

Chief executive officer's statement



David Brown, CEO

I am pleased to be able to present to you an abridged version of our 2007 Corporate Responsibility Report, which addresses the broader economic, social and environmental impact of our business on our stakeholders, and the plans that we have in place, and are putting in place, to ensure that our group is a responsible and welcome member of our communities.

We are committed to the values that appear in this report. We endeavour to live up to the standards that we set and believe that our success in this will underpin our success as the world's best platinum company.

We have, in this report and in the more comprehensive version published on the Corporate Responsibility section of our website (www.implats.co.za), sought to report on those issues which are significant and meaningful to the company and to our stakeholders. We have tried to do this in accordance with the newly released Global Reporting Initiative (GRI) G3 guidelines and in keeping with the specific reporting requirements in place in South Africa, such as those stipulated in the South African Mining Charter. Summaries indicating our response to GRI aspects and the Mining Charter, as well as details on the GRI application level declared, namely C+, may be found on our website.

We have also taken a step forward in our reporting by engaging the services of a third-party independent assurer and this assurance report is also on our website. We have taken cognisance of the findings made during the assurance process and are committed to adopting the recommendations made by them.

There were a number of significant achievements during the year, although in the area of safety we did not experience the improvements that we had planned. The number of fatal incidents at our operations – nine people died during the course of work at Impala Platinum, three at Mimoso and one at Marula – was worse than the previous year. This lack of improvement, combined with a smaller rise in the LTIFR, is unacceptable and measures have been put in place to reverse the negative trend in our safety performance.

In respect of HIV/AIDS, the significant increase in uptake of our anti-retroviral therapy (ART) programme is a positive development, as is the success we are achieving in ensuring that those on ART are able to enjoy full lives, not only in the workplace but also in their home environments. A negative element, however, has been the intake of new employees with a higher prevalence level than that of the stable Implats workforce. This means that, overall, we estimate that the prevalence level amongst our employees has risen to around 19% for the year (FY2006: 16%).

Regarding highlights, the maintenance of our ISO14001 certification is a great source of pride to our operations. Furthermore, the continued improvements planned and achieved in limiting emissions at refineries will ensure continued air quality permit compliance.

Also on the environmental front, we have participated in the global Carbon Disclosure Project's emissions survey and have made good progress in understanding and calculating our greenhouse gas emissions and carbon footprint. While much work remains to be done, we are justifiably proud that our 'green' metals will play a significant role in reducing vehicular emissions around the world and could potentially become a significant source of alternative energy.

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In respect of human capital, we have invested much effort during the year under review to recruit, retain and recognise our employees. We launched our ESOP which has made some 28,000 of our South African employees shareholders in this group for the first time.

We have continued to engage with communities, both around our operations and in labour-sending areas, to ensure that our socio-economic development programmes have a meaningful and lasting impact on the lives of many more than our own employees. Improving the lives of our employees, their families and communities is an important target for us and, over the next five years, we will be spending more than R2 billion on socio-economic development initiatives, on improving employee accommodation and on our support for local income-generating projects in labour-sending communities and around our operations.

The deteriorating socio-political situation in Zimbabwe is of concern to us. Zimplats and Mimosa have continued to operate at capacity but power supply, in particular the impact of load shedding on the operations, is being closely monitored. The operations are able to pay for all necessary important inputs, but local costs have increased significantly as a result of inflation. As far as employees are concerned, the operations will continue to look at all options to ensure that employee welfare remains a priority. This includes, where possible, ensuring that employees have sufficient food, housing and access to medical care. Retention of skills has been a focus and will continue to be so.

Recently a report by a non-governmental organisation (NGO) questioned the role of mining companies in the Rustenburg area and made a number of claims about the industry's negligence in this regard. We have studied this report in depth and, in our view, it contains many factual inaccuracies and is misleading in a number of respects. We acknowledge though that we do not always get everything right. We are always willing to engage with and learn from external commentators and our communities and invite this and other NGOs to raise issues or concerns that they may have with us directly.

We welcome stakeholder feedback on this report, which should be read in conjunction with the more comprehensive website report.

David Brown

Chief executive officer
30 August 2007

