes offered.</p>
HDSA	35											
Non-designated	15											
Total.....	50											
Employees' children	75											
School enrichment scholarships for HDSAs	75											

Human Resources Development (continued)

Has the company developed systems to mentor empowerment groups?

Achieved in FY2006	Targets for FY2007	Targets for FY2009
<p>Impala Platinum:</p> <p>Mentorship programmes (internal) have been developed and implemented at the Rustenburg operations and Refineries to mentor empowerment groups:</p> <ul style="list-style-type: none"> • 45 mentors appointed and trained. • 93 protégés identified and trained. <p>Rustenburg operations and Refineries have appointed Community Based Organisations (CBOs) to mentor and improve the impact of their LED projects for FY2006.</p>	<p>Impala Platinum:</p> <p>618 protégés to be mentored.</p> <p>Preference will be given to candidates from the RBN.</p> <p>R1.3 million has been approved to assist and mentor 100 institutions participating in Impala Platinum's LED projects.</p>	<p>Impala Platinum:</p> <p>All employees on succession plan and HDSA talent pools to be mentored.</p> <p>Preference will be given to candidates from the RBN.</p> <p>Plans are contained in the Social and Labour Plan to expand the LED mentorship assistance programme to cater for more than 200 institutions per annum by FY2011.</p>
<p>Marula Platinum:</p> <ul style="list-style-type: none"> • Formal mentoring systems developed following completion of skills audit in October 2006, commencing with identification of suitable protégés and mentors. • Informal mentoring is taking place. • Once-off coaching programmes took place e.g. SMME workshops with the help of the corporate office. 	<p>Marula Platinum:</p> <ul style="list-style-type: none"> • Formal mentoring system to be developed and approved. • First formal mentoring programme to commence April 2007 and future targets set by June 2007. • Offer made to an HDSA engineer who will be mentored to take over from the Senior Operations Engineer. • Continue informal mentoring and once-off coaching. 	<p>Marula Platinum:</p> <ul style="list-style-type: none"> • Formal Mentoring system in place. • HDSA Engineer in the process of being mentored to take over from the Senior Operations Engineer. • Continue informal mentoring and once-off coaching.

Employment equity

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

Achieved in FY2006	Targets for FY2007	Targets for FY2009
<p>Implats group: Implats has submitted its employment equity plan annually to the Department of Labour since 2001. The employment equity report is on display on all notice boards at Impala.</p> <p>A Social and Labour Plan (SLP) in terms of the Mineral and Petroleum Resources Development Act (MPRDA) and its related Mining Charter has been submitted to the Department of Minerals and Energy. This plan addresses the requirements of the Mining Charter, which have to be achieved by 2009. The SLP has been the subject of discussion with the Department of Minerals and Energy and additional information and clarification is currently being prepared for submission. Progress against the finalised plan will be tracked on a monthly, quarterly and annual basis through the SLP reporting structure.</p> <p>To accelerate employment equity, in terms of the requirements of both the Departments of Labour and of Minerals and Energy, 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.</p>	<p>Implats group: Transformation Steering Committees at all operations will be responsible for ensuring progress with regards to the implementation of all relevant legislation, which includes the Employment Equity Act and the MPRDA.</p>	<p>Implats group: The employment equity plan will be continually revised and updated to ensure it is in line with existing legislation and the SLP progress will be tracked for different users.</p>

Has a plan been established to achieve HDSA participation of 40% in management by 2009 and is the plan being implemented?

<p>Implats group: A plan has been developed to achieve this target by 2007.</p>	<p>Implats group: To achieve 40% HDSA management.</p>	<p>Implats group: To achieve 53% HDSA management.</p>
--	--	--

Employment equity (continued)

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

Achieved in FY2006	Targets for FY2007	Targets for FY2009
Total HDSA progress:		
FY200428%		
FY200531%		
FY200637%		
FY2006: 37% HDSA, comprising:		
Rustenburg operations35.2%		
Marula Platinum22.6%		
Refineries47.2%		
Head Office42.3%		
Total Implats.....37%		

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

Impala Platinum:

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

Learner official mining	34
Experiential training	13
Mine overseer development.....	5
Junior Engineer	9
Blasting certificates	35
Diplomats/Graduates	14
Engineering.....	5

Marula Platinum:

Accelerated Development Plan not yet compiled.

Process in place to restructure the HR department to ensure capacity to implement the plan.

Impala Platinum:

Impala will continue with accelerated training programmes for 317 HDSA employees in mining, metallurgy, mine overseer, junior engineer and blasting certificate training and development.

Marula Platinum:

Develop, approve and implement an Accelerated Development plan to fast-track talented HDSA employees, supported by a skills audit.

Impala Platinum:

Impala 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.

Marula Platinum:

Individual development plans which will include accelerated training programmes for selected candidates will be in place for all HDSA employees in Marula Platinum's talent pool.

Employment equity (continued)

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

Achieved in FY2006	Targets for FY2007	Targets for FY2009
<p>Implats group: Women, including white women, currently make up only 4.8% of the overall workforce.</p> <p>Total women at the mine (including white women) progress:</p> <p>FY2004 2.6%</p> <p>FY2005 3.0%</p> <p>FY2006 4.8%</p> <p>Progress of 4.8% women at the mine from FY2005 to FY2006 comprising:</p> <p>Rustenburg operations 2.5% to 4.2%</p> <p>Marula Platinum 1.8% to 6.9%</p> <p>Refineries 16.3% to 18.0%</p> <p>Head office 41% to 45.9%</p>	<p>Implats group: Increase percentage of women employees to 7%, as follows:</p> <p>Rustenburg ops 6.6%</p> <p>Marula Platinum 7.0%</p> <p>Refineries 18.0%</p> <p>Head office 42.0%</p>	<p>Implats group: Achieve target of minimum 10% women employees (2,800) as follows:</p> <p>Rustenburg ops 10%</p> <p>Marula Platinum 10%</p> <p>Refineries 18%</p> <p>Head office 42%</p>

Migrant and foreign labour

Has the company subscribed to government and industry agreements to ensure non-discrimination against foreign migrant labour?

Implats group:

Implats subscribes to such agreements. It also subscribes to the ILO conventions, which accord foreign and migrant workers equality before the law. Policy is to reduce the number of migrant workers by focusing on local recruitment i.e. employees living within a radius of 60 km of operations.

Impala Platinum:

At our Rustenburg operations, 20.6% of the workforce is migrant:

FY2004 23.6%

FY2005 23.0%

FY2006 20.6%

At Refineries, the foreign labour component is negligible.

Marula Platinum:

At Marula Platinum, 89% of the workforce is based/lives locally:

81%: Four farms of mining area

7%: 50km radius of the mine

11%: The rest of the RSA

1%: Foreigners

Implats group:

Group policy is not to discriminate against foreign/migrant labour but to recruit locally where possible.

Impala Platinum:

Impala Platinum will continue to recruit and develop local labour.

Marula Platinum:

Marula Platinum will continue to recruit and develop local labour.

Implats group:

Increase local labour.

Impala Platinum:

Impala Platinum will continue to recruit and develop local labour.

Marula Platinum:

Marula Platinum will continue to recruit and develop local labour.

Mine community and rural development

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?

Achieved in FY2006	Targets for FY2007	Targets for FY2009
<p>Impala Platinum:</p> <p>The building of the Vukuzenzele Primary School in Freedom Park (in co-operation with the Rustenburg Local Municipality and the North-West Department for Education) was selected by Rustenburg operation as its first Integrated Development Plan (IDP) approved project. The project will be completed in March 2007 at an estimated cost of R8 million.</p> <p>In co-operation with the OR Tambo District Municipality (Eastern Cape), Impala Platinum has identified IDP approved projects within its labour sending areas to the value of R1.8 million.</p> <p>Rustenburg operations and Refineries spent R12 million during FY2006 on implementing Corporate Social Investment (CSI) projects. These projects promoted the effective teaching and learning of mathematics and physical science at secondary school level. By expanding the pool of HDSAs who are employable as engineers, scientists and technicians, young people were empowered to participate in the economy. The total number of matriculants having C+ symbols in Higher Grade Mathematics in 65 HDSA schools in the Bojanala West area has grown steadily from 19 in 2001 to 72 in 2005.</p> <p>In 2002, 21% of these candidates were supported by Impala. These statistics rose to 39,4% and 44,4% for maths and science respectively in 2005.</p> <p>Through home-based care visits 10,440 HIV/AIDS-related counselling sessions were conducted within the communities surrounding Impala Platinum's operations.</p>	<p>Impala Platinum:</p> <p>Local Economic Development (LED) projects will be identified by Rustenburg operations and Refineries and implemented within the Bojanala District, Rustenburg and Ekurhuleni Municipal areas once approved by DME.</p> <p>As part of Rustenburg operations and Refineries LED proposal for FY2007: R4 million will be spent on infrastructure, R3.7 million on human resource development and R1.5 million on enterprise development.</p>	<p>Impala Platinum:</p> <p>Impala Platinum will spend R25 million per annum on CSI, LED and IDP approved projects within its mining and labour sending areas by 2011.</p> <p>Impala Platinum's long-term contribution to achieve and maintain the accelerated and shared national economic growth rate target of 6% is to double its pool of students passing maths and science with a C symbol and higher from 2002 to 2011.</p> <p>The target is to develop the capacity of its local service providers to deliver 60,000 HIV/AIDS-related counsellings in local communities between FY2004 and FY2011.</p>

Mine community and rural development (continued)

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?

Achieved in FY2006	Targets for FY2007	Targets for FY2009
<p>During FY2006, 50 institutions were trained, assisted or mentored through Rustenburg operations and Refineries Enterprise Development Programmes.</p> <p>The South African Police Service (SAPS) was assisted via infrastructure projects (upgrading police stations, trauma units and surveillance cameras) with positive outcomes on safety and security in the region.</p> <p>Marula Platinum: During FY2006, Marula Platinum participated in the Steelpoort Valley Producers Forum, the Joint Water Forum, the Joint Development Forum, Sekhukhune District, and Tubatse Local Municipalities to assist and fund the formulation of the following plans required for an IDP, a Spatial Development Plan, a Water Services Plan, a Public Transport Plan, a Land Use Management Plan and relevant By-Laws.</p> <p>Marula Platinum has spent R1.5 million through its Marula Community Trust on education and water provisioning projects.</p>	<p>Impala Platinum will provide R1 million to Business Against Crime in FY2007 to financially support the SAPS' managerial training programme.</p> <p>Marula Platinum: One of Marula's main objectives is to empower the Tubatse Local Municipality by funding its Project Management Unit (PMU) at a cost of R3.3 million during FY2007. By providing capacity within this PMU, available Municipal Infrastructure Grant (MIG) funding to implement four projects to the value of R19.5 million within local communities, will be utilised.</p>	<p>The total number of institutions developed and mentored will grow to 200 by 2011.</p> <p>Based on the outcome of the SAPS training programme, Impala Platinum will reconsider its future approach for funding local safety and security initiatives.</p> <p>Marula Platinum: By the end of FY2012, Tubatse Local Municipality's PMU will have the capacity to successfully plan, resource and implement basic infrastructural projects to the value of R100 million per year.</p>

Mine community and rural development (continued)

Has company engaged with the local mining communities and those in labour-sending areas?

Achieved in FY2006	Targets for FY2007	Targets for FY2009
<p>Impala Platinum: During FY2006, community structures were formed and financially supported to engage effectively with local communities.</p> <p>Impala Platinum participated in a forum established to re-evaluate complaints from the communities surrounding the Rustenburg operations regarding cracks to their houses, which exonerated mining activities. Constructive dialogue with the Luka community has been made through the establishment of a joint community liaison forum with other local communities.</p> <p>A formalised Stakeholder Engagement Programme (SEP), complying with the Global Reporting Initiative's criteria was successfully launched in FY2006.</p> <p>Marula Platinum: During FY2006 Marula Platinum continued to engage with communities within its mining areas and labour sending areas through the Marula Working Committee.</p>	<p>Impala Platinum: Impala Platinum approved R1 million to expand the SEP to other communities and institutions in FY2007.</p> <p>Marula Platinum: Marula Platinum approved R500,000 in FY2007 to expand the SEP by participating through the Steelport Producers Forum in joint ventures with public and private sector institutions.</p>	<p>Impala Platinum: Plans have been developed to constructively engage by FY2009 with selected stakeholders through "future forums".</p> <p>Marula Platinum: Plans have been developed to constructively engage by FY2009 with selected stakeholders through "future forums".</p>

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?

Achieved in FY2006	Targets for FY2007	Targets for FY2009
<p>The Housing Forum submitted a housing strategy to management for comment. This strategy is approved and was signed off by management in July 2006.</p> <p>Impala Platinum:</p> <p>A housing policy has been implemented at operations level and provides a framework for actively promoting home ownership and assisting employees to become homeowners, improving the living standard of employees and ultimately eliminating single sex accommodation (i.e. hostels) and preventing and/or discouraging informal settlement in the company's operational areas. Several strategies are in place:</p> <ul style="list-style-type: none"> • Local recruitment – In addition to fulfilling employment equity targets, recruitment activities focus on targeting local labour sources. • Downscaling hostels – A sizeable portion of our labour force is migrant and will thus continue to need hostel accommodation for the foreseeable future. Targets are nevertheless in place to reduce hostel occupancy to zero by 2016. • Partnering local housing developers and participating in local economic development – Our operations work with local government, landowners and, where necessary, financial institutions, to extend the low cost housing projects in the area. Impala has committed funds totalling R200 million over the next five years as collateral for a project that will add 5,000 houses to the stock pool. • Home ownership scheme – Impala aims to assist more employees become homeowners by facilitating employee access to appropriate finance (through financial institutions) for purchasing stands or housing stock within the formal sector. A scheme is in place in terms of which Impala provides collateral for employees who want to buy property. 	<p>Impala Platinum:</p> <p>A capital vote application will be submitted in FY2007 to upgrade 16 rooms (C Block) at north hostel and 44 rooms (D Block) at south hostel to lower room density i.e. two persons per room.</p>	<p>Impala Platinum:</p> <p>To increase low cost home ownership by 10% via financing schemes.</p> <p>A capital vote application will be submitted in FY2008 to upgrade additional blocks at north and south hostels, to lower room density.</p>

Housing and living conditions (continued)

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?

Achieved in FY2006	Targets for FY2007	Targets for FY2009
<p>Marula Platinum:</p> <p>There are no hostels at Marula Platinum and senior employees (artisans, miners, officials) are being temporarily housed in a park-home village. Permanent housing is to be built.</p> <p>The building of 45 permanent structured houses is currently underway for supervisors. Eight units have been completed and are being occupied by employees.</p> <p>Marula will in future participate in housing developments aimed at the lower level employees once planned and introduced by local government through assistance of the Joint Development Forum (JDF) with regards to the spatial development programme.</p>	<p>Marula Platinum:</p> <p>Completion and population of full complement of 45 houses in Burgersfort.</p> <p>Development of a Home Ownership Scheme and Home Ownership allowance to benefit all employees.</p>	<p>Marula Platinum:</p> <p>Continuously work towards a goal for the workforce to reside in decent housing, serviced with basic infrastructure.</p>

Have measures been established to improve the nutrition of mine employees?

<p>Impala Platinum:</p> <p>The nutritional value of the meals served to hostel residents was evaluated. A more nutritious, balanced menu was implemented on 1 December 2004. Kilojoules were increased from 14,500 to 17,500. This increase was at a cost of R4 million annually. A dietician has been appointed to monitor meals served and to undertake annual evaluations of the menu.</p>	<p>Impala Platinum:</p> <p>A dietician reports annually on the menus in the hostels and single quarters. The most recent report was done in April 2006 and the outcome was positive. No change to the menu was deemed necessary.</p>	<p>Impala Platinum:</p> <p>Ongoing annual reports from a dietician to be submitted with recommendations.</p>
<p>Marula Platinum:</p> <p>Indirect influence on workforce diet only, as a result of closure of hostels at the mine.</p> <p>Wellness and Healthy Eating are part of the mine's HIV/AIDS programme.</p> <p>Direct influence on nutritional intake of employees making use of the single quarters' accommodation at the mine, by implementation and continuous management of dietician-advised menus.</p>	<p>Marula Platinum:</p> <p>Incorporate a nutritional awareness programme as part of the induction programme for all employees at the mine.</p> <p>Encourage and facilitate provision of healthy foodstuffs to interested private local catering establishments that conduct their business on and around the mining area.</p>	<p>Marula Platinum:</p> <p>Continue to contribute to indirect influence of workforce diet through HIV/AIDS programmes, induction training and enablement of interested private local catering establishments.</p>

Procurement

Has the company given HDSAs preferred supplier status?

Achieved in FY2006	Targets for FY2007	Targets for FY2009									
<p>Implats group: Implats has developed a procurement policy which will encourage both the identification and development of accredited HDSA suppliers, and will therefore facilitate the company's spend with such suppliers.</p> <p>Impala Platinum: Impala Platinum has compiled an affirmative procurement policy, identified, developed and accredited HDSA suppliers, and facilitated the Rustenburg operations' and Refineries' spend with such suppliers.</p> <p>During FY2006, 33.7% of the total discretionary spend was spent with HDSA suppliers (29.4% in FY2005). The breakdown for Impala Platinum is as follows:</p> <table border="1"> <thead> <tr> <th></th> <th>FY2005</th> <th>FY2006</th> </tr> </thead> <tbody> <tr> <td>Rustenburg operations (target:R1,300m)</td> <td>R924m</td> <td>R1,363m</td> </tr> <tr> <td>Refineries (target: R132m)</td> <td>R399m</td> <td>R187.3m</td> </tr> </tbody> </table> <p>Marula Platinum: Marula Platinum has developed an affirmative procurement policy, identified, developed and accredited HDSA suppliers, and facilitated the spend with such suppliers.</p> <p>During FY2006 Marula Platinum spent R136.6 million with HDSA suppliers (R33.8 million in FY2005).</p>		FY2005	FY2006	Rustenburg operations (target:R1,300m)	R924m	R1,363m	Refineries (target: R132m)	R399m	R187.3m	<p>Impala Platinum: Rustenburg operations and Refineries will introduce a system of rating suppliers according to both Mining Charter requirements as well as those proposed by the DTI's draft Code of Good Practice. A BEE scorecard baseline will be determined during FY2007.</p> <p>Marula Platinum Marula Platinum will introduce a system of rating suppliers according to both Mining Charter requirements as well as those proposed by the DTI's draft Code of Good Practice. A BEE scorecard baseline will be determined during FY2007.</p>	<p>Impala Platinum: Rustenburg operations and Refineries will determine an annual BEE procurement target for FY2008 to FY2011, based on the results of the Broad Based Scorecard baseline determined during FY2007.</p> <p>Marula Platinum An annual BEE procurement target for FY2008 to FY2011 will be determined, based on the results of the Broad Based Scorecard baseline determined during FY2007.</p>
	FY2005	FY2006									
Rustenburg operations (target:R1,300m)	R924m	R1,363m									
Refineries (target: R132m)	R399m	R187.3m									

Procurement (continued)

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

Achieved in FY2006			Targets for FY2007	Targets for FY2009
Impala Platinum:				
FY2006, it amounted to (Rm):				
Capital	Rustenburg operations	335.0		
	Refineries	23.8		
Consumables	Rustenburg operations	567.6		
	Refineries	101.0		
Services	Rustenburg operations	440.5		
	Refineries	62.5		
Marula Platinum:				
FY2006, it amounted to (Rm):				
Capital		40.3		
Consumables		47.3		
Services		49.0		

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?

<p>Impala Platinum:</p> <p>The capital, consumable and services spent on HDSA/BEE suppliers, as a percentage of total capital, consumables and services for FY2006 is as follows:</p> <table border="1"> <tbody> <tr> <td>Capital goods</td> <td>31%</td> </tr> <tr> <td>Consumables</td> <td>46%</td> </tr> <tr> <td>Services</td> <td>18%</td> </tr> </tbody> </table> <p>The growth in the number of local HDSA suppliers is as follows:</p> <table border="1"> <thead> <tr> <th></th> <th>FY2005</th> <th>FY2006</th> <th>Growth</th> </tr> </thead> <tbody> <tr> <td>Rustenburg</td> <td>157</td> <td>398</td> <td>154%</td> </tr> <tr> <td>Refineries</td> <td>124</td> <td>159</td> <td>28%</td> </tr> </tbody> </table> <p>Marula Platinum:</p> <p>The number of HDSA suppliers that benefited from the capital, consumable and services spend of Marula Platinum increased from 19 in FY2005 to 74 in FY2006 (an increase of 289%).</p>	Capital goods	31%	Consumables	46%	Services	18%		FY2005	FY2006	Growth	Rustenburg	157	398	154%	Refineries	124	159	28%	<p>Impala Platinum:</p> <p>During FY2007 Rustenburg operations and Refineries will determine annual targets based on the Broad Based Scorecard criteria.</p> <p>Marula Platinum:</p> <p>During FY2007 Marula Platinum will determine annual targets based on the Broad Based Scorecard criteria.</p>	<p>Impala Platinum:</p> <p>Annual targets for FY2008 to FY2011 will be determined. Rustenburg operations and Refineries aim for a real growth rate of 10% per annum up to FY2011.</p> <p>Marula Platinum:</p> <p>Annual targets for FY2008 to FY2011 will be determined. Marula Platinum aims for a real growth rate of 10% per annum up to FY2011.</p>
Capital goods	31%																			
Consumables	46%																			
Services	18%																			
	FY2005	FY2006	Growth																	
Rustenburg	157	398	154%																	
Refineries	124	159	28%																	

Ownership and joint ventures

What is being done to ensure company achieves 15% HDSA participation in terms of ownership of equity or attributable units of production by 2009 and 26% by 2014?

Achieved in FY2006	Targets for FY2007	Targets for FY2009														
<p>Impala Platinum:</p> <p>Agreements were entered into with the Royal Bafokeng Group (RBG) on 19 May 2006 in terms of which the RBG will acquire, eventually, a total of 9% interest in Implats, the listed holding company of Impala Platinum by means of a 49% initial interest in Impala Refining Services Limited, convertible into Implats shares coupled with the existing 1.5% interest in Implats held by the RBG.</p> <p>In addition, an Employee Share Ownership Programme (ESOP) will be implemented ensuring that all employees of the South African operations of Implats on Patterson Bands A, B and C will have an interest in 3% of Implats.</p> <p>Other than the empowerment transactions at Marula Platinum, the empowerment strategy adopted by the Implats group has been effected at the holding company level. This is largely in the interest of sustainability. When translated into effective interest in the Impala Platinum operations, Impala believes that its HDSA ownership credentials will, in 2006, on a fully diluted basis and once all the relevant transactions have been completed, amount to 26% in 2006 and 29% in 2009 as set out below:</p> <table border="1"> <thead> <tr> <th>Transactions</th> <th>Attributable effective interest in Impala</th> </tr> </thead> <tbody> <tr> <td>• Sale of interest in Lonplats</td> <td>7.1%</td> </tr> <tr> <td>• RBR</td> <td></td> </tr> <tr> <td>– Current (1.5%)</td> <td>2.2%</td> </tr> <tr> <td>– IRS (49%) flip up</td> <td>12.3%</td> </tr> <tr> <td>• ESOP (3%)</td> <td>4.4%</td> </tr> <tr> <td>Total</td> <td>26.0%</td> </tr> </tbody> </table>	Transactions	Attributable effective interest in Impala	• Sale of interest in Lonplats	7.1%	• RBR		– Current (1.5%)	2.2%	– IRS (49%) flip up	12.3%	• ESOP (3%)	4.4%	Total	26.0%	<p>Marula Platinum:</p> <p>Implement full suite of Agreements for Empowerment transactions up to 22.5%</p>	<p>Marula Platinum:</p> <p>Marula Platinum will ultimately achieve 26% HDSA ownership by 2014.</p>
Transactions	Attributable effective interest in Impala															
• Sale of interest in Lonplats	7.1%															
• RBR																
– Current (1.5%)	2.2%															
– IRS (49%) flip up	12.3%															
• ESOP (3%)	4.4%															
Total	26.0%															
<p>Marula Platinum:</p> <p>Agreements have been entered into with empowerment partners to take up an equity stake in Marula Platinum (Pty) Ltd:</p> <table border="1"> <tbody> <tr> <td>Mmakau Mining (Pty) Ltd:</td> <td>7.5%</td> </tr> <tr> <td>Tubatse Platinum (Pty) Ltd:</td> <td>7.5%</td> </tr> <tr> <td>Marula Community Trust:</td> <td>7.5%</td> </tr> </tbody> </table>	Mmakau Mining (Pty) Ltd:	7.5%	Tubatse Platinum (Pty) Ltd:	7.5%	Marula Community Trust:	7.5%										
Mmakau Mining (Pty) Ltd:	7.5%															
Tubatse Platinum (Pty) Ltd:	7.5%															
Marula Community Trust:	7.5%															

Beneficiation

Has the current level of beneficiation been identified?

Achieved in FY2006	Targets for FY2007	Targets for FY2009
<p>Implats group: 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 (FY2005: 160,000oz; FY2006: 190,000oz).</p> <p>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. Silplat's project phase ended in February 2005.</p> <p>The project phase demonstrated some serious shortcomings in manufacturing, distribution and the sales approach, largely owing to a lack of management experience in producing quality jewellery. The latter has been compounded by the current high dollar platinum price, a levelling off in jewellery demand and the rand/dollar exchange rate. Following the appointment of new personnel to manage the project in March 2005, better results have already been achieved. The problems experienced provide an indication of some of the difficulties to be encountered in setting up beneficiation projects locally.</p> <p>In addition, Implats supports a semi-finished jewellery manufacturing company called Rochoet (Pty) Ltd. We supply metal on extended terms as well as providing them with a platinum loan.</p>	<p>Implats group: Estimated supply of platinum powder for local manufacture of autocatalysts: FY2007: 240,000oz</p> <p>Target beneficiation for 2007 is 12,500 oz.</p> <p>It should be noted that Implats' pursuit of a beneficiation strategy has inherent value to the country. Any equity offset credits would be a bonus.</p>	<p>Implats group: Forecast supply of platinum powder for local manufacture of autocatalysts: FY2010: 330,000oz</p> <p>Beneficiation growth for the period up to 2010:</p> <p>2008 – 14,000oz 2009 – 18,000oz 2010 – 22,000oz</p>

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?

<p>Implats group: As the Beneficiation Act has not yet been promulgated, Implats has been working with the other major platinum mining companies, as well as the DME/DTI and Mintek to establish a task force to plot the way forward with regard to platinum beneficiation.</p>		
---	--	--

Reporting

Does the company report annually on progress made in meeting its commitments?

Achieved in FY2006	Targets for FY2007	Targets for FY2009
<p>Implats group:</p> <p>Since reporting for the first time in 2003, Implats has reported in its annual report and its corporate responsibility report on progress made in terms of the guidelines set out by the Mining Charter Scorecard.</p> <p>Impala Platinum and Marula Platinum have developed an internal quarterly reporting process as part of Implats' Transformation Blue Print to report on their respective Social and Labour Plan progress and targets as set out therein, which comprise plans to ultimately meet the Mining Charter requirements (excluding beneficiation and BEE ownership). These quarterly reports will be used to compile the respective operations' annual SLP reports, as a DME requirement, once conversion approvals have been obtained for Impala Platinum and Marula Platinum.</p>	<p>Implats group:</p> <p>Timeous quarterly SLP reporting structure and actions to be in place with a reliable reporting culture and discipline ranging across all the required fields of the SLP and Mining Charter.</p> <p>Communicate approved SLP to all stakeholders.</p>	<p>Implats group:</p> <p>Continued reporting and communication of SLP and Mining Charter matters.</p>