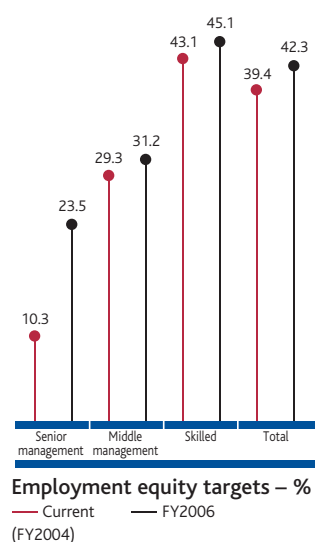


## Responding to the Mining Charter

The Minerals and Petroleum Resources Development Act, which came into effect in May 2004, will play an important role in the transformation of the mining industry as a whole. Implats has begun to establish processes and put in place structures to enable it to comply (and to monitor this compliance), with the new minerals legislation and the accompanying Broad-Based Socio-Economic Charter for the Mining Industry. Implats recognises the rights of employees and communities affected by its operations. It also aims to develop the potential of employees, both inside and out of the workplace. The board has appointed a Transformation Committee to lead the process of change and to ensure compliance with legislation. The following is a brief response to the Charter. A more detailed response may be found in the Corporate Responsibility Report 2004.

### 1 Human Resource Development ✓

- Implats offers every employee the opportunity to be **functionally literate** and **numerate**. Some 21.4% of all employees are functionally literate and numerate. Adult Basic Education (ABET) classes are available at all the group's operations on a full or part-time basis. In FY2004, 571 employees participated in ABET at a cost to the company of R5.1 million.
- Implats' **Integrated Workplace Skills Development Plan** has been accepted by the Mine Qualifications Authority (MQA). R130 million was spent on skills development programmes in FY2004, with some 85% of the workforce having undergone formal training during the year. A particular emphasis is placed on skills development for Historically Disadvantaged South Africans (HDSAs). (*HDSA is defined as any person or community disadvantaged by unfair discrimination prior to the new constitution coming into effect in 1993. It includes people of colour, women and disabled persons.*) R50 million was spent specifically on the development of HDSA employees on accelerated development programmes.
- **Mentorship programmes** have been developed for those identified with potential, predominantly amongst HDSA employees and employees from the Royal Bafokeng Nation.



### 2 Employment equity ✓

- Implats has published its **employment equity plan** which has been submitted to the Department of Labour. But, in order to meet the targets set by the new minerals legislation, the group has embarked on additional measures to advance employment equity related both to previously disadvantaged employees and women. These include revised recruiting procedures, additional funding, a "space creation" programme, mentorship schemes, bursaries and graduate recruitment.
- The group's employment equity framework has been developed in **consultation with employee representatives**, and consultative employment equity committees have been set up at all operations. Progress in employment equity has become an important feature in the performance evaluations of managers.
- Currently, 33% of the group's manager's comprise HDSAs (22% at the mining and mineral processing operations, 42% at Refineries and 33% at the corporate office).
- **Talent pools** have been identified within the HDSA ranks, with individual development plans being established. A strategy has been developed to fast track HDSA employees into the Paterson E-level band.
- Only 2.6% of the overall workforce are **women** (2.9% at mines, 15% at Refineries, 13.4% at Mineral Processes, and 30.6% at corporate office). In addition to the employment equity programme, specific interventions include the development of champions and incentives, diversity management programmes and the evaluation and provision of the requisite facilities and policies. (*Management is defined as everyone from D level up on the Paterson Grading System.*)

### 3. Foreign labour ✓

- Currently, 23.6% of the Implats' workforce is foreign. (*A foreign labourer is defined as a person who is engaged in a paid activity in a country of which he or she is not a national.*) Implats does not discriminate against foreign labour. The group subscribes to the ILO conventions which accord migrant workers equality before the law regarding human rights and labour legislation. An important aim of the group's Transformation Department is to promote a culture of respect for diversity.

### 4. Mine community and rural development ✓

- Implats takes seriously its commitment to maximize the sustainable socio-economic development of communities in which it operates to act as a catalyst for development once the mining cycle ends.