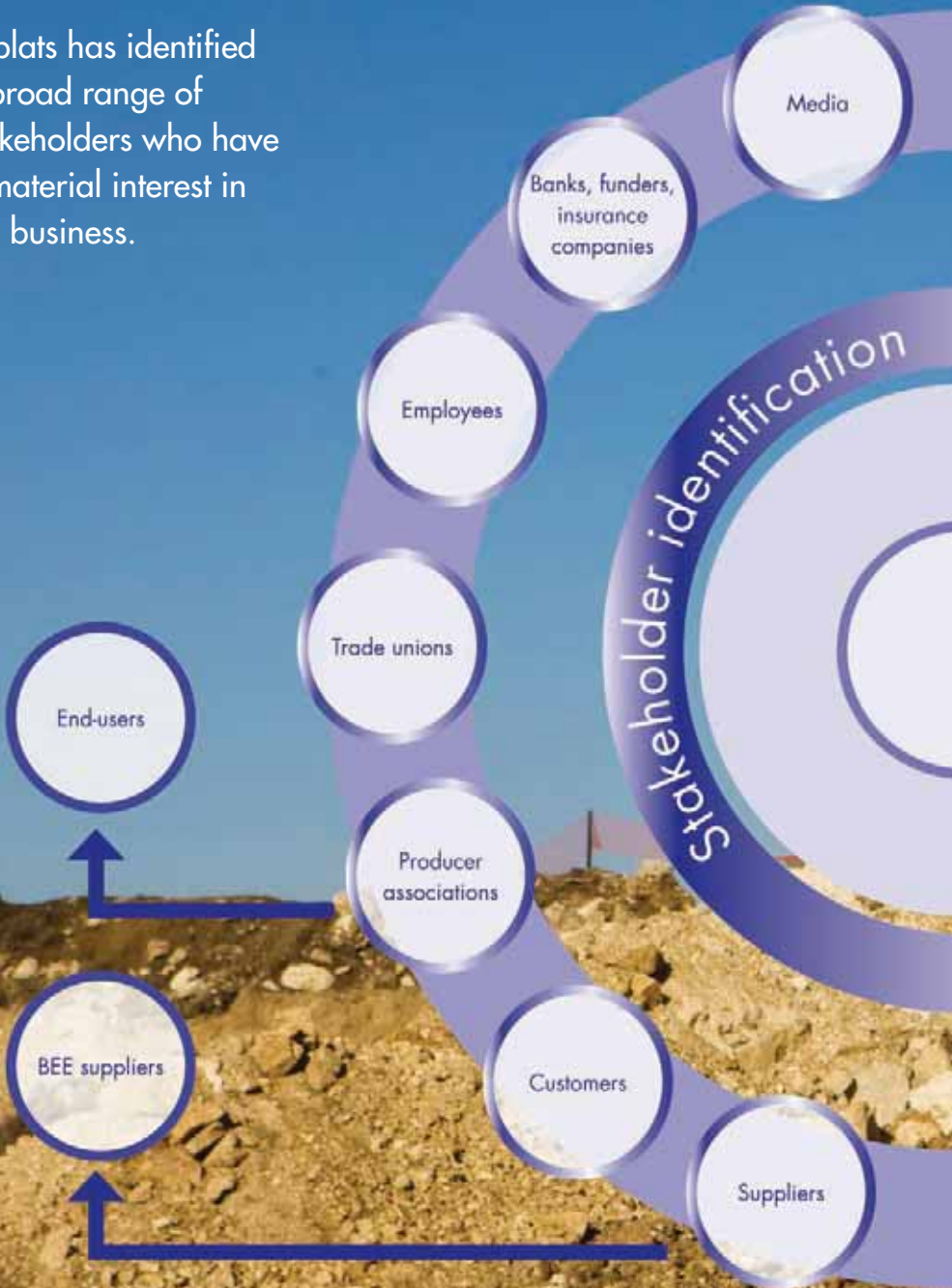


Engaging with stakeholders

Implats has identified a broad range of stakeholders who have a material interest in the business.





Engaging with stakeholders (continued)

Stakeholder engagement is undertaken across the company by a wide range of individuals and this engagement is discussed in the various sections of this report. Some stakeholders have been identified on an ad-hoc basis through day-to-day engagements, while others have been identified through formal processes. A summary of the types of engagement and any material developments during the year are identified below.

Stakeholder	Type of engagements	Material issues
Shareholders and investing community	Annual report, quarterly reports, interim results, website, fact sheets, roadshows, presentations and one-on-one conferences.	No issues raised.
Banks, funders insurance companies	Equity, debt and insurance engagements	Fitch revised Implats' and rating from stable to negative. See the Annual Report on page 51.
Media	Electronic, print, radio and television.	No issues raised.
Government – national to, provincial, local	Close liaison with, and reporting to, relevant government departments, district municipalities and local municipalities.	Slow pace of SLP implementation at Marula.
Non-governmental organisations (NGOs), community-based organisations (CBOs)	North West Air Pollution Control Forum, community liaison forums, public open days on mines, environmental hotline, community liaison offices, publications, Envirotalk, relevant mine-based committees, website and Chamber of Mines Environmental Forum, Benchmarks Foundation.	Degradation of the environment: <ul style="list-style-type: none"> • air quality, • water resources and quality, • waste, and • legal development.
Traditional leaders	Community stakeholder forums, Marula Working Committee, Magoshi/Dikgoshi (Limpopo and North West provinces).	No issues raised.
Community forums	Community stakeholder forums.	Lack of identified project for Luka community in the Impala SLP. Lack of understanding of difference between mining and prospecting.
BEE partners	Board meetings, Community trusts, Transformation Committee, local and steering committees, Royal Bafokeng Holdings (RBH), Tubatse Platinum, Bakwena Ba Mogopa and Mmakau Mining.	No issues raised.

Stakeholder	Type of engagements	Material issues
Advocacy groups	Chamber of Mines, SAWIMA NBI, SAMDA	No issues raised.
Other producers and business partners		No issues raised.
Suppliers	Suppliers' forums, equipment forums, presentations and workshops.	No issues raised.
BEE suppliers	Mentorship and business training for small, medium and micro enterprises (SMMEs) and co-operatives.	No issues raised.
Customers	Implats has a representative office in Tokyo. Relationships are maintained with key long-term customers through personal visits, quality control, and regular meetings.	No issues raised.
Producer associations	Steelpoort Valley Producers' Forum, Western Limb Producers' Forum; Chambers of Mines in South Africa and Zimbabwe, responses to national issues relating to legislative and policy interactions.	No issues raised.
End-users	Through beneficiation programme.	No issues raised.
Employees	Social economic development committee, health, safety and environment steering committee and other mine-based committees, One team, one vision, with pride programme, group in-house publications, reports, presentations and roadshows as required.	No issues raised.
Trade unions	Socio-economic development programme, collective bargaining, operational forums and ongoing communication, particularly in respect of safety and health, and transformation.	Issue with UASA: Employee representation down at 6% which impacts their recognition of a bargaining unit/body.

Engaging with stakeholders (continued)

An important development during the year was the formation of the stakeholder engagement unit

Communicating with investors and the media

A corporate relations office is responsible for investor relations and media relations.

Community stakeholder engagement

An important development during the year was the formation of a stakeholder engagement unit in August 2008 specifically to undertake stakeholder engagement in a formal and constructive manner with local communities, traditional councils and provincial and national government in South Africa. In addition to its central, leadership role, the unit has dedicated personnel located in the geographic areas of operation, namely:

- Impala Rustenburg, which lies within the jurisdiction of the Rustenburg Local Municipality in North West Province;
- Marula Platinum, in the Greater Tubatse Municipality, in Limpopo Province;
- Leeuwkop Project in the Madibeng and Rustenburg local Municipality in the North West Province.

In Zimbabwe, management have established their own community stakeholder structures.

The unit's mandate was supported by the development of a Stakeholder Engagement Policy Statement, that was formally ratified by the CEO in 2009. This policy is available on the company's website at www.implats.co.za and deals with:

- the group's commitment to engage with communities with integrity and respect;
- open and honest disclosure of information;
- building long-term, stable and mutually beneficial relationships with stakeholders;
- building capacity within our stakeholder communities, where necessary, to enable them to participate and deliberate fully on issues that affect them; and
- ensuring open communication with stakeholders.

In engaging with stakeholders, Implats recognises and acknowledges the unique nature of stakeholders in the different geographic areas.

To ensure effective coordination of engagement with stakeholders, Implats has set up inclusive stakeholders forums at Impala Rustenburg, Marula and the Leeuwkop project.

Impala

The Impala Joint Community Forum (IJCF) is the primary stakeholder engagement forum at Impala Rustenburg. Represented on this forum are various stakeholder groupings, made up of 55 members and representing the following stakeholders: communities, Impala Rustenburg, the Royal Bafokeng Holdings, employees, the Rustenburg Local Municipality, ward councillors, the Bafokeng Business Association, the Impala Bafokeng trust, Royal Bafokeng Enterprise Development and the Bojanala Platinum District Municipality. Included in the community role players are representatives from Luka, Kanana, Serutube, Mafika, Mafenya, Chaneng, Robega, Rasimone, Lefaragatlha and Bobuampya.

The IJCF meets on a quarterly basis to discuss issues that flow from its executive committee and its sub-committees. The IJCF also functions as a Future Forum in terms of minerals legislation and its primary objective is to broadly discuss issues related to sustainable development and Impala Rustenburg's SLPs.

The flow of discussions within this process is illustrated in the diagram below

IJCF flow of discussions.



The IJCF's constituent parts are:

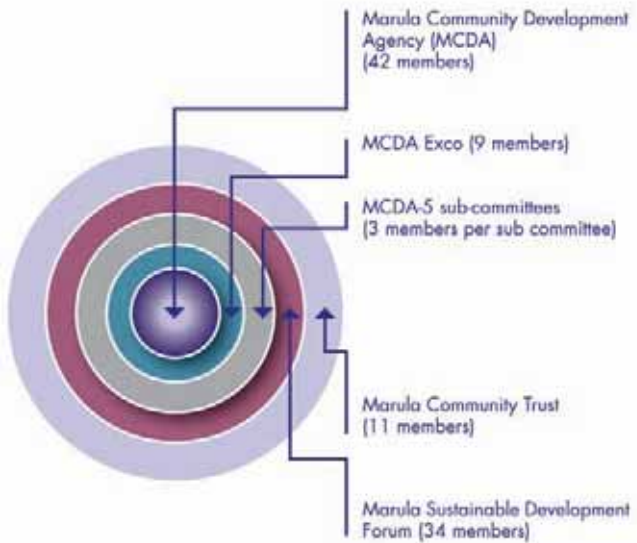
- the IJCF executive committee. This is made up of 10 members and meets on a monthly basis or as and when required to discuss issues that flow from the IJCF and its sub-committees.
- the IJCF sub-committees. Four IJCF sub-committees deal with:
 - procurement,
 - Health, safety and environment, HIV & AIDS programmes, community safety and impact of business on the environment,
 - Human resource development, including skills development, mentoring and local employment,
 - Socio-economic Development, including local economic development projects and SMME development.

Engaging with stakeholders (continued)

Marula

Implats considers the following as host communities at Marula: the communities of Winnaarshoek, Driekop, Clapham, Foresthill and Magabaneng. The primary vehicle for engagement is the Marula Community Development Agency (MCDA), made up of its constituent parts. The MCDA comprises 42 representatives made up of: five representatives per community (who were publicly elected by their respective communities), Magoshi, Ward Councillors, the Evangelical Lutheran Church of Southern Africa, Marula Platinum management, Marula Community trust and a representative from the Greater Tubatse Municipality. The MCDA meets on a quarterly basis to discuss issues of mutual interest and its structure is illustrated in the diagram below.

MCDA structure



Key components of the stakeholder engagement process are:

- **The MCDA Executive Committee.** This consists of nine members who were elected by the members of the MCDA from the MCDA. Each stakeholder is represented within this body.
- **MCDA sub-committees.** To deal effectively and efficiently with community issues, the MCDA Executive Committee established five sub-committees focussing specifically on land issues (crop



Engaging with stakeholders (continued)

fields), human resource development (job opportunities), procurement/local economic development (business opportunities), community projects and discipline (to ensure that stakeholders operate within the parameters of the MCDA).

- The **Marula Community Trust**. The Marula Community Trust (which holds a 9% stake in Marula) was established as a BEE partner in Marula Platinum. The trust has 11 trustees and has as its aim to direct sustainable development programmes within the Marula communities.
- The **Marula Sustainable Development Forum**. The Marula Sustainable Development Forum comprises 34 members and serves as a Future Forum (established in terms of minerals legislation) with representatives from the following stakeholders groups: Marula management, the MCDA, Implats, the Marula Community Trust, Marula employee representatives, Tubatse Platinum and Mmakau Mining (BEE partners) and the Greater Tubatse Municipality. The objective of this forum is to discuss Mining Charter issues which are implemented through SLPs.

Leeuwkop Project

In light of the current economic climate, Implats Board reached a decision to defer the Leeuwkop Mine Project for two years subject to review after this period. Implats has applied to the DMR to put the project on hold.

Although no formal Stakeholder Engagement Forum has been formed in this area, Leeuwkop still engages with various stakeholder groupings separately. However, to maintain and sustain sound relationships with host communities (Segwaelane and Bakwena Ba Mogopa), their Traditional Councils and the Communal Property Association, the Stakeholder Engagement Forum will continue to engage them on an ad hoc basis.

Leeuwkop has also applied to the DMR to defer other SLP projects; it however decided to continue with the project that relates to awarding bursaries to qualifying students from these communities at institutions of higher learning.

Other engagements

For prospecting and opencast mining activities, Implats engages with affected and interested parties outside the established stakeholder forums for the duration of the projects.

Progress

Good progress has been made in setting up inclusive community engagement structures at both Impala Rustenburg and Marula, with a number of constructive meetings having been held during the year. The most significant issues that were raised by these forums during the year included:

- environmental impact of operations on communities;
- the need for jobs and training in the areas of operation and, in particular, the reservation of new jobs for local community members;
- socio-economic development projects in community areas, and their identification and support.

While stakeholders have developed a better understanding of the engagement structure groups and are able to see the implementation of SLP projects, challenges remain in respect of stakeholder engagement.

Among these are:

- communities still hold a degree of mistrust, emanating from historical experiences of interaction with mining companies.
- continued misunderstanding between prospecting and mining.
- misrepresentation between stakeholder agenda versus personal interest.