



Sustainable Development Report 2009

Vision and values

Implats' vision

To be the world's best platinum producing company, delivering superior returns to shareholders relative to our peers.



Implats' values

- Safeguarding the health and safety of our 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.
- Promoting and rewarding teamwork, innovation, continuous improvement and the application of best practice by being a responsible employer, developing people to the best of their abilities and fostering a culture of mutual respect among employees.
- Being accountable and responsible for our actions as a company and as individuals.
- Being a good corporate citizen in the communities in which we live and work.

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Our performance – FY2009

- Global financial crisis had impact on financial markets and market for PGMs
- Regrettably, 11 employees died at work in FY2009, although underlying safety and health performance improved
- Implats continued to deliver value to shareholders
- Some 53 261 people employed, including contractors
- Good response to Voluntary Counselling and Testing (VCT) and Wellness Programme
- New approach to socio-economic development
- Significant progress in housing and living conditions improvement initiative
- R832 million capital project at Impala Rustenburg to halve SO₂ emission levels
- Direct SO₂ emissions reduced by 20%

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Report profile



Annual Report 2009



Sustainable Development Report 2009



Mineral Resource and Mineral Reserve Statement 2009

Implats' Sustainable Development Report 2009 has been compiled for the Implats group and its operating subsidiaries and covers the period from 1 July 2008 to 30 June 2009. This report, formerly known as the Corporate Responsibility Report, is produced annually to communicate with Implats' various stakeholders, including shareholders, employees, communities, local, provincial and national government and non-governmental organisations (NGOs), among others, on the company's economic, social and environmental performance. The previous report was produced for FY2008 and published in August 2008.

Information in this year's report is for FY2009 unless otherwise stated and financial information is provided in South African rands. Where dollar amounts are provided, this is for the sake of convenience and refers to US dollars (\$).

For the purpose of sustainable development reporting, the company has provided statistics for those operations over which it has management control or significant influence. This includes wholly-owned operations, the Leeuwkop project (on which work has currently been suspended) and the Mimosa mine, in which the group has 50% interest. Where relevant, information relating to operations in which the company has a smaller interest but not management control (such as Two Rivers) is also provided.

There were no significant changes in the organisational structure during the year although, given the global financial crisis, reviews and rescheduling of the group's capital expenditure programmes were undertaken. (See the *Economic performance* section of the report for further information.) There were, however, significant changes in the management structure during the year, with direct consequences for the management of sustainable development. This is dealt with in the section on *How Implats manages sustainable development* on page 28.

This report has been produced in line with the Global Reporting Initiative's (GRI) G3 guidelines. An index indicating which GRI indicators have been reported on, and where information may be found, is available on page 162. GRI's reporting principles for defining the report content, quality and boundary setting have been used as guidelines.

Implats subscribes, and is a signatory, to the principles of the United Nations Global Compact (UNGC), and a report will be submitted to the UNGC in line with the company's commitment to this body. An index in respect of the UNGC reporting in this report is provided on page 165.

Selected indicators have been independently assured by a third party assurance provider, KPMG. The scope of the assurance, the key performance indicators selected and the independent statement of assurance may be found on page 166. In accordance with the GRI guidelines, Implats has declared a B+ level of reporting, which has been confirmed by KPMG.

While the group has endeavoured to report comprehensively and meaningfully on a wide range of issues relating to sustainable development, the most significant risks and issues of strategic importance to the group have been identified and are discussed on page 5.

There have not been any significant restatements of data during the year. Where data has been restated, this has been indicated in the text.

The group has undertaken an extensive shareholder identification and engagement process in FY2009, and will ensure that this Sustainable Development Report is made available to identified stakeholders in the future. Feedback on issues that are material to these stakeholders will be sought. See section on *Engaging with stakeholders* on page 34.

In addition to this report, the company has also produced:

- the Annual Report 2009, which includes the audited annual financial statements. This report is also available as an interactive, online report on the corporate website.
- Mineral Resource and Mineral Reserve Statement 2009.
- a web-based version of this Sustainable Development Report which includes a number of case studies to illustrate the company's approach to sustainable development.

The Annual Report, the Sustainable Development Report and the Mineral Resource and Mineral Reserve Statement are all available electronically as pdfs on the corporate website (www.implats.co.za). Printed copies of these reports may also be requested from the contact persons listed at the end of this report.

Responsible person:

The person responsible for the compilation of this report and to whom all queries should be addressed is:

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Online reports –
at www.implats.co.za

Material sustainability issues



Implats follows a risk based approach in identifying issues of materiality. During the year under review the risk department together with the Sustainable Development group champions undertook an intensive review of areas of risk in relation to each discipline. The following most material issues have been identified.

- Improving our safety performance is a priority for Implats – See the *Safety and health* section on page 81.
- Aggressively addressing HIV & AIDS and pulmonary tuberculosis (TB). See the *Safety and health* section on page 81 and the *HIV & AIDS* section on page 95.
- Understanding the challenges and opportunities relating to climate change, and ensuring that these are adequately addressed – See the *Environmental performance* section on page 137.
- Embedding and implementing our new approach to sustainable development and socio-economic development within the company, and ensuring that sustainable development matters are overseen at a group level. See the section on *How Implats manages sustainable development* on page 28.
- Ensuring delivery on the local economic development projects identified in our Social and Labour Plans (SLPs) and, where projects are not viable, identify replacement projects. See the *Socio-economic development* section on page 107.
- Delivery on the housing and accommodation projects, and the associated BEE procurement initiatives – See the *Socio-economic development* section on page 107.
- Achieving Mining Charter targets particularly in respect of affirmative procurement, HDSAs in management and women in mining. See the *Human capital* section on page 63.
- Dealing with the lack of critical skills through effective recruitment and retention strategies – See the *Economic performance* section on page 50, and the *Human capital* section on page 63.
- Identifying and engaging with our community stakeholders has begun in a programmatic way. See the section on *Engaging with stakeholders* on page 34.
- Ensuring the effective implementation of data collation through the newly-implemented sustainable development toolkit.

Our performance in FY2009

– Highlights, disappointments and opportunities

The following table indicates some of the areas of success and disappointment during the year, and the opportunities and challenges facing the group in the year ahead.

Focus area	Highlights
Economic performance	<ul style="list-style-type: none"> • Progress on expansion projects. • Mining rights conversions received for all operations. • R4 billion spent with HDSA/BEE vendors. • Continued profitability of group, with value-added during the year.
Social performance	<ul style="list-style-type: none"> • 53 261 people employed. • Progress made with Mining Charter commitments. • Robust and positive collective bargaining structures in place, with no significant breakdown in relations during the year. • Good co-operation between management and employees in management of health and safety. • Positive response to voluntary counselling and testing and anti-retroviral therapy (ART) programmes to address HIV & AIDS pandemic. • New approach to socio-economic development uses project champions to focus on delivery. • Significant progress achieved in a range of projects, especially in improving accommodation and living conditions.
Environmental performance	<ul style="list-style-type: none"> • Good levels of legal compliance reported. • Commissioning of SO₂ abatement facilities at Impala Rustenburg. • Direct SO₂ emissions reduced by 20%. • Group response to climate change developed. • Impala Rustenburg, Impala Springs and Zimplats achieve ISO14001 recertification. • A 9% decrease in water consumption.

Disappointments

- Production declined.
- Global financial crisis had a negative impact on the PGM markets and financial markets as a whole.
- Certain capital projects delayed.

Opportunities

- Group's rapid response to the global financial crisis will ensure continued growth and sustainability of operations.

- Regrettably, 11 employees died in work-related accidents.
- Turnover levels remained higher than desired in certain employee categories.
- Women in mining targets not achieved.
- Socio-political situation in Zimbabwe a concern.
- HIV prevalence levels and high-risk behaviour still remain high.
- A number of SLP projects proved unviable following feasibility studies. Replacement projects being identified.

- Programmes in place to deliver the 'zero harm' vision.
- New approach to human resources management focusing on employee value proposition.
- Focus on reducing new infections and improving enrolment in and adherence to wellness programmes, including ART.
- Integrated approach to deliver cost savings, greater levels of accountability and delivery on socio-economic development projects.

- High costs of power.

- Continued implementation of ISO14001 to maintain highest levels of environmental practice.
- SO₂ emissions to decrease significantly in the future.
- Potential opportunities as a result of climate change to be investigated.

Letter from the CEO, David Brown



David Brown
Chief executive officer

Dear stakeholder

I am pleased to present our Sustainable Development Report for the 2009 financial year. This report reviews our group sustainable development programme over the past year, and reflects on the strategy and structures that we have put in place to address the challenges and opportunities that we face.

Tragedy at Impala

This report is published not long after we experienced a great tragedy at Implats. A fall of ground accident on 20 July 2009 claimed the lives of nine employees. Safety remains one of our most significant concerns at our operations and in our industry. We are fully committed to achieving our vision of zero harm and this tragic event has further strengthened our resolve to reach this. On behalf of our board and management team, I extend our heartfelt condolences to the families and colleagues of those who died both in this accident and in others during the 2009 financial year.

Important year for sustainability at Implats

This review comes at an important juncture for the company:

- firstly, it was informed by an organisational review process that came from a fundamental review of our business strategy and goals undertaken in FY2008. This process resulted in the establishment of a group-level Sustainable Development Forum, comprising multi-disciplinary 'champions' who meet on a quarterly basis to guide group strategy, and review progress made. This forum is supported by operation-based discipline heads, and reports into the group's leadership structures. The overall sustainable development process is part of the board's mandate. Our approach to sustainable development and the way in which it is managed is discussed more comprehensively on pages 24 to 27 and 28 to 33 of this report. Included in this approach has been the establishment of a dedicated stakeholder engagement unit (see page 34) to address our many stakeholders – employees, unions, shareholders, government, NGOs and others.
- secondly, the current state of the financial markets and, indeed, the market for our products, has given rise to serious questions in relation to the sustainability of the PGMs industry, and how we are best able to deliver value to a broad range of stakeholders. I am confident that the measures we have put in place – to manage our operations and, in particular, to position the company for continued, cost-effective growth – will ensure that we will thrive over many decades. The *Economic performance* section of this report (page 50) and our Annual Report 2009 provides more detail on this.

FY2009 saw the establishment of the Implats Sustainable Development Forum

Letter from the CEO, David Brown (continued)

Integral to the way in which we deal with sustainable development is the identification of major areas of risk

Compliance

In this report, we have again been guided by the Global Reporting Initiative's (GRI) G3 guidelines (page 161). Key performance indicators in this report have been assured by an independent third party, KPMG (page 168). We have integrated within this report feedback on Implats' commitment to South African minerals legislation and, in particular, feedback on our performance against the targets we have committed to in our SLPs, developed in response to the Mining Charter (page 166). As a signatory to the UN Global Compact, we have also reported on our performance against its principles and our continued implementation thereof (page 165).

Material issues

Our approach is to report on the most significant issues at a group level and to illustrate, by way of further discussion on our website (www.implats.co.za), how we deal with specific issues in practice. The most critical issues have been summarised on page 5.

Material issues have been identified at three levels:

- at an operational level by the group's operational management who are responsible for managing issues on a day-to-day basis;
- at a strategic level, by the group's Sustainable Development Forum; and
- by the group's risk management team, who have undertaken a regular review of risk factors, and who have scrutinised this report.

Priorities

There have been a number of strategic priorities for Implats in respect of sustainable development for the year under review.

- **Developing a strategy and structure to deal with sustainable development matters in a holistic and integrated way**, and with targets and the same robust approach that we would set for any other aspect of our business. Integral to this is the identification of the risks and opportunities related to sustainable development, and the role of our risk management discipline in developing this new approach. Our new Sustainable Development Policy Statement (page 44) establishes a relevant context for this. Critically, we have implemented a sustainable development toolkit, which we believe will vastly improve our data capture on these matters.

- **Developing a culture of safety that will support our vision of ‘zero harm’** that will see underground mining operations that can operate, sustainably, without accidents or occupational disease. Our commitment extends beyond the working place, and takes cognisance of the impact that both HIV & AIDS and TB have on our employees and their families.
- **Addressing the serious shortage of skills in our industry and the high levels of staff turnover.** The global economic crisis has resulted, to some degree, in reduced employee turnover, but this remains a key area of focus. Our plans to recruit and develop the right type of people in the organisation, to provide accredited training and development, and to retain our employees, is being addressed by means of a comprehensive human capital strategy that includes a focus on the overall employee value proposition. We realise that skilled employees can choose where to work and develop their careers; we want to ensure that their first choice is Implats and that we are able to develop our own talent from within.
- **Achieving the transformation imperatives of the company and the country.** It is our view that a successfully transformed organisation (at Board, management and organisational levels) that closely reflects the demographic profile of the country, is one that will be able to ensure its own sustainability. Our programmes to achieve the appropriate levels of historically disadvantaged South Africans (HDSAs) in management, and women in management and in mining are not without their challenges, but we remain confident of meeting our own targets in time.
- **Delivering on the socio-economic development undertakings we have made in our SLPs** and more broadly, to deliver long-term and sustainable improvements in the quality of life of, and the opportunities presented to, the communities in which we operate. Four key aspects bear special mention here, namely:
 - *Improving housing and living conditions for the majority of our employees.* Not only is this a strategic imperative for the company and the country, it also provides Implats with a competitive advantage in recruiting and retaining skilled employees. We have forecast approximately R3 billion to our initiatives to upgrade singles’ accommodation, develop family accommodation, and make available to employees opportunities to own their own homes. It is an important philosophy of our group that we are not just building houses, but homes, where our employees and their families may live and be at leisure.

There have been a number of strategic priorities for Implats in respect of sustainable development during the year under review

Letter from the CEO, David Brown (continued)

Developing a culture of safety that will support our vision of 'zero harm' is a priority

- *Promoting economic empowerment* through the identification, training and support of small, medium and micro enterprises (SMMEs), with a focus on black economic empowerment (BEE). In FY2009, Implats spent some R4 billion with BEE companies.

- *Supporting and developing sustainable socio-economic development projects*, directly and in conjunction with other parties, with a particular emphasis on education, health, empowerment of community structures, infrastructure development, community welfare, safety and security. Projects are being reviewed and implemented on a sound footing, with robust feasibility studies being undertaken in advance to both confirm the viability of projects and their impact.

- *Sports development* and, through this, the achievement of transformation, recreation, educational and individual development within the communities in which Implats operates. The alignment of this process with our training initiatives will provide Implats with a valuable pool of potential high-achieving recruits.

- **Ongoing legislative compliance** with respect to the environment and the setting and achievement of clear targets regarding both energy and water use. Energy and water are scarce resources in southern Africa, and our growth in the future will depend on their responsible and efficient usage. We have programmes in place to improve energy efficiency and to optimise water usage, largely through recycling.

- Allied to the above was the consideration given during the year to the **risks and opportunities posed by climate change**. In a process that was led by our risk management discipline, a comprehensive review was undertaken. Implats has, for the third year, responded to the Carbon Disclosure Project's (CDP) annual survey and our submission is available at www.cdproject.net.

- **Continued support for and development of the markets for our products**. The economic crisis faced by car-makers and the significant destocking that took place in FY2009, which coincided with a rapid decline in PGM prices in the first half of the year, reinforces the reality that our industry is a price-taker and that we can, and should, play a meaningful role in the development of the market for our products. Our support for the Platinum Guild International (PGI) and the International Platinum Association (IPA) is important, given the role that these organisations play in promoting PGMs and finding new

markets and applications for these 'green metals'. Further, given global energy shortages and the impetus provided by climate change, the rationale for the development of more sustainable energy sources, such as fuel cell technology, must surely be greater than ever. This will, of course, be supported by continuing legislative developments.

- A **respect for human rights and compliance with the UNGC**, which is not only entrenched within the South African Constitution, but also within the values that have been jointly agreed between management and employees within our group (see the inside front cover). We, as a group, believe we have a fundamental responsibility to our employees, both in South Africa and Zimbabwe, and their families to maintain jobs, create economic value, provide the opportunity for development and provide support and alleviate hardship through our socio-economic structures. We will continue to do so, but we will not compromise on our sustainable development principles, or our commitment to upholding fundamental human rights.

Feedback

We welcome feedback on our performance and reporting. A feedback form is provided on page 173 and on our website at www.implats.co.za.

In conclusion

As the global financial landscape has changed during the year, so has the socio-economic landscape. A review of the Mining Charter will take place in South Africa during the next year, and we expect an even greater focus on sustainability matters going forward.

It has been a challenging year for Implats, both operationally and financially, but one that will see the group emerge as a more robust and efficient entity, well-positioned to grow and sustain our operations far into the future.



David Brown
CEO
27 August 2009

Corporate profile

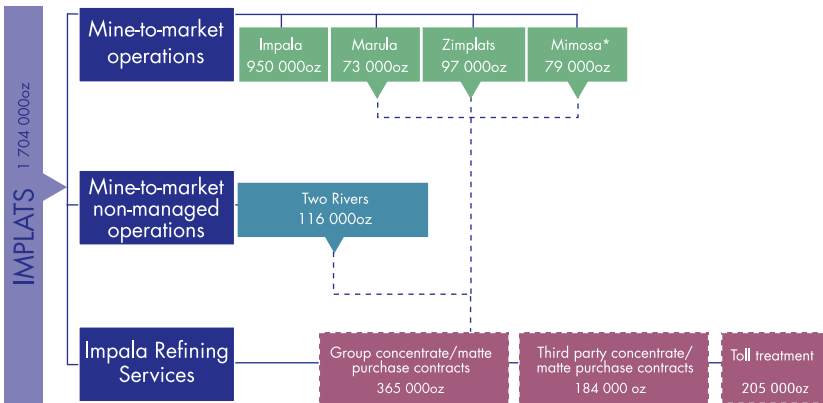
Impala Platinum Holdings Limited (Implats) is a leading producer of platinum and associated platinum group metals (PGMs). The group has operations on the Bushveld Complex in South Africa and the Great Dyke in Zimbabwe, the two most significant PGM-bearing orebodies globally.

Implats this year celebrates the 40th anniversary of the first blast at what is now its flagship operation, Impala Platinum. From small beginnings, this operation has grown and today comprises a 14-shaft mining operation and processing plant (Mineral Processes) in Rustenburg, as well as the refining operation in Springs, east of Johannesburg. Currently, Impala produces around 56% of the group's production.

Impala Refining Services (IRS) capitalises on Impala's smelting and refining capacity, and processes the concentrate and matte production of other group operations as well as material purchased from other companies. This business also offers a toll-refining service to other third parties. Through IRS, Implats is one of the largest autocatalyst recyclers in the world.

Implats' corporate office is located in Johannesburg, South Africa.

Group platinum production

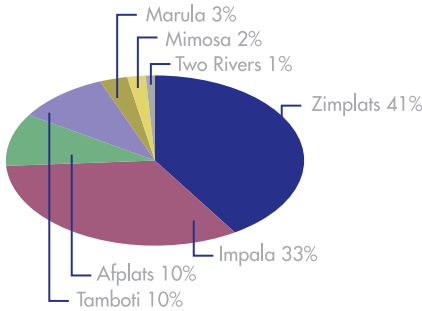


Refined platinum ounces indicated above have been rounded for illustrative purposes

* 100% of platinum production processed

In FY2009, the group employed 53 261 people (including 17 261 contractors which includes contractors on both working cost and capital projects) and produced 1.7 million ounces of platinum (3.4 million ounces of PGMs). Implats is targeting production of 2.1 million ounces by FY2014 and has extensive reserves and resources both in South Africa and Zimbabwe.

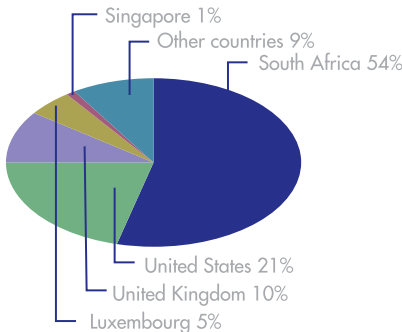
Attributable mineral resources of 230 Moz platinum at 30 June 2009



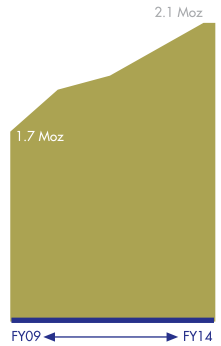
At the end of FY2009, the group had a market capitalisation of R108 billion.

Implats is a publicly-listed company, the group has a primary listing on the JSE in South Africa (IMP) and a secondary listing on the LSE in the United Kingdom (IPLA). It may also be traded via a Level 1 American Depositary Receipt (ADR) programme (IMPUY) in the United States of America.

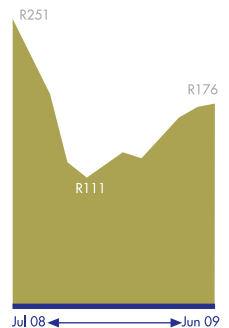
Geographical distribution of shareholders as at 30 June 2009 (%)

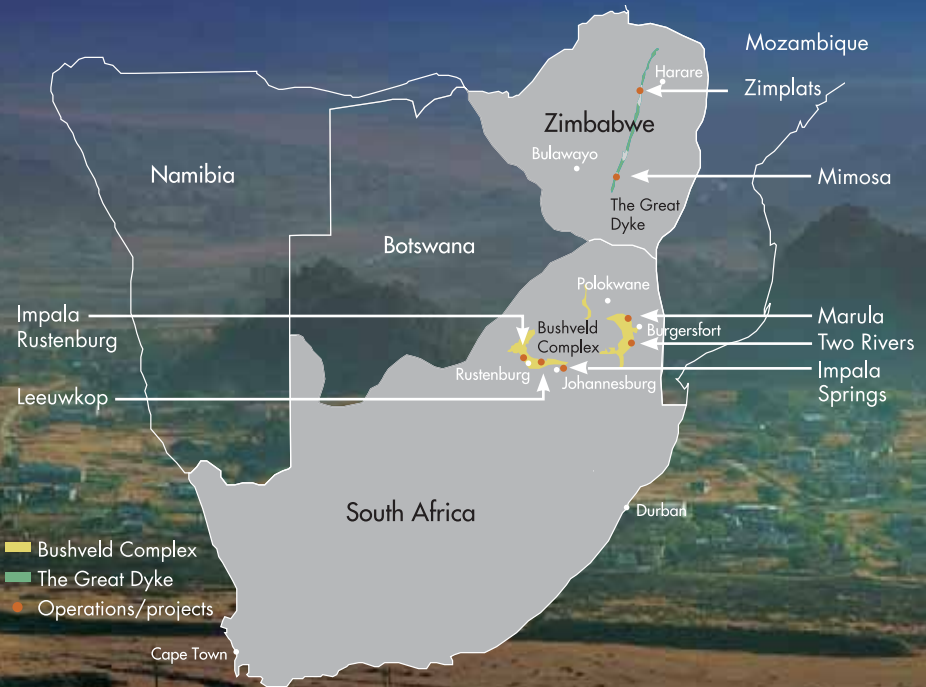


Growing production (000 oz)



Average monthly share price performance (R)





The PGM suite of metals

Implats produces around 25% of the world's supply of PGMs. These metals, the most economically important of which are platinum, palladium and rhodium, occur in nickel and copper deposits with the remaining metals in the PGM suite – ruthenium and iridium – produced as by-products.

The most significant PGM deposit in the world is the Bushveld Complex in South Africa, which currently contributes around 75% of global platinum output.



Compared to gold production of 2 500 tonnes per annum and the vast volumes of iron, copper and nickel that are mined every year, PGMs are a relatively rare commodity – only around 500 tonnes are mined annually, of which less than 200 tonnes are platinum. This is in contrast with the progressively more important role that they play in everyday life. These metals are increasingly found either in goods used every day, or are used in the production of such goods.

With rising global environmental awareness, the unique physical and chemical characteristics of PGMs, and their catalytic properties in particular, make them significant contributors to a cleaner and healthier environment through the reduction of air pollution.

PGMs are a relatively rare commodity, less than 500 tonnes are mined every year

PGMs and platinum in particular are referred to as “the green metals”.

- As a vital component in autocatalytic convertors, PGMs play a significant role in reducing air pollution by substantially limiting the discharge of carbon monoxide, hydrocarbons and nitrous oxides as well as particulates in diesel engines. According to the International Platinum Association (IPA), a car fitted with an autocatalytic convertor reduces noxious emissions by up to 15 tonnes over the vehicle’s 10-year life.
- PGMs are recyclable thus reducing waste whilst ensuring the sustainability of their supply. The most efficient recycling of PGMs occurs in the automotive sector, where a whole new industry has been developed to recycle autocatalytic convertors from scrapped vehicles. Autocatalysts were first used 35 years ago in the United States. The metal recovered from autocatalyst recycling is currently equivalent to 25% of the platinum used in new autocatalytic convertors. Much progress has been made with recycling and waste reduction initiatives. Platinum jewellery recycling in Japan increased markedly last year due to the high price.
- Fuel cells are being developed both as portable and auxiliary energy units and as a source of power for vehicles. This technology generates electricity via an electro-chemical reaction in which oxygen and hydrogen combine over a platinum catalyst. As this process is carbon-free, fuel cells have the potential to reduce air pollution considerably while significantly increasing the efficiency of cars and power generators and at the same time reducing the demand for fossil fuels. According to the US State Department, if just 10% of vehicles use fuel cells, regulated air pollutants would be reduced by 1 million tonnes and greenhouse gases (GHGs) by 60 million tonnes annually.

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Pt



Platinum, one of the most common and widely used of the PGMs, is (given its chemical and physical characteristics, and its excellent catalytic properties), ideally suited to advanced technological applications. Silvery white in colour and extremely durable in nature, platinum is one of the densest and heaviest metals. It is extremely malleable and ductile, and is exceptionally stable at high temperatures with a melting point in excess of 1 700°C. Platinum is primarily used in catalytic converters in the automotive industry and in jewellery.

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Pd

Palladium is the most abundant of the PGMs. Given its catalytic properties, it is also a vital component in catalytic converters and air purification equipment. Palladium is frequently used as an alloy and as a substitute for platinum in catalysis, electrical contacts, dental alloys and jewellery.

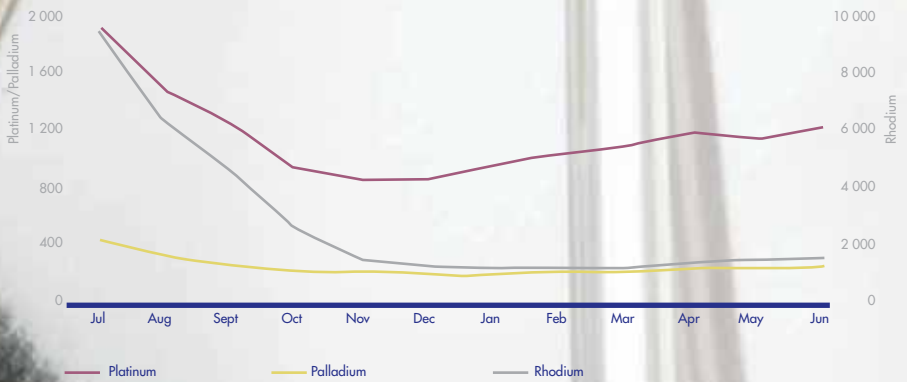


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Rh


Rhodium is also a vital component in industrial catalytic systems, particularly in the automotive industry where it is used in the reduction of NO_x to nitrogen. Rhodium, alloyed with other PGMs, is used in furnace windings, thermocouple elements, fibre glass production, laboratory crucibles and electrodes for spark plugs.

Average monthly PGM prices: July 2008 - June 2009 (\$/oz)



Management approach





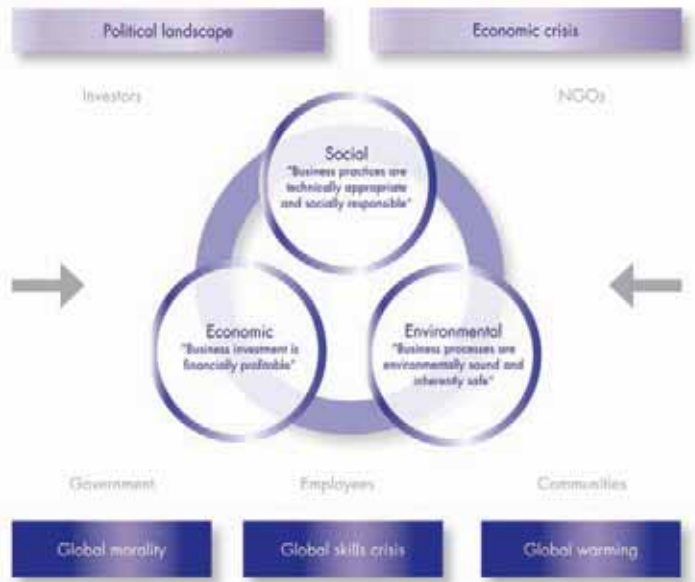
Implats has, during the year under review, made a concerted effort to understand the group's sustainable development footprint, and to develop a strategy to address the obligations and opportunities that this presents.

"It has been a challenging year for Implats, both operationally and financially, but one that will see the group emerge as a more robust and efficient entity, well positioned to grow and sustain its operations into the future," says David Brown, CEO.

Understanding Implats' sustainable development footprint



Implats' sustainable development strategy



As one of the world's leading PGM-mining and processing companies, Implats has the potential to have a significant impact and influence on global PGM markets, yet its social and environmental footprints are highly regionalised.

Implats acknowledges at the outset that certain external realities can and do have an impact that may increase or decrease over time. Factors to be considered here are the:

- political landscape, both in South Africa and Zimbabwe.
- current global economic crisis, that has not only had an impact on the market for Implats' products, but also on the investment climate, all of which in turn has had financial consequences for the company (rising costs, credit squeeze), employees and communities.
- increasing awareness among investors and the ordinary citizen of the need to operate in a responsible manner – the so-called 'global morality'.
- global skills crisis, which has been exacerbated in the mining industry as a result of deficits in national training initiatives and failing education systems.
- impetus for investment and legislation created by both the reality and perception of the impacts of climate change.

Key role players identified in the process include:

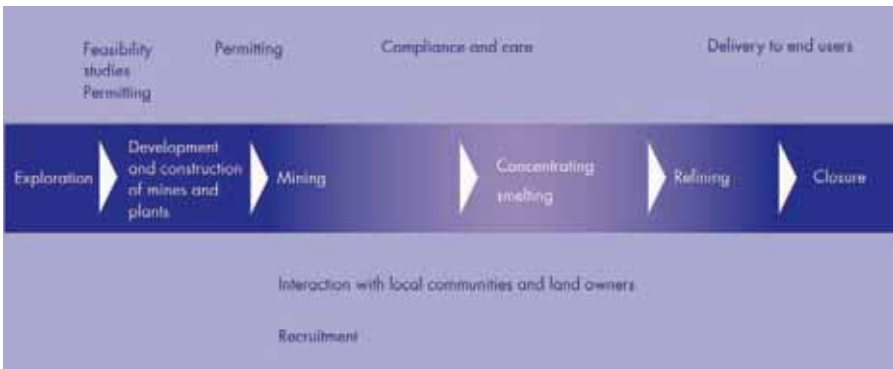
- customers, who provide the foundation for the company's markets;
- investors, who provide both the value and trade in the company's stock;

Understanding Implats' sustainable development footprint (continued)

- governments, in South Africa and Zimbabwe, that develop, maintain and regulate the legislative and fiscal regimes;
- communities, from which employees are drawn and who constitute the group's neighbours;
- NGOs, community-based organisations (CBOs) and civil society at large.

Implats is mindful that its business process must be viewed in an integrated manner – from the exploration phase, through to the development and construction of mines and plants and associated infrastructure, the mining, concentrating, smelting and refining process, through to the delivery of final product and closure. Implats understands too that, while the company does not control its product through its full life cycle, it has a responsibility to ensure safe delivery and to recycle as much as it is able. This life cycle is depicted in the diagram below:

Life cycle of operations



Core to the company's response to ensure delivery against the triple-bottom line are the following key undertakings.

Economic:

"That our business investment is financially profitable"

Social:

"That our business practices are technically appropriate and socially responsible"

Environment:

"That our business processes are environmentally sound and inherently safe"

This understanding has given rise to significant management changes within the company and, in particular to the management of sustainable development, which is dealt with in the section on page 28.

Implats has identified eight key strategic performance areas that represent both strategic risks and operational imperatives. These are depicted in the diagram below.

Eight strategic performance areas

Safety and health of our people and care for the environment	The safety and health of our people and caring for our natural environment remain a priority. Key to successfully managing the safety and health of our employees and the impact we have on our environment is the embedding of a culture of safety awareness, healthy living and respect for our natural environment at all levels of the organisation. We enforce an intolerance of non-conformance with standards and an ongoing emphasis on the content, frequency and intensity of training.
Employing exceptional skills and talent	The quality of the team which we attract, develop, retain and motivate determines how well we are able to perform as a group. We focus on developing leaders that live our values and promote our maxim "One team, one vision, with pride". In line with this, we have adopted a policy of engaging with our employees as we move towards creating a united empowered team, and sense of pride in working at Implats.
Production	Meeting targets across our entire production value chain is non-negotiable. Efficient production, delivery of volumes and grades from our mining operations is a key focus in sustaining the company's revenue stream and profitability.
Effective and efficient use of resources	Maintaining the group's track record as the lowest cost producer, our focus remains on the efficient and effective usage of our resources such as people, minerals, money, machinery, consumables, equipment, energy, water, information and knowledge.
Growing our business	The alignment of growth with market demand is integral to the overall strategy of the group. Thus maintaining strong mineral resource management and an adequate portfolio mix of organic, acquisitive, recycling and exploratory, prioritised growth options, is a key focus.
Delivering projects	Delivery, on time and within budget, on all our projects is essential to the future state of the group. We will reinforce the required discipline focusing on portfolio, risk and project management to ensure on target project delivery.
Managing finances	We believe that our capital structure should be relevant to current market conditions. We will also focus on cash management as a key to preserving the financial value of the business.
Retaining licence to operate	Our social development programmes, community engagement initiatives and government relationships remain a key focus in order to maintain sustainability into the future.

How Implats manages sustainable development



FY2009 was a significant year for Implats as the group's internal management structures were reviewed and redefined and new structures put in place. This was largely as a result of a comprehensive review undertaken during the prior year, in conjunction with external management consultants. Of strategic significance was the decision to change the group's management structure to focus on four strategic imperatives of the business, namely:

- **Operations**, which includes all existing mining, processing and refining operations of the group, as well as including the management of safety, health and the environment. This is led by the Operations Committee (OpCo).
- **Growth**, which includes marketing, new business and projects, exploration, mineral resource management, commercial ventures and business opportunities, and technical services. This is led by the Growth Committee (GrowCo).
- **People**, which includes talent and reward management, employee relations, stakeholder engagements and sustainable development. This is led by the People Committee (PeopleCo).
- **Finance**, which includes financial management, services, legal and secretarial. This is led by the Finance Committee (FinCo).

This approach was developed so as to ensure that the appropriate level of focus and resources is targeted and available to ensure the achievement of distinct goals, and to enable the group to react swiftly and decisively to any changes in the external environment that may have an impact on the company. This change in group structure has had a significant impact on the way in which aspects relating to sustainable development and, in particular stakeholder engagement and socio-economic development, are managed, and integrated within the functioning of the business.

Key to the structure that was put in place to ensure effective governance and execution within the sustainable development arena has been the appointment of sustainable development champions within the group who are responsible for the delivery on key sustainable development principles. (See diagram on page 33). These champions are advised by specialist heads on sustainable development policy and reporting and stakeholder engagement.

A new Sustainable Development Policy Statement was developed during the year (see section on Policies on page 44) and a new Stakeholder Engagement unit was formed (see page 34).

The group's management structure is now focussed on four strategic imperatives: operations, growth, people and finance

How Implats manages sustainable development (continued)

Sustainable development operating framework



The Group Sustainable Development Forum meets on a quarterly basis. The Group's Sustainable Development Manager develops and advises on group policy, targets and strategy and reviews performance.

Matters dealt with by the Forum are thus escalated through these structures to the SHEQ Audit Committee and the Transformation Committee, and where necessary to the Board Nomination, Audit and Remuneration Committees. (See page 46 *Governance* section for more details on the operation of these committees). It is supported at an operational level by operations-based Transformation Committees, Stakeholder and Sustainable Development Committees, Safety, Health and Environment Committees and Union Branch Committees.

Of particular importance is that the process of sustainable development does not take place in isolation, but rather that it is influenced by and takes cognisance of the primary stakeholders in the business, namely communities, employees, shareholders, business partners and government.

Group sustainable development champions have been appointed to key identified areas and make up the group's Sustainable Development Forum.

Sustainable Development Forum



Sustainable development reporting



How Implats manages sustainable development (continued)



An integral part of the management of sustainable development and, in particular, the identification of material issues has been the alignment of the management of sustainable development with the risk management discipline. The process of risk management is discussed more fully in the *Governance* section on page 46; and in the Annual Report on page 102.

The National Environmental Management Act requires consideration of the precautionary approach in respect of environmental management. This approach is entrenched within Implats' Environmental Management Systems (EMS).

The following principles and criteria have been identified by the Sustainable Development Forum as critical to the delivery of Implats' vision of sustainable development and its achievement in the medium to long term.

Principle 1	Optimise the contribution of the group to national sustainable development.
Principle 2	Contribute to the socio-economic development of communities.
Principle 3	Promote human rights and equality, and expand opportunities for HDSAs.
Principle 4	Develop and strengthen health and safety programmes and initiatives.
Principle 5	Promote responsible best practice and integrate sustainable development policy within decision-making.
Principle 6	Contribute to achieving efficient patterns of production and consumption.
Principle 7	Reduce and/or minimise the impact on natural capital and life support of ecological systems.
Principle 8	Develop effective partnerships and communication networks to promote good governance.
Principle 9	Assist leadership role players (in government and elsewhere) in fulfilling their mandates.

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:

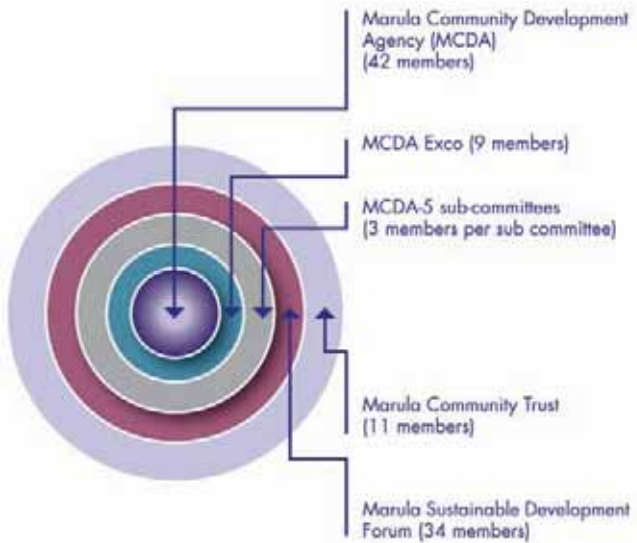
- the IJCF executive committee. This is made up of 10 members and meets on a monthly basis or as and when required to discuss issues that flow from the IJCF and its sub-committees.
- the IJCF sub-committees. Four IJCF sub-committees deal with:
 - procurement,
 - Health, safety and environment, HIV & 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.

Policies

In line with the group's revised approach to sustainable development and, taking into consideration new commitments made by the group, a number of Policy Statements have been reviewed and revised during the year and new policies have been drawn up. A full suite of policies is available in pdf format on the company's website at www.implats.co.za.

For the first time the group has adopted an overall Sustainable Development Policy Statement which has drawn on international good practice (including the principles of the International Council of Mining and Metals (ICMM)) and in compliance with legislation. Given the significance of this undertaking in FY2009, this is reproduced in full below.

IMPLATS
Sustainable Development

Sustainable Development Policy Statement

Having chosen mining as our primary activity, we are committed to work towards the best possible outcomes for our stakeholders, including the environment, employees, communities, and the wider society. We are committed to the following principles:

- Our business and operations are socially and environmentally sound.
- Our business practices are ethically, socially and legally compliant.
- Our business practices are financially, safe and economically sound.

To achieve worldclass sustainable development in our sphere of influence we are committed to:

- Incorporating our sustainable development principles and implementing our strategy in all our business practices and investment decisions.
- Implementing and maintaining integrated risk management strategies and control mechanisms for the safe management of sustainable development risks and mitigating procedures.
- Implementing and maintaining ethical business practices and sound corporate governance processes.
- Implementing and maintaining effective stakeholder engagement.
- Developing and maintaining effective relations with our employees and employee representatives.
- Engaging with our stakeholders in a transparent and timely manner through formal and informal engagement structures.
- Safeguarding the health and safety of all our stakeholders, and striving for zero harm.
- Instilling policies and business practices that attract, and uphold, fundamental human rights.
- Implementing and maintaining meaningful and sustainable local community development programmes that address the needs of communities.
- Seeking continual improvement in environmental performance, specifically in optimising energy and water utilisation, conserving biodiversity and minimising any negative impacts from our operations on the environment.
- Facilitating and encouraging responsible product use, reuse and recycling.
- Implementing social transformation policies and practices in line with relevant legislation and in the interests of creating a diverse and balanced workforce.
- Accurately measure, record, independently verify and report on all material sustainable development issues on a regular and transparent basis.

D. H. BROWN
Chief Executive Officer
November 2008

Other policy statements that have been amended/developed during the year are the Occupational Health and Safety Policy Statement; the Environmental Policy Statement and the Human Rights Policy Statement. These are available in downloadable format on the website.



Human Rights Policy Statement

Implats Platinum Holdings Limited (Implats) is a provider of platinum and associated metals products. We are committed to ensuring our operations, mining, processing and distribution are in compliance with and upholding the human rights of our employees, suppliers, clients, local communities and global citizens.

To address human rights practice within our sphere of influence in a sustainable manner we are committed to:

- Treating all of our stakeholders fairly and with dignity, irrespective of race, colour, gender, language, religion, political affiliation, national or social origin, or other status.
- Recognising and upholding the rights of employees to freedom of association and collective bargaining.
- Recognising and upholding the rights of our employees and other stakeholders before the law, including the right of indigenous people, resulting in to meet our operations.
- Non-engaging in child, forced and/or compulsory labour.
- Recognising the rights of our employees to fair treatment and to be represented according to agreements made with trade unions in their representative areas.
- Recognising the importance for change and realisation in some of the countries in which we operate.
- Treating our own security personnel with care and that have been trained to uphold our human rights policy.



S. H. BROWN
Chief Executive Officer
November 2008



Occupational Health & Safety Policy Statement

Implats Platinum Holdings Limited (Implats) is a leading provider of platinum and associated metals products. We are committed to ensuring our operations, mining, processing and shipping operations, are in compliance with and upholding the occupational health and safety of our employees, contractors, suppliers and clients, and the community in which we operate.

To achieve world-class occupational health and safety performance we are committed to:

- Complying with all applicable legal requirements and striving to exceed these requirements.
- Implementing formal systems and measures to reduce our risk levels.
- Educate, train and develop for employees to ensure that each person is able to apply his or her skills to ensure a healthy and safe work place.
- Continuously improve our efforts to reduce occupational health and safety hazards.
- Reduce the prevalence of HIV/AIDS, TB, and other public health threats through our employees and our local communities through awareness, education and care.
- Monitor open and transparent dialogue with all our stakeholders in respect of occupational health and safety issues, and to actively involve workers' representatives in the management of health and safety.

This policy and associated measures that this policy encompasses will be regularly reviewed and continually improved in line with the latest occupational health and safety best practice.



S. H. BROWN
Chief Executive Officer
November 2008



Environmental Policy Statement

Implats Platinum Holdings Limited (Implats) is a leading provider of platinum and associated metals products. We are committed to ensuring our operations, mining, processing and shipping operations, are in compliance with and upholding the environmental requirements of our employees, contractors, suppliers and clients, and the community in which we operate.

To achieve world-class environmental performance in a sustainable manner we are committed to:

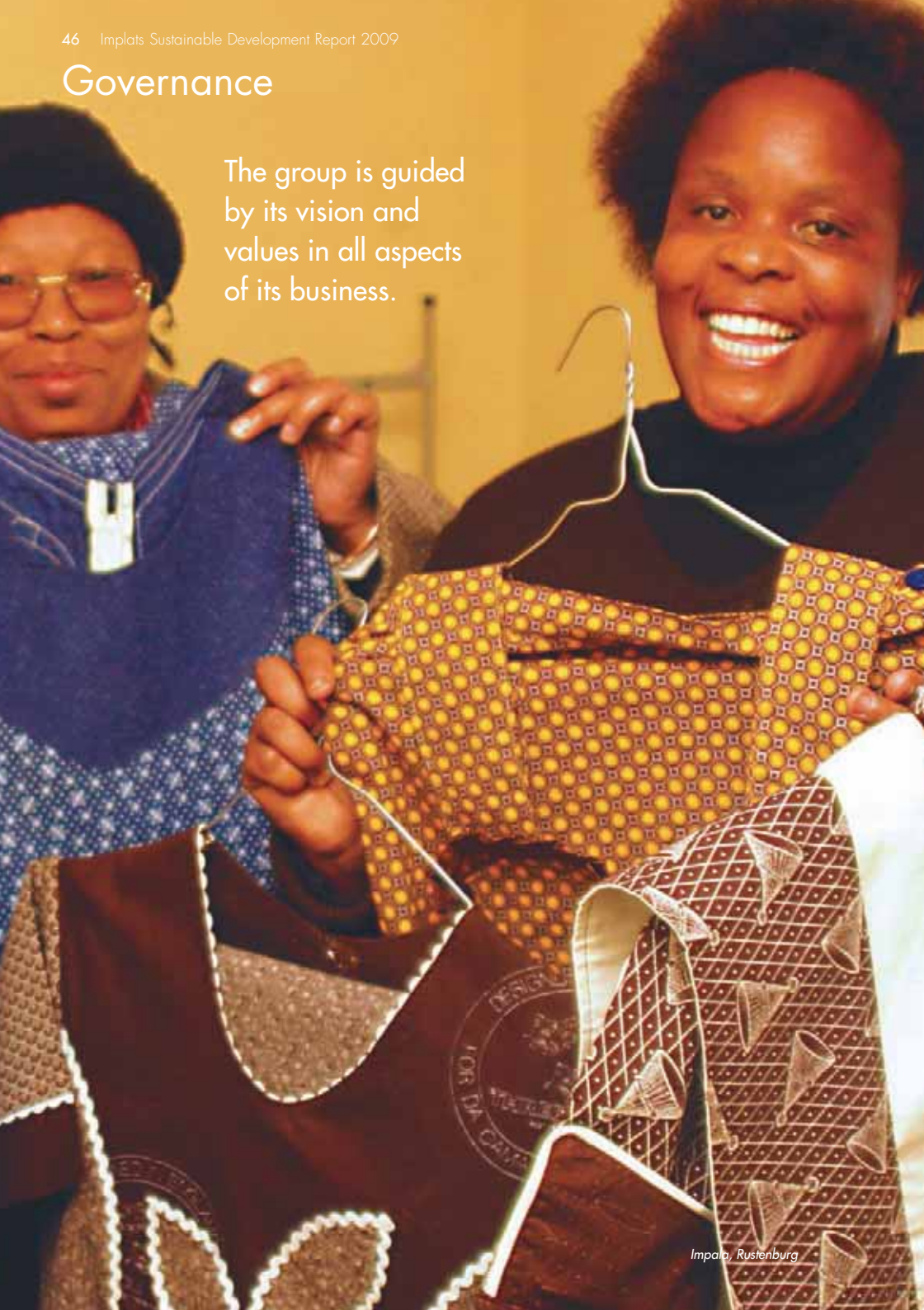
- Complying with all applicable legislation and other requirements to which our operations are subject.
- Maintaining responsible ownership by upholding world-class standards across the globe.
- Proactively identifying and managing significant environmental issues in order to:
 - minimise emissions to atmosphere;
 - minimise the release of effluent;
 - manage our water consumption;
 - minimise our energy consumption;
 - minimise our land use;
 - protect cultural heritage resources.
- Meeting environmental objectives and regulatory compliance through our employees and ensuring environmental compliance in the community.
- Engaging with all interested and affected parties towards the shared goal of improving the environment.
- Setting objectives and, where possible, quantitative targets, to eliminate or reduce the environmental impact of our operations and the generation of pollution.
- This policy and associated objectives and targets will be regularly reviewed to ensure that this statement reflects our commitment to continually improving our environmental management systems and performance.



S. H. BROWN
Chief Executive Officer
November 2008

Governance

The group is guided by its vision and values in all aspects of its business.



Corporate governance in South Africa is regulated by the King Report on Corporate Governance 2002 (King II). The JSE Limited endorsed the King II Report by requiring disclosure of compliance and non-compliance (and the reasons therefore) in the JSE Listings Requirements. Implats complies in all respects with the provisions of the King Report. For full details see the Annual Report 2009 at www.implats.co.za.

The following summary information is reported, in response to GRI and with specific reference to sustainable development governance.

Composition and responsibility of the board, and board sub-committees

At the end of June 2009, the board comprised 13 directors, seven of whom were independent non-executive directors, two were non-executive directors and four were executive directors. The chairman, Dr Fred Roux, is an independent non-executive director and the roles of the chairman and CEO are separate.

The role of the board is regulated by a formal board charter which defines matters reserved for board approval. A formal approval framework is in place which defines the powers and authority of the board and management. The board charter is available on the company's website, www.implats.co.za.

Board functions are supported by the following committees of the board:

- Audit Committee
- Remuneration Committee
- Nominations Committee
- Transformation Committee
- Safety, Health, Environmental and Quality (SHEQ) Audit Committee

All board committees have varying degrees of responsibility for matters pertaining to sustainable development, but ultimate responsibility remains with the board.

A two-year evaluation process of the board, board chairman, board committees and committee chairmen began in 2009 and will conclude in 2010.

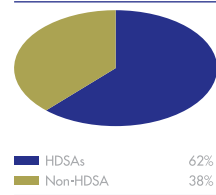
All senior management and executive director compensation is linked to performance as measured against agreed Key Performance Indicators (KPIs) and is reviewed at least once a year. These KPIs are specific to their area of discipline and are linked to environmental, economic and social aspects.

Safety, Health, Environmental and Quality Audit Committee

There are five members of the SHEQ Audit committee, including the CEO and an external consultant. Members of management are

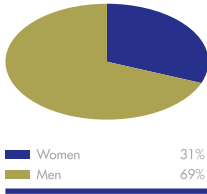
Implats complies in all respects with the provisions of King II

Board composition – HDSA representation (30 June 2009)



Governance (continued)

Board composition – women (30 June 2009)



invited to attend the meeting as necessary. The committee is chaired by Dr Khotso Mokhele (independent non-executive director). In terms of its mandate, the committee's role is to monitor and review health, safety and environmental performance and standards and to provide advice and guidance on management's efforts in this regard.

The committee meets at least once a quarter. At least two of these meetings per annum are held on operational sites.

Transformation Committee

This committee comprises ten members, three of whom are independent non-executive directors, a non-executive director, four executive directors and two executives. The committee is chaired by Dr Khotso Mokhele (independent non-executive). The Transformation Committee is responsible for monitoring progress in achieving a transformed workforce. In particular, it is responsible for:

- advising and guiding the board in any decision-making process relating to transformation;
- guiding the organisation on issues of transformation;
- consulting all role players to ensure commitment and the adoption of an inclusive approach in addressing transformation issues;
- providing quality assurance regarding the implementation of all transformation processes; and
- ensuring transparency in communication.

The challenge of achieving the company's strategic imperative of becoming a transformed workplace hinges on it meeting and exceeding its targets and the numerical goals set as per the Employment Equity Act, the Minerals and Petroleum Resources Development Act (MPRDA) and the related Mining Charter.

Risk management

The board has ultimate responsibility for establishing a framework for internal controls, including appropriate risk management and good corporate governance frameworks and systems. Implats has established key controls that focus on critical risk areas identified by line management, facilitated by risk management, assessed and evaluated by the internal audit function. Every critical risk and control, as well as any associated tasks, have a designated line management 'owner'. The controls are designed to provide a cost-effective assurance that Implats' assets are safeguarded and that liabilities and working capital are efficiently managed. Established organisational policies, procedures, standards, guidelines, structures and delegation frameworks provide appropriate levels of direction, accountability and segregation of responsibility, which facilitate self-checking and monitoring mechanisms. Internal audit, in partnership with senior management, monitor these controls and risk management processes.

Group internal audit is an independent, objective assurance that delivers substantial benefits to Implats by primarily focusing on systems of internal control, resulting in better risk management and good governance as well as the achievement of set business objectives. Matters pertaining to sustainability are an integral part of the risk management process. The strategic risks which have been identified by the group and the areas of focus are listed on page 109 of the Annual Report 2009. A comprehensive discussion on risk factors may be found on the website at www.implats.co.za.

Code of ethics and conflicts of interest

Implats has in place a Code of Business Practice, to which all employees and suppliers are expected to adhere. The policy outlines the management of conflicts of interest, the prevention of dissemination of company information, the rules for the acceptance of donations and gifts, and protection of intellectual property and patent rights of the company. The policy outlines the disciplinary action (including dismissal or prosecution) which will be taken in the event of any contravention.

A 'whistle-blowing' tollfree helpline is in place to facilitate the confidential reporting of alleged incidents which are reported to the chairman of the board. (See page 50 of the *Economic performance* section). Board members declare their interests (if any) on a regular basis.

Relations with shareholders and employees

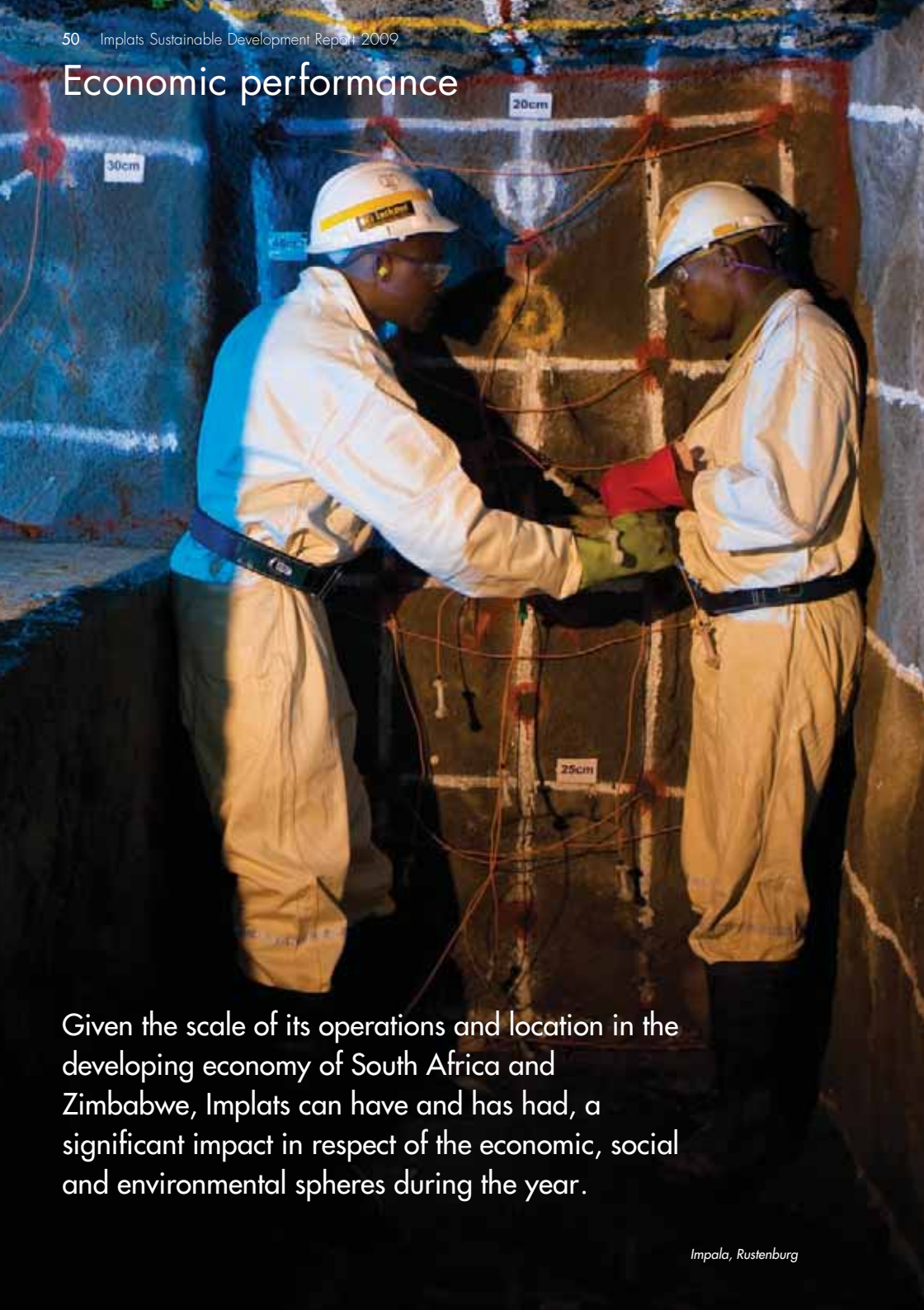
Investors, fund managers, analysts, the media and the market are kept fully, timeously and openly informed of all developments. Implats communicates regularly with shareholders and other stakeholders regarding its financial and operational performance. Communication with interested institutional and private investors pays due regard to the statutory and regulatory requirements on the communication of price-sensitive information by the company and its officers. Shareholders may raise issues with management formally through the annual general meeting, or through the investor relations function at any time.

Similarly, a comprehensive communication programme is in place to communicate with employees on an ongoing basis, and in respect of certain events. This is done through face-to-face communication, briefs, newsletters, videos, email, intranet, etc. Employees may raise issues of concern through their line managers, through an employee hotline or through the whistle-blowing process (should they wish to remain anonymous).

Commitments to external initiatives

Implats is committed to reporting in line with GRI. The group is a signatory to the UN Global Compact. In FY2009, Implats was again admitted to the JSE Limited's Socially Responsible Investing (SRI) Index.

Economic performance



Given the scale of its operations and location in the developing economy of South Africa and Zimbabwe, Implats can have and has had, a significant impact in respect of the economic, social and environmental spheres during the year.

Highlights	<ul style="list-style-type: none"> • Group continues to be profitable – value-added in FY2009. • Progress on Impala maintenance projects – 16, 17 and 20 shafts. • Zimbabwean operations performing well, despite tough economic climate. • Continued progress with affirmative procurement – R4 billion spent with HDSA/BEE vendors during FY2009. • Mining rights conversions achieved for all South African operations.
Disappointments	<ul style="list-style-type: none"> • Production declines to 1.7 million ounces of platinum. • Global financial crisis has significant negative impact on markets, and prices for metals and hence revenues decline. • Share price performance suffers in line with international markets, with impact for employees and shareholders. • Certain capital projects delayed.
Opportunities	<ul style="list-style-type: none"> • Global markets expected to recover, with medium to longer term outlook for metals positive. • Implats consolidates dominant position in industry in South Africa and Zimbabwe. • Opportunities identified for the group in respect of climate change. • Group's rapid response to global financial crisis will ensure continued sustainability of operations.

Management approach

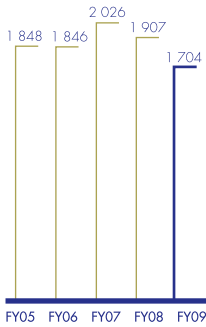
To put into effect its vision to be the world's best platinum-producing company, by delivering superior returns to its shareholders relative to its peers, the Implats group has developed a significant set of assets and skills in South Africa and Zimbabwe. Strategic plans are in place to achieve medium and long-term goals. The objectives of the group and its operational and growth plans are discussed extensively in the Annual Report, particularly, in the Chairman's letter (pages 16 to 23) and the CEO's review of the year (pages 24 to 31).

Given the scale and location of its operations in both South Africa and Zimbabwe, Implats has a significant economic impact on many of its stakeholders (investors, employees, local communities, government, etc), not least by providing employment, the payment of taxes and through the procurement of goods and services.

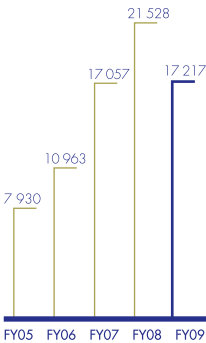
During the past year however, the extent of this impact was affected by external factors – the global financial crisis and

Economic performance (continued)

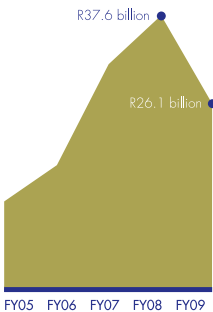
Platinum production (oz)



Revenue per platinum ounce sold (R/oz)



Revenues decline (Rm)



economic downturn – the most telling features of which were the performance of:

PGM prices: Following the commodity boom in the first half of calendar year 2008 when the platinum and rhodium prices peaked at all time highs, the US sub-prime crisis triggered a collapse in global financial markets and the worst economic recession of recent times. This in turn had an immediate and adverse impact on vehicle sales in the United States and Europe especially, as a result of which demand for PGMs slumped. A positive consequence of the lower prices was that investors and Chinese jewellery manufacturers and retailers were enticed to re-enter the market, with the result that by yearend, PGM prices had regained some of the ground lost earlier in the financial year. See the Market Review section in the Annual Report for a more detailed overview of the PGM market in FY2009.

Rand/dollar exchange rate: The volatility of the rand on exchange rate markets in the first half of the financial year reflected prevailing economic conditions. The rand/dollar exchange rate reached a low of R11.93/\$ in October 2008 but by financial year-end had strengthened to close the year at R7.76/\$, as compared to R7.93/\$ as at 30 June 2008. Overall, the rand was weaker year-on-year with an average exchange rate for the year of R8.63/\$ (FY2008: R7.32/\$). Revenue received per platinum ounce sold for FY2009 was \$1 995/oz (FY2008: \$2 941/oz), and in rand terms, R17 217/oz (FY2008: R21 528/oz), declines of 32% and 20% respectively, thus illustrating the cushioning effect to the company of the relatively weaker rand for much of the year.

Implats' financial performance is vital to its sustainability and this too is reported in detail in the Annual Report. Its financial performance in turn determines the ability of Implats to contribute to the sustainability of local and national economies, both in Zimbabwe and in South Africa. A critical factor in determining the longer-term sustainability of the company is the balance between the company's growth projects and capital expenditure (maintenance and growth) and cash.

Performance in 2009

Key areas of performance

Key operating parameters are indicated below, and depicted in the graphs.

- Production was down on the year, largely as a result of operational constraints at Impala. Group platinum production

fell by 10.6% and overall PGM production by 7.8%. Nickel production remained relatively steady at 14 500t as compared to 14 800t in FY2008.

- In line with prevailing economic conditions, prices received for the year were down. Average PGM prices for the financial year were:

	FY2009	FY2008
Platinum	\$1 219/oz	\$1 598/oz
Palladium	\$263/oz	\$390/oz
Rhodium	\$3 517/oz	\$6 963/oz
Nickel	\$12 995/t	\$30 253/t

- Sales revenue generated for the year totalled R26.1 billion, down by 31% year-on-year, while gross profit was 45% lower at R9.8 billion.
- Unit cost increased by 32% to R9 129 per platinum ounce, a result of the reduced levels of production for the year and inflationary pressures. The cost of major consumables escalated sharply – coal costs rose by 65%, that of explosives by 23% and of mill balls by 53%.
- Group capital expenditure for the year totalled R6.9 billion (FY2008: R5.4 billion), the bulk of this was spent at Impala (R5 billion) and at Zimplats (R1.4 billion).
- Dividends paid declined for the year to 320 cents per share (FY2008: 1 475 cents per share).

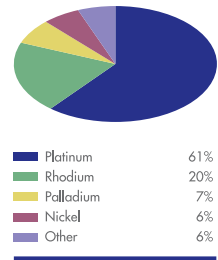
Further details on the financial and operational performance of the company are presented in the Annual Report which also contains the audited annual financial statements. The Annual Report is available either on the corporate website, www.implats.co.za, or as a printed document. For a detailed discussion of Implats' financial performance in the 2009 financial year, see the Financial Review section on page 44 in the Annual Report 2009.

Analysis of customers

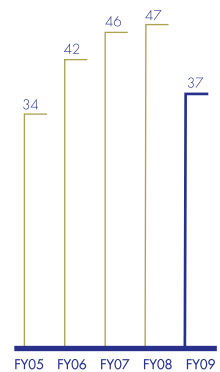
The PGMs and base metals produced by Implats are sold to various customers, both in South Africa and around the world. (See the section on *Product responsibility* on page 102 for additional information on the forms in which Implats products are produced and sold, and on beneficiation).

Implats' regular customers are to be found largely in Japan, Europe, the United States and South Africa. Occasional sales of product have been made to countries such as Korea and China.

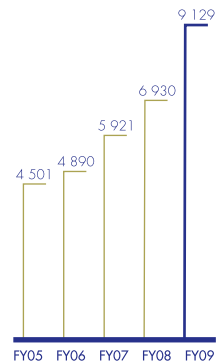
Contribution to revenue by metal



Gross profit margin (%)



Cost per platinum ounce excluding share-based payments (R/oz)



Economic performance (continued)

In general, countries which the company chooses to trade with are selected so as to limit the credit risk to the company. Sales are made to both end users and intermediaries.

Implats sells to a range of customers in the automotive and automotive-related industries, the industrial, jewellery and chemical sectors as well as trading companies such as Heraeus Ag in Germany; Sojitz, Sumitomo and Mitsui in Japan. Sales by sector largely reflect the global split in end use of PGMs. Customers in South Africa and the United States are mostly in the automotive and related sectors while those in Japan and Europe are across the board.

Most of the platinum sold by Implats is in the form of sponge (a coarse powder) as is all of the palladium and rhodium sold. The balance of the platinum sold is in the form of ingots which are sold to jewellery manufacturers and trading houses. These 150 -160-ounce bars qualify for GLZD (Good London Zurich Delivery) status. Sponge does not qualify as GLZD as the containers in which it is sold are not tamper-proof, although every effort is made to ensure that the product sold is delivered exactly to specifications.

Nickel is mostly sold in the form of briquettes to the South African stainless steel industry as well as the Japanese battery industry for use in hybrid vehicles. The copper produced as a by-product is sold in the form of 1m² cathode sheets, with around half sold in South Africa and half in Europe, for use in blends and alloys in industrial-type applications.

Adding value

In mining, processing, refining and selling the PGMs it produces, Implats generates and creates value for many of its stakeholders as:

- Salaries/wages are paid to employees.
- Shareholders receive dividends and growth on the share price.
- Governments receive taxes and royalty payments.
- Suppliers and contractors are supported through the procurement of consumables, services and capital goods.
- Communities benefit through employment, job creation - socio-economic development.

The value added statement below presents a breakdown of the economic value generated by Implats in FY2009. The current global economic downturn curtailed Implats' ability to create value in FY2009 as compared to FY2008.

Value-added statement for the year ending 30 June (R million)

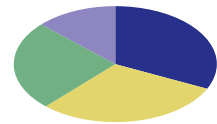
	FY2009	FY2008
Sales	26 121	37 619
Net cost of products and services	(11 745)	(14 067)
Value added by operations	14 376	23 552
Income from investments and interest	1 004	6 198
Total value added	15 380	29 750
Applied as follows to:		
Labour and other	5 143	4 077
Share based payments	(717)	1 060
The state as direct taxes	3 389	5 112
Royalty recipients	442	648
Providers of capital	7 946	6 299
Financing cost	140	135
Non-controlling interest	(16)	109
Dividends	7 822	6 055
Total value distributed	16 203	17 196
Re-invested in the group	(823)	12 554
Amortisation	979	1 013
Reserves retained	(1 802)	11 541
	15 380	29 750

Payments to employees

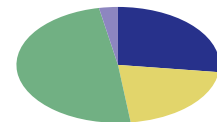
In FY2009, a total of R4.4 billion was paid to employees in South Africa and Zimbabwe in the form of salaries, wages and fringe benefits (FY2008: R5.1 billion). In addition, many non-financial incentives and benefits are available to employees. A key feature of Implats' socio-economic development programme is to ensure that benefits are felt in the communities around Implats' operations and those from which the company draws its employees.

A key impetus for the group during the year under review has been to improve the living conditions of employees and, to this

Total value distributed (FY2008)

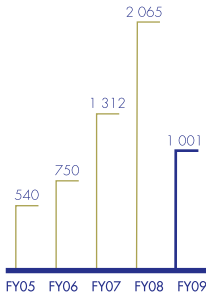


Total value distributed (FY2009)

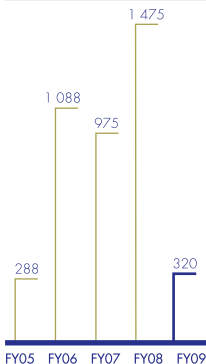


Economic performance (continued)

Headline earnings per share (SA cents)



Dividend per share (SA cents)



end, some R2.5 billion has been committed over a period of five years to provide and upgrade employee housing and living conditions. (See the *Socio-economic development* section on page 128 for further information.) Around 91% of the group's employees have a direct economic interest in the group through a share incentive scheme and through the group's Employee Share Option Programme (ESOP). (See discussion on page 64).

Distributions to shareholders

Shareholders have enjoyed significant economic benefit from the group. This continued in FY2009 when, despite the global financial crisis, Implats has continued to deliver a solid financial performance, albeit down on the prior year's spectacular performance. Earnings per share and dividends per share (in South African rands) are shown in the graphs alongside, as well as the five-year and one-year share price graphs.

The group's management participate in a share incentive programme. A further approximately 28 000 employees at Impala Platinum Limited (that is Impala Rustenburg and Impala Springs) and Marula Platinum participate in an ESOP that is designed to deliver long-term rewards to employees from the share price performance of the company, while at the same time minimising their risk. At year-end the value of the shares held by the ESOP showed 97% growth from the original price. This is compared with R3 billion at inception in 2006 and R5 billion as at the end of June 2009.

Political donations

Implats continued to abide by its policy of not making political donations, either directly or in-kind, and no donations were made during the year.

Significant legal issues

There were no significant legal issues either in progress or pending at year end.

Capital investment programme

Capital investment remains critical for the development and sustainability of the company. While Implats has been a significant investor in the PGMs industry in recent years, the current global economic downturn and market conditions have resulted in a reassessment of the capital expansion programme, given that demand for Implats' products has declined in the past year.

Nevertheless, processing capacity has been increased to 2.8 million ounces per annum at the current merensky to UG2 ratio and refining capacity to 2.3 million ounces of platinum per annum in line with the groups long-term plans, which will position the group to take full advantage of an economic upturn as and when this happens.

In FY2009, Implats spent R6.9 billion on capital programmes to maintain and increase production. These were:

- Impala – maintenance expenditure of R2 billion at 16, 17 and 20 shafts and R900 million at existing operations (11, 12 and 14 shafts).
- Zimplats Phase 1 – expansion expenditure of R1 billion (\$115 million).
- Marula UG2 conversion – maintenance expenditure of R120 million).

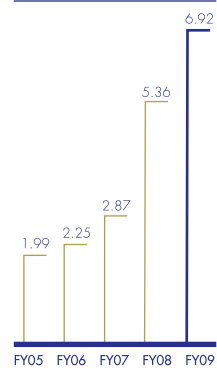
The five-year programme to achieve platinum production of 2.1 million ounces by FY2014 has been revised in line with the group's cash preservation programme. This will involve expenditure of R23 billion at all operations maintaining their production profiles.

The cash preservation programme involved reviewing the project pipeline, capital expenditure and operating costs. Given current market conditions it was deemed prudent to defer certain long-lead projects until market conditions improve. An in-depth analysis of the group's five-year R30 billion capital expansion programme resulted in it being reduced by R7 billion. Development of the 16, 17 and 20 shafts at Impala Platinum will continue as will the Zimplats Phase 1 expansion. The latter is currently commissioning, with \$39 million (R337 million) to be spent in FY2010, mainly on the concentrating facility and the provision of housing. Both the Marula Merensky programme and the Leeuwkop Project have been put on hold.

Economic transformation

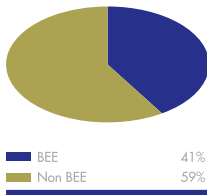
Implats remains committed to broad socio-economic transformation, both in South Africa and Zimbabwe. The Transformation Committee, a board sub-committee, is responsible for the targets and performance regarding transformation, which is actively monitored in three main areas, namely, ownership, procurement and internal transformation.

Group annual capital expenditure (Rbn)

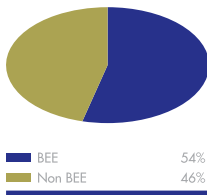


Economic performance (continued)

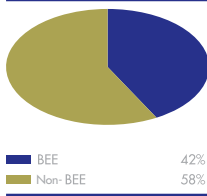
BEE consumables spend as a % of total consumable spend (South Africa)



BEE services spend as a % of total services spend (South Africa)



BEE capital spend as a % of total capital spend (South Africa)



* Discretionary procurement is defined as total procurement less procurement from public sector vendors (rates and taxes), utility service providers (electricity), academic institutions, pass-through payments (medical aid contributions, legal fees) and sponsorship vendors.

Black economic empowerment (BEE) ownership

Implats recognises that the transformation of the equity ownership of the company is a key strategic goal for the economic transformation of the societies in which it resides. In South Africa, the group has fully met the equity ownership objectives of the MPRDA. Implats' BEE partners are drawn from a wide range of groups, from the significant stake in the group held by the Royal Bafokeng Holdings (RBH), to smaller BEE companies and community groups, to the 28 000 South African employees that hold a stake in the group's ESOP. In Zimbabwe, Implats recognises that there is a local transformation imperative and remains in discussion with the Zimbabwean government on the optimal level of local ownership, without stifling investment.

Transforming the procurement base

In line with the requirements of the Mining Charter and in the interests of good business, Implats has in place a policy of preferential procurement which has as its basis the granting of preferential status to suppliers identified and accredited as being historically disadvantaged South African (HDSA) or qualifying as BEE candidates. The aim of this policy is to support and encourage the growth and business development of such suppliers.

Total group procurement for the year was R13 billion (FY2008: R10 billion), an increase of 32%. Total discretionary procurement* for the year was R9.1 billion, at 73% of total procurement (FY2008: R7 billion). Of the total discretionary spend, R4 billion or 45% was spent with vendors with BEE/HDSA ownership of greater than 25%, an increase of R1.3 billion on FY2008 (FY2008: R2.9 billion or 41%).

The group's performance against the combined commitment of its SLPs continues to reflect a positive trend as reflected in the graph on page 60. The SLP target in FY2008 was 34% and 36% in FY2009.

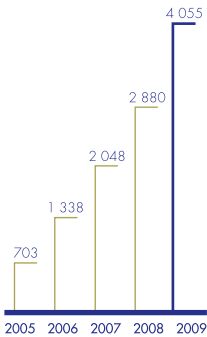
HDSA/BEE procurement (HDSA/BEE ownership > 25%) by commodity as a percentage of discretionary procurement (South Africa)

	FY2009	FY2008	FY2007
Capital	22%	19%	13%
Consumables	10%	9%	10%
Services	13%	13%	14%
Total South Africa	45%	41%	37%



Economic performance (continued)

HDSA/BEE procurement spend >2.5% (South Africa) R million



The group promotes the procurement from vendors within the province of operations (defined as local). See list of BEE/HDSA vendors on website at www.implats.co.za. Although the overall performance is constant, a special effort was made to increase the Marula local BEE/HDSA spend which resulted in an improvement year-on-year. Total local procurement in FY2009 was R5 billion (FY2008: R4 billion) or 43% of total procurement.

The most significant increase in BEE procurement was in the capital category which is attributed to a focused drive to increase the engagement of BEE contractors and suppliers in capital projects. This has been particularly effective in capital projects such as the housing and singles' quarters upgrading programmes (see page 129 and BEE Housing Vendors case study on website at www.implats.co.za). Of particular significance in the initiative has been the engagement of ten new BEE contractors for the housing projects, eight of which are locally-based. Expenditure with these companies rose from R15 million in FY2008 to R156 million in FY2009.

Local provincial procurement as a percentage of total procurement (all suppliers)

	FY2009	FY2008	FY2007
Impala Rustenburg	42%	42%	43%
Impala Springs	82%	66%	74%
Marula	16%	8%	4%
Total South Africa	43%	42%	44%

The number of preferred vendors with which Implats conducted business in FY2009 also continued to increase, rising by 12% to 733 (FY2008: 657). These increases contributed towards the improvement in total BEE/HDSA spend during the year.

Internal transformation

Internal transformation encompasses changing the demographic base of the group at all levels to more accurately reflect that of the regions in which it operates. This encompasses the recruitment, education and training and development of HDSAs and women in mining in particular. The targets set in terms of internal transformation (and procurement) align with those in the Mining Charter and its scorecard. Progress in this regard is reported in the Human Capital section of this document on page 63.

Corruption and fraud

In line with Implats' values, employees, business partners, contractors and associates are expected to conduct themselves with the highest levels of integrity and in line with the company's code of ethics. A zero tolerance approach is maintained against dishonesty, fraud, corruption, theft and misconduct. A detailed code of ethics underpins the group's fraud policy, both of which are fully compliant with the Prevention and Combating of Corrupt Activities Act of 2004.

The executive and line management are responsible for the implementation of the fraud policy, code of ethics and the resultant procedures.

A number of allegations were reported through the Whistleblowers' line, some were reported directly to senior management and Group Internal Audit. In line with the Fraud Policy, Group Internal Audit investigates all such cases and, for tracking purposes maintains a register. In FY2009, two allegations of tender fraud were investigated and confirmed resulting in the vendor contract been repudiated.

Allegations made and investigated by Group Internal Audit in FY2009

Allegations made	Confirmed	Disciplinary action taken
Tender fraud	2*	1
Sexual harassment	1	1
Non-adherence to safety rules	1	1
Conflict of interest	1	1

* 1 disciplinary hearing was still ongoing at the time of publication

Objectives

The group's economic performance is a fundamental key towards sustainable development. Key strategic objectives include:

- Increasing production to 2.1 million ounces by FY2014.
- Ensuring that value continues to be added to a broad spectrum of stakeholders.
- Continued roll-out of procurement programmes, with an emphasis on achieving both the Mining Charter targets and encouraging local entrepreneurial activity and transformation.

Social performance – Human capital



Highlights	<ul style="list-style-type: none"> • 53 261 people employed in FY2009 (employees and contractors). • Employee turnover showed signs of decreasing in the latter half of the year, as a result of interventions and the global financial crisis. • Robust and positive collective bargaining structures in place, with no significant break-downs in relations during the year.
Disappointments	<ul style="list-style-type: none"> • Employee turnover – at 7.8% - remained higher than desired in certain employment categories, but lower than the 8.9% in FY2008 overall. • Progress in promoting HDSAs in management and women in mining was disappointing, with targets not achieved.
Opportunities	<ul style="list-style-type: none"> • Further exposition of the Employee Value Proposition expected to reap rewards in the coming year.

Management approach

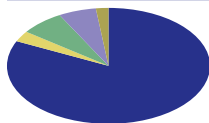
An organisational review project undertaken during the year resulted in a new structure being implemented at group level. This has an impact on both the operational structure and on reporting lines, with a fundamental split being implemented between operations and growth projects.

Implats remains a significant employer in the areas in which it operates, both of permanent employees and contractors. A continuing factor during FY2009 was the high level of contractor involvement in major capital projects and this is expected to start declining in FY2010.

As an employer, Implats aims to provide satisfactory careers and career development paths for all its employees and, given the requirements of the Mining Charter, particularly for those HDSA employees at the South African operations. Given the skills shortages that have prevailed in the industry in recent years, much emphasis is placed on skills development, and this is expected to continue in the year ahead.

Social performance – Human capital (continued)

Employee breakdown



Impala Rustenburg	82%
Impala Springs	3%
Marula	7%
Zimplats	6%
Mimoso	2%

While the management of people is a designated line function, central policies and practices are devised and monitored at a corporate level with specialists overseeing, for example, remuneration, employment equity, industrial relations, and training and development, among others.

Those human capital initiatives begun the previous year continued in FY2009 with the restructuring and streamlining of executive management, development of detailed labour plans in support of the company's planned growth and development, and increased managerial focus on cost savings.

In FY2009, greater emphasis was placed on the relevance of these initiatives in attracting and retaining the skills critical to the company's success and viability. The particular focus in FY2009 was on addressing operational under-performance as a result of the shortage of supervisory and skilled employees, which in turn had a negative effect on safety and productivity. The attraction and retention of the calibre of employee required was the focus of the recruitment, selection, reward and talent management programmes. There was a shift in emphasis to a consideration of the entire 'employee value proposition'. This is described as the relationship between the company and employees in a partnership in which individual contributions are recognised, so as to create an environment where employees feel valued and can grow and develop.

Monitoring of the recruitment process intensified so as to increase and ensure its effectiveness while employee remuneration and benefits were proactively benchmarked so as to monitor their competitiveness.

Performance in 2009

Employment created

At the end of FY2009 the Implats group employed a total of 53 261 people, made up of 36 000 employees (68%) and 17 261 contractors (32%). This was attributed to capital projects that were finalised and permanent employees employed. Unlike a number of its peers, Implats did not embark on any major restructuring and retrenchment programmes. It is anticipated that employee turnover will remain high in certain skills in FY2010. This is expected to affect particularly management and supervisory levels.

Total number of employees and contractors

Operation	2009			2008		
	Employees	Contractors	Total	Employees	Contractors	Total
Rustenburg	29 462	11 862	41 324	28 453	14 206	42 659
Impala Springs	1 006	904	1 910	1 007	1 172	2 179
Marula	2 512	998	3 510	2 493	1 098	3 591
Zimplats	2 136	3 323	5 459	1 584	3 998	5 582
Mimosa*	812	154	966	771	126	897
Corporate office	72	20	92	73	10	83
Group	36 000	17 261	53 261	34 381	20 610	54 991

* 50% Mimosa employees reported

Origins of employees

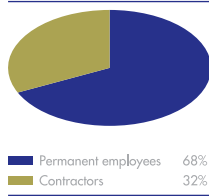
Preference is given to sourcing employees locally where possible. Given the historical structure of the South African mining industry and the migrant labour system, there remains a significant number of employees (15%) at the South African operations whose permanent homes are outside the borders of South Africa. While Implats does not discriminate against employees from other countries, it is the company's long-term goal that employees should be drawn from and housed with their families where this is possible, in the area of the operation. Implats' South African labour distribution is as shown in the table below.

Origins of employees (SA operations)

Area	Total	Rustenburg	Head Office	Marula	Refineries
Eastern Cape	4 679	4 452	0	179	48
Free State	749	693	0	36	20
Gauteng	1 510	709	66	52	683
KwaZulu Natal	634	552	0	24	58
Limpopo	2 459	396	0	1 955	108
Mpumalanga	326	179	1	104	42
North West Province	16 216	16 131	5	55	25
Northern Cape	1 656	1 648	0	3	5
Western Cape	19	15	0	4	0
Botswana	423	419	0	0	4
Lesotho	2 113	2 105	0	0	8
Mozambique	1 997	1 995	0	0	2
Swaziland	170	168	0	0	2
Zambia	1	0	0	0	1
Other	100	0	0	100	0
Total from South Africa	28 248	24 775	72	2 412	989
Total from SADC	4 804	4 687	0	100	17
Total	33 052	29 462	72	2 512	1 006

Social performance – Human capital (continued)

Employment breakdown
– June 2009



Employee retention

Employee turnover decreased to 7.8% in FY2009, higher than desired, at the Zimbabwean operations, and particularly in certain job categories. The shrinking job market within the South African mining industry as a number of mining companies have undertaken retrenchments and the increased focus on employee retention has paid dividends, with employee turnover levels declining in the second half of the year. Around 4% of the total turnover represents women in certain categories especially supervisory and technical positions.

Turnover levels (%)

Operation	All employees		Women FY2009
	FY2009	FY2008	
Impala Rustenburg	7.3	8.3	0.3
Impala Springs	8.6	9.1	1.4
Marula	10.0	13.1	0.4
Mimosa	6.2	11.9	–
Zimplats	10.7	10.8	–
Corporate office	11.1	5.5	6.9
Group	7.8	8.9	2.3

Key initiatives begun in FY2008 and continued in FY2009 were:

- A new accommodation strategy to uplift the housing and living conditions of the majority of employees, and in which the provision of quality accommodation (with associated infrastructure) is seen as a competitive advantage in attracting and retaining employees. See page 128.
- The third year of the group's ESOP in South Africa. See page 56.
- The Ama-Ching-Ching Bonus Scheme, which demonstrated some success during the first half of the year, was less successful in the second half. Declining operational performance during the year resulted in a decrease in payments to employees. A regular review of incentives to support business objectives allows for swift adjustments to circumstances.

In line with the group's aim to continue to improve its 'employee value proposition', a number of programmes and objectives have been put in place for implementation in FY2010, including:

- further alignment of employee benefits across the group. Benefits provided to employees include maternity and paternity leave, study assistance, medical aid and accommodation, pension and provident funds, among others;

- review of preferred compensation schemes, the Share Appreciation Bonus Scheme and the implementation of revised performance evaluation, all aimed at the retention of senior management;
- review of operational bonus parameters to ensure alignment with the group's business plan objectives;
- review of overall remuneration practices to ensure that they are highly effective and competitive; and
- the talent management programme.

Developing and managing talent

Much emphasis is placed on the education, training and development of employees at all levels to ensure that the skills necessary for sustainable and efficient functioning of the company and its operations are available. Training is conducted both internally and externally. Key indicators relating to training and development during the year for South African operations only:

- The total value of both external and internal training provided by the South African operations (excluding ABET) was R262 million (FY2008: R215 million including ABET).
- The total number of hours of external and internal training provided to South African employees (excluding ABET) was 2.8 million hours, which is some 84 hours per employee.
- The total value of ABET training provided by the group was R18 million (FY2008: R26 million).
- The total number of people trained (internally and externally) including ABET during the year was 23 734, about 72% of South African employees.

Human Resources Development centres located at Impala Rustenburg and Refineries retained their Mining Qualifications Authority (MQA) accreditation, as well as their ISO 9001 2008 Quality Management certification, enabling the group to deliver fully accredited and quality-assured training to employees. Marula's Human Resources Development Centre received this accreditation in March 2009.

Value of training provided (excluding ABET) – by operation (R000)

Operation	External		Internal		Total	
	FY2009	FY2008	FY2009	FY2008	FY2009	FY2008
Impala Rustenburg	18 638	11 397	199 569	130 038	218 207	141 435
Impala Springs	5 505	4 706	27 424	23 174	32 929	27 880
Marula	130	720	10 800	7 100	11 000	7 800
SA operations	24 273	16 823	237 793	160 312	262 136	177 115

Social performance – Human capital (continued)

Hours of external training (excluding ABET) – by operation (000hrs)

Operation	External		Internal		Total	
	FY2009	FY2008	FY2009	FY2008	FY2009	FY2008
Impala Rustenburg	70.8	79.5	2 438	1 761	2 509	1 841
Impala Springs	40	49.4	235	180	275	229
SA operations Excluding Marula	111	129	2 673	1 941	2 784	2 070

Number of people trained externally and internally (excluding ABET) – by operation

Operation	External		Internal		Total	
	FY2009	FY2008	FY2009	FY2008	FY2009	FY2008
Impala Rustenburg	670	663	20 529	725	21 199	21 838
Impala Springs	406	430	596	473	1 002	903
Marula	45	109	446	310	491	419
SA operations	1 121	1 202	21 571	1 508	22 692	23 160

Value of ABET, hours of ABET and number of employees received ABET – by operation (000hrs) (R000)

Operation	Value of ABET		Hours of ABET Afforded		Number of employees	
	FY2009	FY2008	FY2009	FY2008	FY2009	FY2008
Impala Rustenburg	11 315	23 055	194 184	345 504	939	1 220
Impala Springs	5 862	3 124	39 088	49 200	61	89
Marula	900	480	13 920	15 360	42	23
SA operations	18 077	26 659	247 192	410 064	1 042	1 332

Adult Basic Education and Training (ABET)

Given the low levels of literacy at the South African operations and the requirements of the Mining Charter regarding employee training and development, adult basic education and training (ABET) is a priority. The literacy level at Impala Rustenburg is currently 54.9%, 90% at Impala Springs and 87.9% at Marula. This represents a significant increase in those numbers reported in the prior year and is a reflection of the skills audit undertaken during the year at Impala Rustenburg, which resulted in the identification of a far greater percentage of employees who are literate. All employees at the corporate office and Zimbabwe operations are literate.

ABET is provided on both a full time (31% of total intake) and part time basis (69% of total intake). A total of 1042 individuals participated in ABET in FY2009 with 417 having been in the programme at the end of the year. Full time ABET is provided according to developmental and business plan needs. The provision of ABET and the fulfilment of the company's charter obligations are not without challenges: pass rates are low (25%) as training is frequently interrupted by periods of leave; attendees are fatigued after long and physically arduous shifts; and the quality and availability of part time facilitators varies. Two community-based ABET facilities (Boitekong and Thlahane) attracted little interest.

Talent development and management

Implats' talent management programme is based on two foundations:

- developing the group's own talent. This involves the development of people within the company, and is aimed at more senior positions, specifically key leadership, supervisory and technical skills. Talent planning (succession) and talent identification (talent pools) constitute the most important initiatives.
- recruiting external talent: To sustainably grow talent from within, it is important that the company selects the right mix of technical, social and leadership skills at entry level. In this regard, the leadership and graduate recruitment processes are critical.

The talent management programme includes career progression, individual development, mentoring and succession planning, and increased focus on technical training, graduate recruitment and performance management, all of which is aimed at ensuring an adequate future supply of the scarce and critical skills required by the industry in particular, and the economy in general.

Some 230 employees participated in this programme in FY2009. Efforts have been made to extend the depth of succession planning from the executive and senior management levels to middle management and supervisory levels.

Implats' Leadership Development Programme focuses on executive succession, identifying talented individuals with the potential to advance to the executive and board level. Full-time on-the-job development opportunities are offered to identified individuals and, in collaboration with GIBS, a tailored Intermediate Management Development Programme is offered. Some 28 employees participated in this programme, with 46% HDSAs and 21% women.

Social performance – Human capital (continued)

The supervisory/technical development programme focuses on mine, plant and project managers, shift supervisors, section engineers and plant engineering foremen. In FY2009, approximately 31 employees participated in this programme of which 87% were HDSAs and 29% women.

The recruitment element of the programme comprises the allocation of bursaries, learnerships and apprenticeships to deserving individuals.

A total of 14 new bursaries were awarded in FY2009 at a cost to the group of close on R1 million, primarily in the fields of mining and chemical engineering. Of the recipients, 46% were HDSAs and 15% were women. A further 16 bursaries were awarded as part of the group socio-economic development programme.

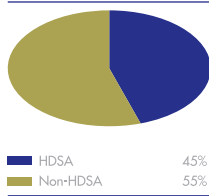
A total of 160 new learnerships were offered in 2009 as part of the company's skills development programme.

HDSA representation in management (South Africa)

	FY2010 Target %	FY2009 Total number of employees/ members	FY2009 HDSA % of total employees/ members	FY2008 HDSA % of total employees/ members
Board	40	8	67	62
Senior management	40	26	27	27
Middle management	40	299	48	47
Total management		333	45	45

* This includes white women

HDSA representation in management (South Africa)



Training at the Skills Development Centre (SDC) at the local technical high school in Rustenburg started in July 2008 with 60 learners from the school. A service level agreement was set up between the Impala Engineering Training Centre and the SDC, bringing the SDC to the norms and standards of the MQA. Basic off-the-job training is offered at the SDC is for diesel mechanics, electricians, fitters and boiler makers. Surveying will be added in FY2010.

In January 2009, the group of learners from the school was increased to 90 and they were joined by 38 students from the Impala Sports Academy (see page 127), bringing the total number of trainees to 128. The first matriculants completing school will be available for recruitment to Impala Rustenburg in November 2009.

Training is undertaken by the technical teachers at the school, at the end of the normal school day. The workshops are used by the school as part of the normal school curriculum in the mornings.

Employment equity

Transformation within the mining industry remains a national imperative. Implats is of the view that a 'transformed' organisation is one that is sustainable in the long term, and transformation is accorded a high priority within the group.

In line with Implats' commitment to meeting the targets set by the Mining Charter and its accompanying scorecard, a specific focus of the company's employment strategy at its South African operations is to attract, retain, educate, train, develop and promote HDSAs. HDSAs are defined in terms of the MPRD Act and the Mining Charter. This is also referred to as designated employees in terms of the Employment Equity Act and is inclusive of white women.

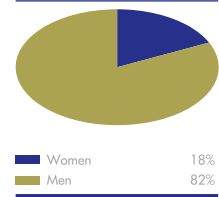
Women at Implats (South Africa)

	FY2010	FY2009		FY2008		
	Target %	Total employees/members	Total number of women employees	% of women in workforce	% of women in workforce	Total number of women employees
Board	10	13	4	31	31	4
Senior management	10	96	10	10	9	9
Middle management	10	629	120	19	19	115
Management sub-total	10	738	134	18	18	128
Skilled	10	4 343	400	9	9	336
Non-skilled	10	27 980	2 262	8	7	2 032
Total	10	33 061	2 796	8	8	2 496

Included in this are programmes related to talent management, the transfer of skills, preferential recruitment, accelerated training and a bursary scheme.

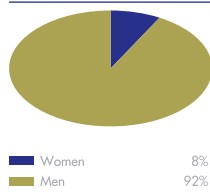
By end FY2009, 45% of total management were categorised as being HDSA (FY2008: 45%). This is compared with the Mining Charter target of having 40% of management being HDSA by 2009.

Women in management (South Africa)



Social performance – Human capital (continued)

Women in workforce (South Africa)



In South Africa, approximately 70% of the workforce is unionised

Women in mining

Implats is similarly committed to the employment of women in mining, for which the Mining Charter has prescribed a target of 10% by 2009. 'Women in mining' is defined as females employed in the core business of mining. In 2009, Implats employed 2 098 women in mining, which represents 7% of the total South African workforce. Programmes are in place to promote the employment of women in mining and include career and individual development planning, accelerated training, mentoring and promotional opportunities. Specific policies (pregnancy and sexual harassment policies) facilitate the employment of women in mining. Separate change-houses and ablution facilities have been provided.

As at 30 June 2009, 8% of the South African workforce comprised women (30 June 2008: 8.3%) with 18% of senior and middle management being women (FY2008: 18%).

A number of challenges exist in meeting the Mining Charter and SLP targets: A high percentage of women recruits fail the heat tolerance tests which all mineworkers need to pass before they may work underground, owing to innate biological disposition; new recruitments show a clear preference for surface employment and transfer when an opportunity presents; and women who are pregnant are immediately prohibited from working underground (in terms of legislation).

Employee relations

Employee relations at all Implats' operations falls within the ambit of the constitutions and prevailing legislation in South Africa and Zimbabwe. Much of this legislation is in turn guided by international regulations and conventions, including various International Labour Organization (ILO) declarations.

In South Africa, this legislation includes the Labour Relations Act, the Employment Equity Act, the Mine Health and Safety Act, the MPRDA and the Mining Charter. At an operational level within the company, specialist human resources, training and industrial relations personnel assist and advise line management in managing and developing human capital, and in ensuring legislative compliance.

In terms of the legislation, formal employee relations are mostly governed by collective bargaining processes that include a recognition agreements with the labour unions which represent



Social performance – Human capital (continued)

employees. Aspects covered include, among others, salaries and salary reviews, participation by employees or unions in various decision-making forums, notice periods for advising on significant organisational changes, among others.

In South Africa, approximately 70% of the Implats' workforce is unionised, or subject to collective bargaining agreements. The two major unions recognised here are the National Union of Mineworkers (NUM), representing 63.5% of employees, and the United Association of South Africa (UASA), representing 6.4% of employees.

In Zimbabwe, the National Labour Act governs employee relations. A collective bargaining agreement is negotiated at an industry level by the National Employment Council for the Mining Industry. About 86% of Implats' Zimbabwean workforce is covered by collective bargaining agreements. Workers' committees participate in operation-based interaction with management.

Percentage of workforce that is unionised, by operation (%) FY2009

Impala Rustenburg	70.3
Impala Springs	59.9
Marula	70.0
Average for SA operations	67.0

In terms of a two-year wage agreement entered into in July 2007 between the South African unions and the company, employees received a 12.1% increase for the second year (effective 1 July 2008) and a 12.6% at the lower levels. Wage negotiations for the next period began in June 2009.

Although official wage negotiations were not undertaken in Zimbabwe during the year, given the hyperinflation in the country, employee wages are reviewed frequently and significant increases granted at all levels.

With the exception of one unprotected work stoppage at Marula on 29 and 30 October 2008, involving 900 employees, no notable labour disruptions were recorded in FY2009.

Management and supervisory employee performance is appraised at regular intervals against a set of predetermined targets.

This takes place at various intervals, but at least annually as part of the skills management programme. Performance appraisals for employees at middle and senior management levels are used to determine annual performance-based increases.

It is group policy to ensure that there is no gender or racial discrimination regarding payments made to employees. It is practice to remunerate employees equally based on position, value to the organisation, market-related remuneration and individuals' experience and expertise. Employment equity reports are submitted annually to the South African Department of Labour.

In line with the group's SLPs, as well as with labour union recognition agreements, provision is made for life-long learning, and support is given for external education and training. Sabbatical study periods are granted with a guaranteed return to employment, and allowance is made for the retraining of employees in the event of restructuring.

Housing and living conditions

In FY2008, Implats undertook a thorough review of its accommodation strategy and a new approach was adopted. Significant expenditure was allocated to this area, which is reported on in the Socio-economic development section on page 107.

Objectives for FY2010

Key imperatives for the year ahead are:

- Continued focus on the 'employee value proposition', so as to attract and retain employees.
- Building up of the management and leadership development programmes, with a 50% increase in intake planned.
- Continued emphasis on imparting technical skills to employees and potential employees (through learnerships), and equipping employees with basic core skills so that they may pursue career progression.
- A focus on the critical mining and technical skills programme, and close alignment of this with the group bursary programme.
- Review of the management transformation initiatives so as to improve performance in respect of women in mining and HDSAs in management.

Social performance – Human rights



Highlights	<ul style="list-style-type: none"> • Implats a signatory to the UN Global Compact (UNGC). • New Human Rights policy developed and signed by the CEO.
Disappointments	<ul style="list-style-type: none"> • Employees at the company's Zimbabwean operations continue to suffer hardships as a result of strained socio-economic and political circumstances in that country.
Opportunities	<ul style="list-style-type: none"> • Further and continued implementation of the Human Rights policy and compliance with the United Nations Global Compact.

Management approach

Concern for and the upholding of human rights are integral to the company's values and code of ethics. Provisions for human rights and the elimination of discrimination are entrenched in the Constitution of South Africa, and in labour relations and employment equity legislation in both South Africa and Zimbabwe. Furthermore, policies and agreements with unions are in place at an operational level and cover many issues relating to human rights, with collective bargaining and discrimination being primary areas of focus.

Compliance with the human rights policy is overseen by the Group Executive Committee: PeopleCo. The PeopleCo meets on a monthly basis. During this meeting policies, strategies and procedures relating to human rights are standard agenda items for discussion. Position papers and policies are linked to the relevant structures and committees of the board for review and approval.

In FY2009, Implats was confirmed as a signatory to the UNGC on Human Rights and Security. The group developed and

Social performance – Human rights (continued)

adopted a new Human Rights policy during the year – this is available on the website at www.implats.co.za. A concerted effort was made to evaluate existing policies, guidelines and procedures against the Human Rights policy. Where discrepancies were found, these policies, guidelines and procedures were changed and communicated to the relevant managers for approval and implementation. In this way, management, employees and community members were made aware of the Human Rights policy.

Embedded within this policy are the following:

- the right to freedom of association and collective bargaining;
- the prevention of child labour;
- the prevention of forced or compulsory labour;
- the equality and fair treatment of all individuals, irrespective of race, sex and physical ability; and
- the need to train security personnel to uphold these policies.

Collective bargaining is integral to all of the company's operations, with direct union participation at a number of levels and on a range of issues. Around 70% of the company's employees are unionised or catered for through collective bargaining agreements. (See the *Human Capital* section on page 63).

It remains a concern to the company that, although freedom of association is enshrined within the constitution of Zimbabwe, strikes are not permitted at an operational level. Implats ensures that its group policies and procedures are upheld in Zimbabwe.

Implats requires that its contractors adopt the policies and procedures of the company, including its Human Rights policy. While contractor agreements do not specifically contain human rights clauses, contractors are expected to adhere to the South African constitution and law within which these rights are entrenched, and the group's own policies. This applies equally in Zimbabwe.

Performance in FY09

No incidents of human rights abuses were alleged against the company during the year. Several incidents of discrimination were reported at the operations during the year. All incidents

were investigated, the necessary hearings were held and outcomes appropriately dealt with.

An area of concern for the company is the strained socio-economic and political climate in Zimbabwe, with the consequent impact on the many employees of the company and their families in that country. Both Zimplats and Mimosa have sought to alleviate the hardships faced by their communities, by providing foodstuffs, water (during the cholera crisis), medical care and housing.

Objectives for FY2010

As a recent signatory to the UNGC, the Implats group has set as a priority the full implementation of the UNGC throughout the group, including its further communication to employees and contractors and monitoring adherence. Adherence to the Compact and its principles will be monitored.

Social performance – Safety and health



Zero harm –
the vision for the group

Highlights	<ul style="list-style-type: none"> • Good co-operation between management and unions in jointly addressing safety and health matters. • No fatalities at Mimosa, Zimplats and the Impala Springs operations. No fatalities at Two Rivers. • 89% of all stoping rockdrills at Impala’s Rustenburg operations silenced by year-end. • Impact of Zimbabwean cholera epidemic contained with only five employees contracting the illness.
Disappointments	<ul style="list-style-type: none"> • Regrettably 10 fatalities at Impala Rustenburg and one fatal accident at Marula. • Significant increase in TB rates. • A total of 46 Section 54 instructions at the South African operations, resulting in 126 days of production lost at Impala Rustenburg area and six days at Marula.
Opportunities	<ul style="list-style-type: none"> • Revised, joint management union approach to safety, with five priorities identified. • New vision developed for safety and health – known as ‘zero harm’ – to be further communicated and implemented in FY2010.

Management approach

The achievement of zero harm – that is, no occupational accidents or illnesses, as well as the promotion of employee wellbeing – remains the vision for the group. The group’s safety and health policy statement (see page 45) was revised during the year.

Management of safety and health

The management of safety and health at Implats is a function of line management, applied with the close involvement of employees and unions. A group-level safety, health and environment executive provides guidance to the group, and specialist safety and health personnel provide the operations with assistance and guidance. A SHEQ Committee, a sub-committee of the board, reviews performance on a quarterly basis.

Involvement of unions

As is required by legislation in both South Africa and Zimbabwe, and in terms of recognition agreements between the company and unions in South Africa, the involvement of unions in safety and health managements structures is fully provided for. Formal safety and health committees, comprising management and

Social performance – Safety and health (continued)

There were 32 full-time safety stewards and 2 700 part-time safety representatives in FY2009

union representatives, are active at all operations. Full-time safety stewards and part-time safety representatives are elected by employees and receive comprehensive training which is provided by the company. As more than 70% of employees are unionised, a similar proportion are involved directly and indirectly in guiding the management of safety and health.

Agreements and indeed the committees cover a range of issues, including the election of safety representatives and safety stewards, procedures by which employees can exercise their rights to withdraw from circumstances that they perceive to be dangerous, the training and development

of employees and safety representatives and stewards, and participation in incident investigations, among other issues.

Full and part time safety representatives

Operation	Full-time safety stewards	Part-time safety representatives
Impala Rustenburg	31	2 301
Impala Springs	–	58
Marula	1	145
Mimosa	–	82
Zimplats	–	114
Group	32	2 700

Compliance with legislation

In South Africa, amendments to the Mine Health and Safety Act tabled in FY2009 have far-reaching implications for safety and health management and, in particular, for the accountability of management for incidents. Additional measures and systems have been put in place to ensure alignment with the requirements of the amendments.

During the year, the Department of Minerals and Resources (DMR) imposed 46 instructions for the cessation of sections of operations, or entire operations, in terms of Section 54a of the Mine Health and Safety Act as a result of safety related issues and particularly following fatal incidents. This resulted in the loss of 126 days of production at Impala Rustenburg and six days at Marula. Implats' operations engage proactively with the DMR on these closures and rapidly addressed issues raised by the DMR. In FY2008, there were 14 such instructions at Impala Rustenburg resulting in 26 days of lost production at various

shafts, and two instructions at Marula resulting in the loss of six days of production.

A Section 54 instruction (later converted to a Section 55 instruction) was given to Impala's Rustenburg operations in February 2009 as, in the opinion of the DMR, insufficient progress had been made with the rockdrill silencing programme. This programme was subsequently accelerated so as to address the DMR's concern. In addition, counselling was provided for all employees whose hearing had deteriorated by more than 2.5%.

Recognition and awards

Impala Rustenburg	<ul style="list-style-type: none"> • 1 million fatality-free shifts <ul style="list-style-type: none"> – Processing in January 2009 • 1 million fatality-free shifts <ul style="list-style-type: none"> – 9 shaft, in February 2009 • 2 million fatality-free shifts <ul style="list-style-type: none"> – 1 shaft in May 2009
Impala Springs	<ul style="list-style-type: none"> • 7 million fatality-free shifts <ul style="list-style-type: none"> – in March 2009
Marula	<ul style="list-style-type: none"> • 1 million fatality-free shifts <ul style="list-style-type: none"> – in November 2008 • Best Lamproom Award • Productivity Award
Mimosa	<ul style="list-style-type: none"> • Achieved 1.5 million fatality-free shifts.
Zimplats	<ul style="list-style-type: none"> • Ngezi mine underground first aid team was placed second in the Zimbabwe Chamber of Mines National First Aid Competition in September 2008. • Obtained ISO9001:2008 and OHSAS 18001:2007 certification at the first attempt in December 2008.

A co-operative approach to safety and health

A key feature of the year has been the increasing co-operation between management and labour in understanding the causes of injuries and developing strategies to mitigate these incidents in the future. A number of joint safety summits were held at the Impala Rustenburg operations and, for the first time ever, management and unions determined joint safety and health priorities and set targets. The priorities identified were the following:

- Creating and promoting a safety culture. A feature of this objective has been the extension of the conventional approach to safety in a mining environment (which involves the promotion

Social performance – Safety and health (continued)

of safety and health underground only) to a broader approach that looks at safety and health in all aspects of employees' lives so as to deepen awareness and inculcate a culture of safety. Interventions that have taken place during the year include a surface road behaviour and vehicle condition campaign, and a campaign to eliminate drug and alcohol abuse. A new alcohol and drug policy developed in co-operation of unions, has been implemented.

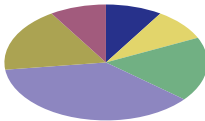
- Renewed focus on safety and health training. An internal training audit revealed several shortcomings and opportunities regarding the training programme for employees returning from annual leave. Among the measures taken are steps to ensure that all employees and contractors attend this training.
- Continued focus on safety and health communication. An extensive range of media (billboards, text messaging, email, publications, posters and visible leadership) are used, so as to be able to reach all levels of employees in various languages whether they are literate or not. Following an audit on safety communication conducted during the year, measures have been introduced to ensure that health and safety committee meetings take place on a monthly basis and that more effective communication processes be implemented.
- Compliance with Five Platinum Rules. The Platinum Rules that were developed for and by different disciplines in 1997 were revised to ensure absolute clarity.
- Continued emphasis on visible leadership. The Tsiboga process (involving the alert meerkat) was revitalised during the year, and greater emphasis was placed on recognising outstanding safety performance by individuals and teams. A new 'medal' recognition system was put in place. (See page 86).

A new safety bonus system was implemented in the mining and processing areas in May 2009 to reward the performance of teams that achieve certain periods of time (90, 180, 270 and 360 days) without lost time injuries. There remains a strong link between the bonus system that was put in place for production in FY2008 (Ama-Ching-Ching) and safety performance so as to ensure that production is not seen to be more important than safety.



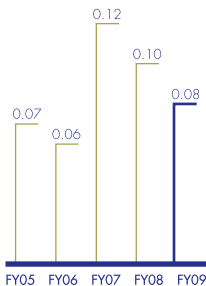
Social performance – Safety and health (continued)

Causes of fatal incidents FY2009



Explosion	9%
Falling material	9%
Fall of ground	18%
Trucks/Tramming	37%
Scrapper-related	18%
Equipment/material handling	9%

FIFR
(per million man hours worked)



New safety 'medal' system to promote awareness and understanding

It has become apparent over the past year that, despite ongoing communication related to safety rates and performance, a lack of understanding and interest in conventional safety performance statistics (such as LTIFR and FIFR) persisted amongst a large majority of employees at the Impala Rustenburg operations.

In an effort to demystify these rates and to stimulate interest and healthy competition, a system of ranking safety performance based on the analogy of an Olympic athlete, has been developed. The analogy is of an athlete training to win a medal at the Olympics in 2012. LTIFR targets have been linked to a bronze medal (LTIFR of less than 3), a silver medal (LTIFR of less than 2) and a gold medal (LTIFR of less than 1), with LTIFR of 0 represented by a platinum trophy. The company's overall success is then measured against the number of areas achieving zero, and the number of shafts and areas that are 'medalist'.

Performance in 2009

Key safety statistics

It is of great concern to the company that safety performance was well below the targets set. Implats recognises that there are a number of reasons for this, including:

- the lack of an over-riding culture of safety in the organisation and among all employees;
- the need to adopt a more holistic approach to the well-being of all team members;
- low levels of literacy among employees;
- the need to create a listening and enabling leadership;
- the need for a safety value system; and
- the lack of enforcement through disciplinary procedures.

Fatal accidents

It is with deep regret that Implats reports that there were 11 fatalities at its operations in FY2009 (FY2008: 12 fatalities), 10 of these at the Impala Rustenburg operations and one at Marula. A range of causes can be attributed, without a single cause dominating.

FIFR (per million man hours worked)

	FY2009	FY2008
Impala Rustenburg	0.11	0.06
Impala Springs	0.00	0.00
Marula	0.13	0.37
Mimosa	0.00	0.19
Zimplats	0.00	0.13
Group	0.08	0.10

In Memoriam

The following people died in the course of work during FY2009. Implats extends condolences to their families, friends and colleagues.

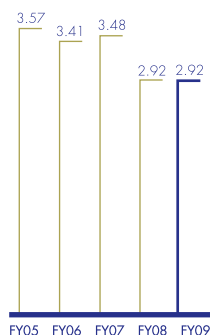
Name	Operation	Date	Home
Thabo Tshose	Impala 11 shaft	30 July 2008	Chaneng Village, North West Province
Arone James Makhobosi	Impala 16 shaft	3 August 2008	Kanana Village, North West Province
Bongani Ghuqhani	Impala 10 shaft	26 August 2008	Mfidikwe Village, North West Province
Moeketsi Sebotsa	Impala 11 shaft	17 September 2008	Klerksdorp, North West Province
Thethani Sorry Phondoyi	Impala 12 shaft	14 October 2008	Queenstown, Eastern Cape
Tshepo Mazibuko	Impala 20 shaft	27 November 2008	Mafikeng, North West Province
Mkhawuleni Zulu	Impala 14 shaft	7 January 2009	Kwasiwela Village, Kwazulu Natal
Romeu Francisco Chivale	Impala 14 shaft	16 February 2009	Massinga, Mozambique
Tobias Nelson Khameni	Impala 10 shaft	21 March 2009	Mqanduli, Eastern Cape
Mamonwana Jacob	Impala 2 shaft	14 April 2009	Hartebeestfontein, Montwedi North West Province
Lazarus Mashabela	Marula Clapham Shaft	21 May 2009	Mashishi Village, Limpopo Province

Social performance – Safety and health (continued)

Key safety statistics in FY2009

Operation	Reportable injuries	Lost time injuries	Restricted work cases	Medical treatment cases	Total non-lost-time injuries
Impala Rustenburg	251	340	151	939	1 087
Impala Springs	2	2	3	94	97
Marula	17	40	47	129	176
Mimosa	0	5	5	42	47
Zimplats	7	7	13	65	78
Group	277	394	219	1 269	1 485

LTIFR (per million man hours worked)



A tragedy at Impala Rustenburg's 14 shaft on 20 July 2009 claimed the lives of the following people. Implats extends condolences to the families, colleagues and friends of these men.

Sithembisile Foxo	Mdwaka Village, Mzanduli, Eastern Cape
Jotata Gitywa	Nenga Village, Mqanduli, Eastern Cape
Albert Machubeni	Digetlane Village, Matatiele – Mount Fletcher, Eastern Cape
Ofentse Zacharia Mafora	Dinokana, Zeerust, North West
Mziwonke Matandabuzo	Lekhuni Village, Lebote, Eastern Cape
Phindisingaki Mvuleni Mbhamali	Bhanganoma Village, Mqanduli, Eastern Cape
Bethuel Karabo Rakoma	Thabaneng, Lerome Village, Rustenburg, North West
Sechache Coronea Ramonyatsi	Khakhathane, Mhahleshoeke, Lesotho
Tsollana Tshatsha	Esunwane Village, Idutywa, Eastern Cape

Injury rates

The group has expanded its data collation and reporting to include restricted work cases (RWC). This is in line with the international trends and also enables the company to more accurately benchmark its safety performance against that of its peers. A RWC is defined as a work-related injury which results in the employee being able to return to his or her permanently assigned work place, to perform his or her permanently assigned work on the next calendar day, but where the injured person is unable to perform one or more of the routine functions normally connected with their work due to a restriction applied by an

appointed medical professional. Until the end of FY2008, Implats recorded RWCs together with Medical Treatment Cases (MTC) in its statistical data. Since the start of FY2009, the group has recorded RWCs separately from MTCs.

LTIFR (per million man hours worked)

Operation	FY2009	FY2008
Impala Rustenburg	3.63	3.80
Impala Springs	0.40	0.21
Marula	5.35	1.24
Mimosa	0.52	0.88
Zimplats	0.45	0.69
Group	2.92	2.92

The FIFR for the group improved by 13.7%, from 0.095 to 0.082 per million hours worked. The LTIFR remained unchanged at 2.92 per million man hours, the RWC was 1.61 and the MTCs improved by 21% from 14.05 to 9.41 per million man hours worked. The TIFR (total injury frequency rate) improved by 17.8%, from 16.96 to 13.94.

TIFR per million man hours worked

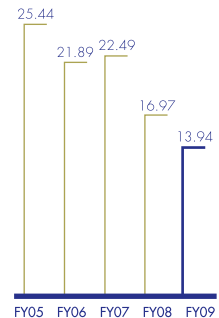
Operation	FY2009	FY2008
Impala Rustenburg	15.16	16.09
Impala Springs	20.01	24.31
Marula	28.48	45.09
Mimosa	5.45	7.51
Zimplats	5.49	9.69
Group	13.94	16.97

Management of occupational health

A comprehensive occupational health screening and medical treatment service is available to all employees across the group. These services are delivered either through site-based clinics and company or contracted occupational health centres, company hospitals and contracted specialists. In line with the group's policy that all employees should have access to affordable and appropriate health care for themselves and their dependants, all employees have access to a medical aid or a company facility on a voluntary basis. The level of service provided in terms of these facilities may be selected and budgeted for by employees.

Occupational health surveillance is undertaken of all employees and contractors at least annually

TIFR (per million man hours worked)



Social performance – Safety and health (continued)

Medical surveillance examinations (FY2009)

	Pre-placement	Periodic	Exit	Total
Impala Rustenburg	10 261	32 832	6 190	49 283
Impala Springs	1 447	1 601	232	3 280
Marula	922	1 491	297	2 710
Mimosa	343	142	2	487
Zimplats	729	821	64	1 614
Group	13 702	36 887	6 785	57 374

Key health statistics

Occupational health surveillance

Occupational health surveillance on all employees and contractors is undertaken, at least annually. These examinations ensure that employees are deemed to be fit for work in their specific environments and occupations, and that occupational disease is detected and treated, as far as this is possible, at an early stage.

Where occupational illness is detected, every effort is made to relocate the affected employee to a less risky area in terms of their specific risk profile. In addition to occupational illness, other lifestyle diseases – such as hypertension and diabetes - are also monitored. In FY2009, more than 57 000 occupational screening examinations were undertaken across the group.

Primary occupational health risks

The two primary occupational health risks at Implats' operations are noise-induced hearing loss (NIHL) and pulmonary tuberculosis (TB). In South Africa, TB is considered an occupational illness if it is associated with exposure to dust. The high level of HIV & AIDS in South Africa has a detrimental impact on TB as infected employees' immune systems are compromised, which increases their risk of contracting TB; around [73%] of newly diagnosed TB patients are HIV-positive.

Heat stress and exposure to heavy metals are potential risks in certain occupations. Another occupational illnesses, silicosis, is occasionally detected among employees, but this is typically as a consequence of those employees having worked previously in the gold mining industry, where silicosis is a risk. Four cases were detected amongst employees at Impala Rustenburg.

TB continues to present a significant health risk to employees



Social performance – Safety and health (continued)

All new cases of occupational illness detected at the South African operations are submitted to the relevant bodies for verification and, if verified, for compensation.

Tuberculosis

TB continues to present a significant health risk to employees. In FY2009, 426 new cases of pulmonary TB were detected, an increase of 29.5% on the 329 new cases identified the prior year. Treatment in line with the World Health Organization's Directly Observed Treatment Supervision (DOTS) protocol was initiated in all cases that were detected. At Impala Rustenburg, the company reports a cure rate of above 80% for pulmonary TB. Four new cases of multi-drug resistant TB (MDR-TB) and the first case of Extreme Drug Resistant TB (XDR-TB) were detected during the year. All five patients were admitted to a specialist TB hospital.

New pulmonary TB cases treated at Implats facilities

Operation	FY2009	FY2008
Impala Rustenburg	380	286
Impala Springs	5	3
Marula	12	12
Mimosa	15	22
Zimplats	14	6
Group	426	329

* Excludes dependants and contractors

NIHL

In FY2009, 45 new cases of NIHL were detected, 44 of these at the Impala Rustenburg operations. (FY2008: 31 new cases).

Hearing conservation programmes are in place at all Implats' operations. A programme to reduce noise levels at source to below 110dBA progressed during the year. By year-end, 92% (of S215) noisy rockdrills in the underground environment had been silenced. An unfortunate consequence of the rockdrill silencing programme has been the loss in drilling performance, both real and perceived. Wilful damage to the silenced rockdrills by employees has been detected, presumably in an effort to improve performance. To counteract this, a programme to educate employees on the benefits of silencing rockdrills has begun, and formal disciplinary action against culprits has been implemented. By year-end the number of such incidents had significantly decreased.

Customised hearing protection devices are provided to all employees who are at risk to further reduce noise levels to below 85dBA. An important part of this programme is the education of employees as individual non-compliance (that is, not wearing hearing protection devices) is a significant contributing factor to hearing loss.

New cases of NIHL diagnosed at Implats

Operation	FY2009	FY2008
Impala Rustenburg	44	31*
Impala Springs	0	0
Marula	1	0
Mimosa	0	0
Zimplats	0	0
Group	45	31

* Excludes contractors

Heat stress

No cases of heat stress were reported in FY2009. Heat is a potential issue, particularly in the deeper underground mining operations in Rustenburg, where the thermal gradient of the virgin rock is significant. While underground working areas are cooled to the levels required for safe work (average 28°C wet bulb temperature), employees are further protected through the use of regular heat tolerance screening and heat acclimatisation programmes, where these are necessary.

Biological monitoring

Biological monitoring of employees who may be exposed to chromium, arsenic, carbon disulphide, cadmium, nickel, platinum salts and lead is undertaken. In the past year, no results were found to be outside the normal range.

Cholera

In late 2008, a cholera epidemic struck Zimbabwe, but its impact on our employees and their dependants was well-contained. Five employees were reported to have contracted the illness and were successfully treated. An extensive education campaign was embarked upon and treated water was provided to employees and their families by the company.

Objectives for FY2010

- To significantly reduce all accidents, in particular, the LTIFR and fatal accidents.
- To eliminate the incidence of new cases of NIHL.
- To significantly reduce the incidence of TB and to maintain the effective DOTS programme.

Social performance – HIV & AIDS



Highlights	<ul style="list-style-type: none"> • Greater co-operation between management and unions allowed better implementation of the programmes. • Kaelo VCT programme at Impala Rustenburg was highly successful. • A 74% increase in the number of people participating in VCT and Wellness Programme, including ART.
Disappointments	<ul style="list-style-type: none"> • Prevalence levels still rising, and high-risk behaviour continued among certain employees.
Opportunities	<ul style="list-style-type: none"> • Focus on reducing new infections and improving enrolment in and adherence to Wellness programmes (including ART). • Improving compliance with ART regimen.

Management approach

The management of HIV & AIDS remains a major focus area for the group's health services and line management alike, as the spread of the disease and its impact continues at both the South African and Zimbabwean operations. Importantly, it is seen to be part of a broad health care management strategy that includes other chronic life-threatening illnesses. While HIV & AIDS is not an occupational illness, its management is catered for within the occupational health care provision services of the company.

Medical care

All employees and their dependants have access to medical care through company facilities or contracted service providers. It is known that, in respect of HIV & AIDS, some employees prefer to make use of alternate private or state-owned facilities. The statistics reported reflect only those that are gathered for employees who make use of company facilities and the number of employees and dependants who receive HIV & AIDS treatment from outside facilities is therefore not known.

Social performance – HIV & AIDS (continued)

All employees and their dependants have access to medical care through company facilities or contracted service providers

Cost to the company

The cost of HIV & AIDS to the company is not simple to quantify. There is a direct cost to the company in terms of medical treatment and prevention programmes, and also an impact on productivity in the workplace and on the replacement of skills in an industry where skills are in short supply. There is also a close relationship between pulmonary TB and HIV & AIDS. The presence of both infections among the workforce places a significant burden to both the health and well-being of employees and also on health care services.

Union involvement

As with other elements of health and safety, the involvement and support of the group's unions is an important feature of the HIV & AIDS management programmes. Agreements are in place with unions regarding the management of HIV & AIDS, and these make provision for joint management committees. Through intensive effort, a better understanding and agreement was reached during the year on common objectives and strategies, and the functioning of these committees, particularly at Impala in Rustenburg, has improved.

Programme

There are three broad areas within the company's programme:

- through **awareness and education programmes**, and, in particular, the use of peer educators, efforts are made to prevent the further spread of the disease to employees, their families and members of the community. A key component of this initiative is to encourage employees to know and understand their HIV status through the Voluntary Counselling and Testing (VCT) programmes.
- through **medical care**, to increase registration on and compliance with the company's wellness programme of those who have been diagnosed HIV positive through the VCT programme. The provision of antiretroviral treatment (ART) to employees is a vital component of this programme.
- to extend the **HIV & AIDS programmes into the communities** in the areas in which the group operates and where employees live by funding and partnering with NGOs who provide HIV-related services.

Performance in FY2009

Based on estimates, independent analysis and limited testing, it is estimated that the prevalence levels among the company's workforce is in the region of 23%. There is little scope for undertaking a broad, anonymous, compulsory prevalence testing programme as unions are opposed to this. The results of a VCT campaign undertaken in December 2008 at Impala Rustenburg provided some cause for concern (see page 98).

The total cost of the HIV & AIDS education and medical programme for employees in Rustenburg was approximately R18.5 million in FY2009. This was R16.1 million for in FY2008.

Education and training

Education and training initiatives continued both in planned, formal programmes (such as induction training) and through the peer educators programme. Peer educators have been appointed and trained at all operations.

Condoms and femidoms are provided by the company to employees and community members.

Testing and care

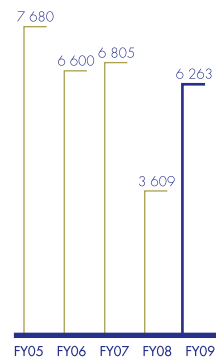
VCT is available at all of the company's operations. VCT performance in FY2009 was boosted by a successful VCT campaign undertaken at Impala Rustenburg in December 2008. A total of 6 263 employees underwent testing during the year (FY2008: 3 609 tests).

Total number of people on VCT at Implats

Operation	FY2009	FY2008
Impala Rustenburg	5 595	2 808
Impala Springs	34	74
Marula	119	291
Mimosa	114	92
Zimplats	401	344
Group	6 263	3 609

* Includes dependants and contractors

Number of people on VCT at Implats



Social performance – HIV & AIDS (continued)

VCT at Impala Rustenburg

The Kaelo VCT programme undertaken at Impala Rustenburg in December 2008 was intended to boost and popularise VCT. It was deliberately sub-contracted to a third party in order to cover any employees who may have been reluctant to undergo testing at our in-house facilities.

The campaign was considered to be highly successful, with 2 425 tests done, and 354 new cases diagnosed. Of significant concern, however, were the results of the behavioural study that was undertaken at the same time as the VCT campaign that indicated:

- Continued casual sexual encounters reported by some employees, despite the massive public and private education campaigns on the epidemic; and
- The relatively large number of people (20%) reporting having had multiple sexual partners in the past year.

The findings of this survey are being incorporated into future education campaigns.

Employees who are HIV-positive are strongly encouraged and advised to participate in wellness programmes so as to delay the progression of HIV. These programmes are available at all operations through the company or through the various medical aid schemes. The number of employees currently receiving treatment through external medical schemes and the Department of Health facilities is not known. The group also provides wellness and ART directly to employees through its own facilities. During the year, 1 196 new patients were enrolled in the group's wellness programmes, with a cumulative total of 3 390 patients on the programme at year-end (FY2008: 2 734 patients). This increase is a consequence of the focus to have all HIV positive patients diagnosed and onto treatment programmes.



Social performance – HIV & AIDS (continued)

Wellness Programme at Implats at year end

Operation	Total number of people on Wellness Programme	
	FY2009	FY2008
Impala Rustenburg	2 933	2 336
Impala Springs	27	12
Marula	329	277
Mimosa	23	24
Zimplats	78	85
Group	3 390	2 734

ART programme at Implats

Operation	Net total number of patients on ART at year end		Total number of new patients on ART	
	FY2009	FY2008	FY2009	FY2008
Impala Rustenburg	1 122	631	518	272
Impala Springs	10	6	4	0
Marula	19	12	7	1
Mimosa	54	25	37	15
Zimplats	51	34	26	19
Group	1 256	708	592	307

* Includes dependants and excludes contractors

The provision of ART to all employees and their dependants through the group's medical schemes remains a vital component of the Wellness Programme. In FY2009, 592 new patients started on the ART programme, with a total of 1 256 employees and dependants on ART through the group's medical facilities at year-end (FY2008: 307 new patients and 708 on the ART programme). Note again the potential for under-reporting, as those receiving ART through external medical aids are not known.

Individual patients' adherence to the ART regimens continues to be a challenge that needs to be closely monitored and managed, and greater effort was placed on this aspect of the programme during the year. Patients often find it difficult to comply with the multi-drug, multi-dosage regimes, as well as the

fact that treatment must be taken without interruption for life. Certain patients also experience unpleasant side effects from these drugs. At Impala Rustenburg, HIV-positive peer educators who are on ART themselves, assist the doctor and nursing teams to encourage compliance among individual patients.

In FY2009, 122 patients died in service as a result of known AIDS-related illnesses and a further 116 people left the company's employ as a result of HIV-related medical issues (FY2008: 105 deaths and 165 medical separations).

Care for former employees and communities

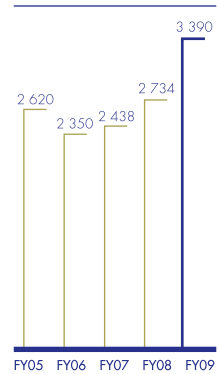
Implats is involved in a number of initiatives providing education and care to employees and others around its operations and to the communities where employees live. See the socio-economic development section on page 106 for further details.

Objectives for FY2010

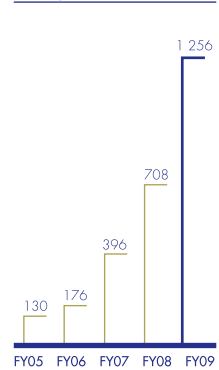
HIV & AIDS is expected to remain a focus area in the year ahead. In particular, the company aims to:

- Continue to build on the positive relations with unions, to develop and implement a programme that achieves a reduction in new infections and the appropriate and early treatment of those who are infected.
- To encourage VCT, and to ensure that those who test positive participate in the Wellness programme.
- To continue to promote the ART programme, and to encourage compliance.
- To continue to extend programmes into communities, both around operations and in labour-sending areas.

Total number of wellness programme people



ART programme at Implats



Social performance – Product responsibility



Highlights	<ul style="list-style-type: none"> • Rapid and efficient response to customer complaints.
Opportunities	<ul style="list-style-type: none"> • Achieving greater clarity in the matter of beneficiation, and the expectations of the DMR and of the mining industry.

Management approach

Safety, health and environmental issues related to the products produced are addressed systematically at all stages of the product life cycle. Specific measures have been put in place to protect the health and safety of those using or delivering products. Procedures for assessing product health and safety are addressed during conceptual development, research and development, product certification, manufacturing and production, marketing and promotion; storage distribution and supply, use and service and disposal, or recycling. No issues relating to non-compliance with regulations on voluntary codes concerning health and safety impacts were reported.

Performance in FY2009

Only minor customer complaints were received, and no significant matters were reported in respect of non-compliance with regulations or codes.

Most of the product dispatched from Implats' operations does not pose a health or safety risk. The exception is sulphuric acid which is transported from Impala Rustenburg's Mineral Processes to Impala Springs refineries. Implats adheres to all protocols governing the transport of hazardous materials, including labelling containers detailing their contents, and the safe handling and use of the product and its disposal. There were no incidents during the year.

Detailed product safety protocols are available on the Implats website, www.implats.co.za.

Social performance – Product responsibility (continued)

An important part of a company's responsibility to its product relates to both recycling and beneficiation. Through its association with one of the world's leading recyclers of platinum, Implats is itself a significant recycler of metals. Implats' role in beneficiation has continued to be reviewed during the year, and some progress has been made with both its approach and that taken by government. See the discussion below.

Implats did not receive any fines for non-compliance with laws and regulations concerning the provision and use of products and services.

Objectives for FY2010

Objectives include:

- Minimisation of complaints.
- Achieving greater clarity on the issue of beneficiation.

Beneficiation

Implats extracts PGMs and associated base metals by processing and refining the ore mined. This involves concentrating, smelting and refining. Once smelted, the matte is dispatched to the refineries where it is processed, firstly at the base metal refinery, where copper, cobalt and nickel are extracted, and then at the precious metal refinery, where finally the PGMs, gold and silver chloride are produced.

Moves to encourage additional downstream beneficiation (manufacturing) have been initiated by government, with the DMR having been given overall responsibility for overseeing this in the mining industry as a whole in the government's initial draft strategy document on beneficiation.

A highly complex beneficiation proposal was presented to the platinum mining sector industry initially, in response to which the three major platinum producers, Anglo Platinum, Implats and Lonmin, presented an alternative proposal which has been accepted in principle by the DMR. A final proposal is expected from the DMR in due course. The DMR's prime concern is that there be a sufficient supply of PGMs available to meet local demand, and these three platinum producers have undertaken to retain at least 10% of local production for

the local beneficiation market. Implats currently supplies around 20% of its local production to local jewellery and autocatalyst manufacturers and in addition, recycles a significant volume of PGMs from spent autocatalysts.

The government's beneficiation strategy involves co-operation among several departments, in addition to the DMR, the Departments of Trade and Industry, Science and Technology, Public Enterprises and Finance. The Department of Science and Technology in particular, is overseeing initiatives aimed at developing the technology, expertise and knowledge necessary to provide the R&D capacity to drive future beneficiation.

Mintek, a technological research organisation, has been given responsibility for co-ordinating R&D into precious metal beneficiation. Six research projects are currently underway, mainly related to platinum and palladium. Also under investigation is the potential of producing PGM chemicals and the viability of investing in R&D technology for the establishment of a local industry to supply the fuel cell industry with its platinum requirements.

Implats has co-funded studies into both downstream* and side-stream* beneficiation and plays a role in facilitating the supply of metal to local jewellery manufacturers by offering extended terms of payment and preferential metal leasing (particularly to Silplats, which produces platinum jewellery in South Africa, and to Rochoet).

The use of PGMs in the local automotive sector has been affected by changes to the Motor Industry Development Program (MIDP), which has been replaced by the Automotive Production Development Plan (APDP). This is currently being investigated by government to make it more amenable to the catalytic convertor industry and further announcements are expected.

It is most likely that the future draft of the beneficiation strategy will encourage PGM producers to contribute to R&D programmes and skills development in South Africa, in line with government's overall strategy to make the South African economy more knowledge-based than resource-based.

Implats has
co-funded studies
into both
downstream and
sidestream
beneficiation and
plays a role in
facilitating the
supply of metal to
local manufacturers

*[Downstream value-add refers to smelting, refining, the manufacture of craft jewellery and metal fabrication. Side-stream value-add refers to the addition of inputs into the value chain such as capital goods, consumables and services].

Social performance – Socio-economic development



To engender ownership within the company and an identification with the successes (or failure) of projects, and to ensure greater alignment between Implats' business objectives and the needs of communities, the approach to socio-economic development encompasses nine areas of activity that are directly managed by identified champions.

Highlights	<ul style="list-style-type: none"> • Fundamental change in the approach to socio-economic development at Implats, with key areas allocated to company 'champions'. • Role and functioning of IBT further entrenched, progress made with the further implementation of existing projects and the identification of new projects. • Approval by the DMR of SLP projects allows for implementation to begin. • Sports development project gains momentum. • Significant progress made with living conditions and housing strategy.
Disappointments	<ul style="list-style-type: none"> • Feasibility studies prove a number of LED projects to be unviable. New projects are being identified.
Opportunities	<ul style="list-style-type: none"> • New approach to socio-economic development takes effect, particularly in respect of enterprise development, paving the way for rapid and effective delivery on socio-economic development projects, as well as cost savings and greater levels of accountability.

Management approach

In line with the group's adoption of a new approach to sustainable development, the way in which the group approaches socio-economic development was radically overhauled in FY2009.

South Africa

Historically, the group operated the Impala Community Development Trust (ICDT), which was the vehicle for corporate giving and the manifestation of the South African operations' corporate responsibility programmes. However, a number of structural and contextual changes have resulted in the adoption of a different, more integrated and strategic approach to socio-economic development. There are a number of reasons for this, and consequences which are explained in this section.

Social performance – Socio-economic development (continued)

New approach

To engender ownership within the company and an identification with the success (or failure) of projects, and to ensure a greater alignment between Implats' business objectives and the needs of communities, the approach to socio-economic development now encompasses the following areas of activity:

- enterprise development/local economic development;
- infrastructure development;
- education and training;
- health, safety and environment;
- sports development; and
- corporate social investment.

This new approach also ensures cross-pollination of ideas, and the integration of strategies for a common purpose. For example, the sports development strategy has a clear vision of developing a talent pool for training and development within the company, while the housing and living conditions project has direct spin-offs for BEE procurement, small and medium-sized enterprise development and job creation.

New approach relies on 'champions'

A decision to formally dissolve ICDT was taken by the trustees on 22 June 2009 as it has served its purpose as a vehicle for corporate responsibility. Instead, the group's approach has been repositioned to ensure delivery of socio-economic development objectives against a set of business imperatives on the one hand, and the needs of stakeholders on the other. The new approach relies heavily on 'champions' who are responsible for delivery in various areas.

Impala Bafokeng Trust

Following a significant BEE transaction between Implats and the Royal Bafokeng Holdings (RBH), the Impala Bafokeng Trust (IBT) was established to contribute to the social and economic development of the residents of the Bojanala District of South Africa's North West Province (the province that is home to the Impala Rustenburg operations and the people of the RBH). The trust has as its vision the development of a self-sustaining community, where people living and working in the Bojanala district experience economic well-being and an improved quality of life. The Trust places a specific emphasis on the empowerment of women. Both Implats and the RBH committed to contributing a total of R170 million each over an eight-year period, from 2007 to 2014. While the IBT has assumed some of the projects

formerly undertaken by the ICDT, new projects have been identified and are being developed in line with the IBT's vision.

Social and Labour Plans

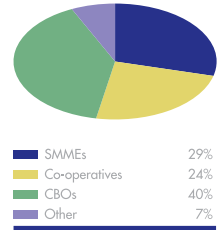
Also, as part of the group's applications for the conversions of its mining rights to new order mining rights (which were granted by the DMR for all operations in August 2008), SLPs were developed for the Impala Rustenburg, Marula and Leeuwkop. These SLPs undertook to engage in certain local economic development (LED) initiatives that would benefit the communities surrounding these operations and in areas from which these operations draw their labour (so-called labour-sending areas).

A key feature of the SLPs for the South African operations is Implats' commitment to enterprise development and local economic development, as well as infrastructure development. Sustainable Development Working and Steering Committees, supported by Project Committees, have been established to review and guide the funding and progression of identified development projects. Implats will steer enterprise development projects through a process of formal application to a high-level pre-feasibility study, and then on to a full feasibility study should the project prove to be merit-worthy. Robust business plans have been and are being developed for each project, with clearly identifiable project milestones and deliverables.

Given Implats' new approach to socio-economic development and the impact of the global financial crisis, projects initially proposed in the SLPs were reviewed during the year. Following consultation with the DMR certain changes were made and a number of projects have been discontinued after they proved to be unviable. Impala Rustenburg committed to a number of projects in the Eastern Cape and Taung (both key labour-sending areas) and in the Rustenburg region.

A key aspect of the infrastructure development programme, undertaken in support of the company's SLPs, is the need to ensure the integration of the operations' infrastructure projects with the integrated development plans (IDPs) and priorities of the local municipalities.

Beneficiary organisations (South Africa)



Implats is committed to
enterprise development and
local economic development

Social performance – Socio-economic development (continued)



Corporate philanthropy and social investment
At a group level, Implats continues to support civil society institutions, including:

- **National Business Initiative (NBI)**

The NBI was launched by Nelson Mandela in 1995 to enhance the private sector's contribution to sustainable growth and development in South Africa. A key driver of the NBI is the belief that business and corporate support are necessary to entrench social, economic and environmental stability as pillars of democracy. As part of its endeavours to attain a sustainable society, NBI has Education and Training Programmes, Economic Growth Programmes and Projects, and Sustainable Development Programmes in place to help realise its objectives. NBI is partner to international companies like the World Business Council for Sustainable Development (WBCSD). Recently NBI partnered with Incite Sustainability to bring the Carbon Disclosure Project (CDP) to South Africa.

- **The South African Mining Development Association (SAMDA):**

SAMDA is a non-profit organisation started in 2000 as the Junior Mining Initiative with the aim of making contributions on the new minerals legislation to government. However, the need for a permanent lobby to represent the interests of junior mining companies became apparent and SAMDA's mandate expanded. It was formally launched in 2002. SAMDA's vision is to promote the development of a vibrant and sustainable junior mining sector and its mission is to create an enabling environment for raising finance, developing skills, practicing responsible environmental management and sustainable development and the maintenance of best practice in the junior mining sector.

- **South African Women in Mining Association (SAWIMA):**

Launched in 1999, SAWIMA's objectives are to assist informal mining groups to obtain mineral rights and to promote female empowerment in the mining industry. Empowering women includes lobbying government on their behalf and influencing policy.

Zimbabwe

In Zimbabwe the group continues to undertake corporate social investment initiatives in the areas in which significant needs have been identified. These are discussed in more detail on pages 133 and 134.

Performance in FY2009

South Africa

In total, the group spent R61 million on socio-economic development projects in South Africa in FY2009 (FY2008: R42 million), and a further R900 million on housing to date which is part of the home ownership programme to assist employees in attaining their own property; as well as the upgrade and renovation of housing.

Sustainable development expenditure in South Africa (R000)

Programme	Amount spent in FY2009
Empowerment of community structures	17 955
Health, safety and environment	2 061
Education	14 391
Government and municipal support infrastructure	4 444
Sports development	11 430
Enterprise development	9 748
Community welfare, art and culture	796
Total Socio-economic development	60 825
Housing and living conditions	916 658
Training	286 348
Total Sustainable development	1 263 831

* SED spend has excluded overhead costs which were included in 2008

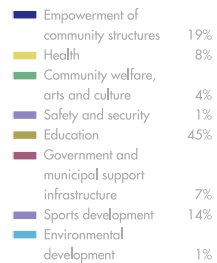
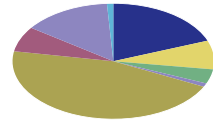
* SED spend includes R7.5 million accruals which were excluded in 2008

The Impala expenditure under the auspices of the IBT is included in the above. The IBT is jointly funded by Implats and RBH. Implats places a great deal of emphasis on ensuring that the expenditure towards projects is used to maximum benefit and for the purposes intended. Implats' socio-economic development expenditure is externally verified with rigorous monitoring systems in place. In this way the group ensures the maximum impact of its expenditure on beneficiaries. In FY2009, a total of 417 beneficiary organisations benefited from Implats' socio-economic development expenditure, ranging from SMMEs, co-operatives, CBOs and others (see graph).

In addition, the group has identified the number and nature of its beneficiaries (see graph) which comprised 24 438 beneficiaries in FY09 (5 559 direct and 18 879 indirect).

Some of the key projects that were supported during the year are discussed on the pages that follow.

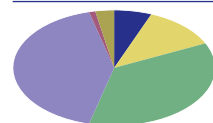
Socio-economic development spending (South Africa), excluding housing and living conditions expenditure



Beneficiaries of Implats's socio-economic development expenditure in FY09



Beneficiaries of Implats's socio-economic development expenditure in FY09



*Social performance – Socio-economic development
(continued)*



Sector: Enterprise Development and LED
 Project: Business Support Unit (BSU), Marula
 Project duration: November 2007 to June 2009



Marula has established an enterprise development and information unit (BSU) at Burgersfort and in the vicinity of the four farms in which the operation is located. The unit provides assistance to both job seekers and aspirant entrepreneurs in identifying business opportunities and to facilitate their greater participation in the local and regional economy.

During FY2009, Marula initiated a number of support programmes targeting various categories of SMMEs. Significant progress has been made to date, of which the following are highlights:

- enterprise Development Centres have been established at the four farms and Burgersfort.
- 87 SMMEs have been assessed to determine areas where assistance is required.
- 50 SMMEs have been assisted in co-operation with the South African DTI. These interventions typically include the development of marketing plans, marketing material and training on topical issues such as tendering.
- 13 businesses received training in basic business skills.
- 585 man days of training and development took place.
- two large income-generating projects (hydroponics and brickworks) have been identified for implementation in FY2010. These projects will focus on creating jobs and sustainable-revenues.

Social performance – Socio-economic development (continued)

Sector: Empowerment of community structures
Project: Essential Oils Project, Eastern Cape
Project duration: June 2009 to 2014



Located near Mthatha in the Eastern Cape, the first phase of the Essential Oils project (which involves the cultivation and processing of geranium and tree tea oil), is gaining momentum. Initial site establishment had begun by June 2009. This follows a feasibility study and a due diligence undertaken to evaluate the project and to confirm its economic viability.

In the long term, the project will create a sustainable, labour intensive, essential oil producing business. Part of the first phase of the project is the design and establishment of an institutional framework to ensure that the community receives the maximum benefit from the project, while receiving the appropriate management and technical training. The first phase of the project will create up to 30 jobs at a cost of R5.5 million. Impala will facilitate future expansion of this project in co-operation with the Eastern Cape Development Corporation and possibly other development agencies. Stakeholders have been identified in different tiers of national and provincial government, local government and traditional authorities, villages and communities and the land owners.

Sector: Empowerment of community structures
 Project: Bakery project, Taung
 Project duration: March 2009 to 2012



The Rethuseng Bread Basket in Reivilo is owned by five local entrepreneurs. Their equipment is more than 20 years old, very inefficient and unreliable. Frequent breakdowns and a shortage of operating capital means that the bakery was not able to provide regular or quality supplies of bread to its market. The owners sometimes earned as little as R200 per month. This project will thus assist this existing bakery in establishing a sustainable business. The project entails the upgrading of current premises with appropriate equipment to enable reliable supply and greater volumes. All beneficiaries will be trained and the implementation period includes a full time on site project manager for the first six months. The project manager will transfer business management skills to the future bakery manager. This also includes the development of an identified market base.

Good progress has been made, with all the equipment delivered in June 2009, and renovations beginning at that time. The cost of the project is R1.4 million and at full production it will create up to 15 new direct jobs. The project will be held by members of the local community.

Social performance – Socio-economic development (continued)

Sector: Empowerment of community structures
Project: Piggery project, Rustenburg
Project duration: May 2008 to April 2011



The project was initiated to assist 10 pensioners in building infrastructure for a piggery. Over time the scale of the project has changed significantly based on feasibility studies and extensive research undertaken in conjunction with the Department of Agriculture and the South African Pork Producers Organisation. Initially this had been scoped as a fully integrated piggeries end product operation, but the capital outlay would have been too significant. A more viable alternative is an operation that takes young 'weaners' and grows them for sale. A full feasibility study and environmental impact study will begin in FY2010. In the interim, Impala has assisted the current owners through donations of young 'weaners' and feed, as well as the funding of small scale construction. The total joint funding required for the project is estimated at R2.5 million.

Sector: Health
 Project: HIV & AIDS initiatives
 Project duration: Ongoing



Impala Springs makes an effort to support local communities affected by the HIV & AIDS pandemic through the support of local NGOs. Among the projects that received support (amounting to R423 000) during the year were:

- Oasis Rover Crew, which provides a community outreach and VCT programme to about 1 000 beneficiaries of the Kwa-Thema community.
- New Image Rover Crew (NIRC) and Nigel Caring Community (NCC), providing home based care and psychosocial support for orphaned and vulnerable children. There are about 400 NIRC beneficiaries in Kwa-Thema, and 484 NCC beneficiaries in Greater Nigel.
- Nokuphila Community Services, providing a facility for HIV-positive and orphaned children to 340 beneficiaries in Kwa-Thema.
- Kuhle Siyaphumelela, providing home-based care and psychosocial support for orphaned and vulnerable children to 300 beneficiaries in the Everest informal settlement and Slovo Park.

Social performance – Socio-economic development (continued)

Sector: Education
Project: Post Matric Programme
Project duration: Ongoing



The post-matric programme offered by the Ukuqonda Institute is a mathematics and science-based additional school year. The purpose is to add to the pool of successful university graduates in engineering, scientific and related fields. It is currently based at Grenville High School in Rustenburg. Applicants are primarily drawn from historically disadvantaged backgrounds and are put through an intensive interview procedure in which their overall capacity to take advantage of what is offered by the programme is assessed. In 2009, the intake was increased to 47 and divided into two main groups. There is also a support component for the students who are already enrolled in higher institutions of learning in cases where it is required.

The focus is two-fold. The first one is to produce an individual who has acquired the academic and social maturity to cope with the heavy demands placed on university engineering and science students.

The other purpose is to offer individuals opportunities to improve their academic performance. See the case study on the website at www.implats.co.za

Sector: Education
 Project: Maths and Science Schools Incubator Programme
 Project duration: Ongoing



Impala Refineries continues to place a great deal of emphasis on developing mathematics and science in local schools through its Maths and Science Incubator programme. Some of the areas of focus in FY2009 were:

- The science laboratories at two high schools (Labani Mohlabi and Dinoto Technical School) and two primary schools were refurbished, as well as a media centre.
- As part of the programme to provide additional support to grade 12 mathematics and science learners, four grade 12 maths and science camps were sponsored, and 200 learners were sponsored to participate in a Saturday programme (Star School). A highlight of this initiative was the 100% pass rate achieved by these sponsored learners in the 2008 year-end matriculation examinations, earning between them nine distinctions in natural science and 22 distinctions in mathematics. This programme is undertaken in conjunction with a local hotel/entertainment group, Emperors Palace, which sponsors an additional 110 learners.
- The annual Impala Science Expo took place in August 2008. One of the Impala groups won a Bronze medal at a national science expo.
- A teachers' workshop took place in February 2009, in preparation for teaching Term 1 and Term 2 work. The training was as a result of curriculum changes and 120 teachers from grades 10-12 were trained.

Social performance – Socio-economic development (continued)

Sector: Education
Project: Libraries, Eastern Cape
Project duration: March 2008 to June 2009



Two libraries have been set up by the company in the Lusikisiki and Flagstaff municipalities, and a third is being established in the Neath community, some 55km from Port St John's. The libraries are fully equipped, not only with literature and reference material, but also with working spaces and internet access. They are well-used by a cross section of the population, from learners and students, to NGOs and community members. In total the expenditure on this project is R250 000. These are the rural areas where there is a great need for access to information (especially internet and reference books) and this infrastructure was not previously available.

Sector: Education
 Project: Fort Hare Geology Project, Eastern Cape
 Project duration: July 2008 to June 2010



Implats contributed to the refurbishment of the Geology laboratory at Fort Hare University, including the donation of 25 computers. The intention is to improve the standard of geology teaching, with the possibility of providing geological recruits to Implats in the future. The total cost of the project will be R1 million.

Sector: Education
 Project: Marula schools infrastructure
 Project duration: June 2009 to June 2010

Marula committed R5 million towards a school infrastructure development programme in a project undertaken in conjunction with the Department of Education. A joint committee was established in late 2008 to oversee the reconstruction of eight of the most needy schools in the district. This followed a site inspection that revealed that there were many schools in the area that had very poor infrastructure, with many buildings having been condemned. Two schools have been prioritised at Marula for attention in FY2010.

Social performance – Socio-economic development (continued)

Sector: Environmental development
Project: Rehabilitation of quarries, Eastern Cape
Project duration: September 2008 to December 2010



Also located near Mthatha in the Eastern Cape, this project involves the rehabilitation of quarries that were created to obtain gravel for road construction in the past. These borrow pits pose environmental, safety and health risks to humans and animals.

The key objective of this project is to develop a rehabilitation programme for the old borrow pits, and to restore and safeguard the environment. Secondary objectives include the creation of employment for the duration of the project for communities and members of SAWIMA, as well as the transfer of skills and training to community members (focusing on women) to undertake rehabilitation work. A local team will be established that has the knowledge and skills to participate in future rehabilitation projects of other borrow pits in the Eastern Cape.

The current phase of the project will be the rehabilitation of two pits 29 kilometres west of Mthatha at a cost of R800 000. Final surveying of the area has been undertaken and a project plan has been developed. Implementation started in late FY2009. The project will be implemented by an independent company that specialises in rehabilitation work and community projects in partnership with SAWIMA.

Sector: Environmental development
Project: Community Environmental Rehabilitation Programme (CERP)
Project duration: September 2008 to December 2010



This is the follow up to the highly successful Monontsha woodchips project, which involves community rehabilitation of Impala's tailings dumps. As the tailings rehabilitation project will come to an end within the next three to four years, alternatives were sought to make this project sustainable beyond the scope of the current rehabilitation project. A feasibility study was conducted on a new wood-chip/organic fertilizer project, that will see the use of woodchips (waste material from the timber used underground) and sewage. The new project will still include composting of woodchips but at a much bigger scale than currently being undertaken. A small part of the compost will still be used for rehabilitation activities and some compost will be sold on the market but the bulk will be chemically enriched, pelletised and marketed as an organic soil-curing fertiliser. A suitable site is being sought. The project is being established at a cost of R5.3 million, and will sustain 65 jobs.

Sector: Business against crime
Project: Springs Safety Community Policing Forum
Project duration: June 2009 to September 2009



In support of local business against crime campaigns, Impala Springs' contributed R250 000 to:

- The Springs' Chamber of Commerce and the Springs' branch of the South African Police Services' project for the installation of the CCTV cameras in the Springs CBD.
- The Kwa Thema Community Policing Forum for 85 mountain bicycles as part of their local crime prevention programme.

Social performance – Socio-economic development (continued)



IBT

Impala Bafokeng Trust

The Impala Bafokeng Trust

The functioning of the IBT continued to gain momentum during the year. An office was established in Tlhabane and the set of projects identified received funding and support. Some of these projects were transferred from the ICDT.

The focus of the IBT is the Bojanala district, which is rich in resources and enjoys a degree of communal wealth, but in which at the local and individual family level, many people remain poor. At the most basic level, many are not able to feed themselves or their families and numerous health care challenges exist in the community. These challenges include a high level of HIV prevalence, people contracting and dying from preventable and contractible illnesses and the low ratio of health care workers to families. A cycle of poverty persists with a high proportion of youth and adults being unable to participate in the mainstream economy, through a lack of opportunity and inappropriate experience and education. Additionally, there are many youth and children who live in difficult circumstances in child/youth or parent-headed households as a consequence of the AIDS pandemic.

The IBT's approach is multi-faceted and, while its primary role is that of grant-making, it also recognises the value of, and invests in brokering common purpose partnerships and joining others in advocacy initiatives on issues relevant to their collective work.

Priority areas identified by the IBT for support, directly and in partnership with government and other organisations are:

- improving the quality of education to enhance skills for the world of work. The IBT places a specific emphasis on early childhood

development and supports efforts to improve the quality of school teaching and learning, especially mathematics, science, english and technology education.

- improving access to health services and facilities to assist with improved prevention and the management of disease.
- creating and strengthening of local enterprises for sustainable livelihoods.
- facilitating access to sport and recreational facilities for community building, individual personal development and healthy living.
- building and/or strengthening relevant local civil society organisations for institutional capacity development, to help create and maintain a healthy and enabling environment in the province.

Other organisations with which the IBT is involved are:

- **Tapologo** – An organisation with multiple sites in Greater Rustenburg that support those infected with and affected by HIV and AIDS. The IBT support went towards helping to increase the number of care givers and thus expand its geographic reach.
- **REACH** – A project of the Ukugonda Institute, which focuses on learner and educator support to improve the quality of mathematics and science teaching and learning in schools. IBT supported their work in 17 schools.
- **Mahube Trust** – Facilitate and coordinate SMME development projects in the North West Province. The IBT support during the period under review went towards strengthening the Mahube Trust's organisational capacity to deliver quality service to Co-operatives and micro enterprises.
- **GRCF** – Greater Rustenburg Community Forum provides support for projects in the Greater Rustenburg Municipality in order to strengthen organisational capacity to deliver quality services to local community-based organisations (CBOS) and NGOs. IBT supported the work of 25 CBOs.
- **CECD** – A new project being undertaken in partnership with the Centre for Early Childhood Development (CECD) aims to help build a stronger early childhood development sector in the area so as to effectively prepare young children for schooling.
- **Hand in Hand** – A project aimed at mobilising for broader participation in economic development. Support was given to mobilise and train 500 individuals into self-help groups with a view to promoting self sufficiency.

The trust is guided by a board of trustees, and managed professionally by an independent consultant. For further information on the IBT see the IBT website at www.ibt.org.za.

A cycle of poverty exists in the area, which the IBT aims to address

*Social performance – Socio-economic development
(continued)*



Sports development

As part of its commitment and mentoring to the holistic development of the community in which it operates and to develop the pool of talent from which the company will draw its employees in the future, Impala Platinum launched the Impala Sports Academy in 2006. From small beginnings – supporting ad hoc sporting clubs in which its employees are involved and its two-year sponsorship of the local provincial rugby team – the academy has become a centre of sporting excellence in North West Province and beyond. Impala has chosen sport as a channel for education, transformation, and individual development, with coaches, programmes and facilities in four key sporting disciplines: cricket, football, rugby and netball.

In conjunction with and as part of the sports development programme, the company has – in collaboration with its training department – developed a learnership scheme in basic mining and engineering related disciplines – for promising and talented young sportsmen. The learnership scheme, which started in January 2009 provides full-time skills training, while at the same time providing the talented young sportsmen with professional sporting training. In FY2009, four new enrolments on learnerships were offered. A basic survey course is also being developed. This scheme ensures that sportsmen and women who may or may not become professionals for a limited period of time, have a career to fall back on once their sporting careers come to an end, and provides Impala with a source of trained talent.

The development of HDSAs is an important feature of the programme, with a grass-roots outreach programme a fundamental part of the initiative. Scores of young South Africans in the region are being exposed to a variety of sporting activities, and discipline, team spirit and the other positive characteristics associated with sport. This outreach initiative extends into local schools too, where training is provided in coaching and refereeing/umpiring, so that they too become ambassadors of sport.

Currently, there are some 1 952 participants of the sports development programme, with a majority in soccer (which has 575 senior team members). Soccer coaches have attended internal courses run by the South African football governing body SAFA, to qualify them as fully fledged coaches. The netball club is also growing with a number of new players attending training sessions.

The development of HDSA sportsmen is an important feature of the programme, with a grass-roots outreach programme a fundamental part of the initiative

Social performance – Socio-economic development (continued)

Bursaries for communities

Implats has committed to provide ten bursaries per annum for tertiary education, five for students from the Eastern Cape and five in the Taung area. The cost of the programme is R15 million. In addition, five learnership opportunities are also created per annum, for a period of five years, five in the Eastern Cape and five in the Taung area. This is over-and-above the bursaries provided as part of human capital development.

Living conditions and housing

Historically in the southern African mining industry, accommodation for employees at all levels has been provided by the respective mining companies. This has been largely for two reasons:

- there is typically a shortage of housing in mining areas as operations are frequently located in remote areas (such as Marula, Zimplats and Mimosa) or in areas where accommodation is at a premium owing to rapid economic growth in the area (Impala Rustenburg and Marula);
- and because employees (particularly at the senior and lower levels) are recruited from areas that are far removed from mining operations, which are often remote.

The legacy of the migrant labour system in South Africa, which draws large numbers of employees from neighbouring countries and

rural provinces in South Africa (the so-called labour-sending areas), has further exacerbated the situation. Employees may work at mining operations for a significant portion of the year while their families remain in their home villages and towns. Mining companies historically accommodated senior and supervisory employees

in mine villages, and lower level employees in singles' quarters. While these singles' quarters provide safe and adequate rooming facilities, room densities were typically high (with up to 10 people per dormitory), with little privacy.

It should be noted that South Africa as a whole continues to experience massive housing shortages, despite significant efforts to address this issue by national and local governments and the private sector. Combined with a high rate of urbanisation and an influx of work seekers to the mining centres, this has resulted in the unprecedented growth of informal settlements, most of which have no services or infrastructure either currently, or planned.

Implats embarked on a new strategic approach to housing and living conditions

Scope of the challenge

The scope of the challenge facing Impala Rustenburg (which employs the majority of the group's employees and is the only operation with singles' quarters) is illustrated as follows: At the outset of this process (in June 2007), about 30% of employees resided in single sex residences, while about 50% had opted to move out of these residences and rent private accommodation. Unfortunately, many of those who had moved out of company-owned singles' accommodation are now living in informal settlements (owing to the high cost of living in towns and suburbs), which is not optimal for employee health and well-being.

A survey undertaken at the beginning of the process by Impala Rustenburg indicated the following about single sex accommodation dwellers and those residing privately:

- 23% of employees are not residents of South Africa and 22% are not considered to be local.
- 65% of employees are married.
- 74% of employees wish to relocate their families to live with them at their place of work.

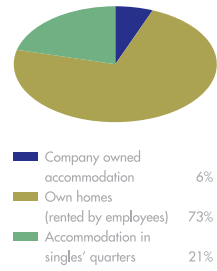
New approach

Given the change in the group's approach to the management of human resources and in line with commitments made by the company regarding the Mining Charter, Implats embarked on a new approach to housing and living conditions in May 2007. This new approach will see the significant upgrading of housing and living conditions for employees across the group through:

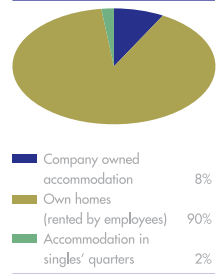
- conversion of two existing single sex residences (North and South) to lower room densities and to increase privacy to residents;
- conversion and upgrading of single residences to family units at Rustenburg;
- upgrading of company-owned accommodation provided to employees;
- the development of home-ownership options and facilities so that employees may gain an asset that will be retained and have value even after their employment by the company.

In all of the above options, emphasis is placed on accommodating employees with their families where this is possible and desired by the employee. Underpinning Implats' vision is that the provision of attractive housing and living conditions, with associated facilities such as schools, shopping centres and places of worship, is a very positive incentive in attracting and retaining skilled personnel.

Accommodation used by employees at Impala Rustenburg – June 2009



Accommodation used by employees at Marula – June 2009



BEE procurement and job creation are spin-offs from the housing and living conditions project

Social performance – Socio-economic development (continued)

Job creation and BEE spin-offs

An integral part of Implats' strategy is ensuring that the significant capital expenditure contributes to economic development in the region through the development and support of BEE construction and subcontracting companies, and the creation of jobs and skills transfer for local community members (See the Economic Performance section on page 58). More than 2 000 people have been employed as part of this project, and more than 100 people have received formal skills training in areas such as bricklaying, paving and tiling through an Implats-led training programme. Informal, on-the-job training is an ongoing process.

At Marula, where there is no legacy of singles' quarters, the strategy focuses on the following areas:

- the upgrading and rehabilitation of existing housing portfolio
- the construction and purchase of the new unit for 'critical skills'.

Planning for home ownership of some 500 units has commenced with the procurement of land although this has been deferred due to the current economic climate.

Company response

The Implats board approved a significant capital expenditure programme of R2.5 billion to enable the rapid implementation of this strategy for Impala Rustenburg and Marula with R1 billion expenditure to date from inception. However, owing to the recent economic downturn a revised five year capital expenditure plan has been implemented.

Progress made

Good progress has been made with the implementation of this strategy at both Impala Rustenburg and Marula. However, all Marula home ownership projects have been deferred. Key to the implementation of this strategy was the requirement that, on the conclusion of mining operations in the area, the community should be viable and sustainable.

At the end of June 2009, the upgrading of 50% of the North and 70% of the South residences at Rustenburg to apartment-style units with private bedrooms, bathrooms and a common living area had been completed. Around 40% of the No 9 residence had been converted into family units. These newly converted single

residences (accommodating 6 300 residents), were well received by employees and unions. Included in the residence makeover was the complete rebuilding of the residence kitchens and dining halls, as well as the provision of a card-operated meal/grocery outlet ('Miner Diner') that provides employees with meal options and allows for personal taste and choice. The remaining units to be converted at the residences will be completed in the near future.

New housing units (a total of 318 at the end of June 2009), earmarked for employees with 'critical skills', have also been purchased and developed. These units comprise three bedrooms, two bathrooms and lock-up garages and have proved to be a valuable competitive advantage to Impala in the marketplace. A total of 89 units have been constructed in Burgersfort for the Marula operations.

Possibly the most significant development has been the ambitious programme to promote home ownership and the company's involvement in Sunrise Park in the Boitekong area, a suburb of Rustenburg. The project was planned and undertaken with the close co-operation of the local municipality with the company undertaking the town planning, infrastructural development and servicing. A total of 1 579 units is being constructed, with 32% of these having been completed by year-end.

The two and three-bedroom units are situated on fully serviced stands with freehold title and completed infrastructure such as tarred roads, street lights and storm water drainage. The units are typically of a higher quality than most neighbouring units. They are sold to qualifying applicants at cost price with finance being facilitated by Impala. Extremely favourable financing terms were negotiated with a preferred financial institution on behalf of employees. By year-end a total of 150 units within this development had been sold and occupied.

Going forward

Going forward, a number of additional accommodation interventions are planned and will be pursued, depending on prevailing economic conditions and demand.

A total of 1 579 units are being constructed in Sunrise Park

Social performance – Socio-economic development
(continued)



Ngezi Project

Houses in Turf Mills
Zimplats Em

Project Ma



Zimbabwe

In Zimbabwe the group continues to undertake corporate social investment initiatives in those areas in which significant needs have been identified. These, to date, have been in education and health.

Further details on specific projects appear below.



Corporate social investment projects in Zimbabwe

Mimosa

Mimosa's social responsibility is aimed at making a lasting impression on the community in which it operates, even long after the mine has ceased to operate. The projects here focus primarily on, but are not limited to, education, community development and primary health care.

Some of the specific projects supported by Mimosa in FY2009 include:

- University of Zimbabwe which received \$89 000 towards the funding of 15 computers, a printer and a processor as well as a mini bus for the campus.
- Dadaya Primary school received a classroom block as well as an ablution facility to the value of \$310 000.
- Mortuary building as well as mortuary refrigeration was provided for the Zvishavane District Hospital mortuary at a cost of \$207 748.

Social performance – Socio-economic development (continued)



Zimplats

Zimplats aims to achieve meaningful and sustainable interventions towards social development, in partnership with local communities. This collaborative approach facilitates ownership and commitment from the beneficiaries.

Zimplats aims to ensure that it makes a positive contribution to poverty alleviation and community development by providing infrastructure and enabling government to improve service delivery and local economic development. Although Zimplats' overriding goal is to assist a broad range of stakeholders, it places a specific emphasis on youth, orphans and child headed households, the elderly and people living with disabilities.

During FY2009, Zimplats spent approximately R311 million on socio-economic development projects in Zimbabwe (FY2008: R400 000).

In FY2009, there were more than 5 000 direct and many more indirect beneficiaries of this expenditure.

Zimplats corporate social investment programme focuses mainly on education, health – both primary and secondary health care – and the management of HIV & AIDS. Other areas of focus include safety and security including road safety awareness campaigns and infrastructure development for the Zimbabwe Republic Police (ZRP). Zimplats has also supported income-generating projects through the establishment of agricultural projects for small-scale farmers near the Ngezi mine.

Some specific projects carried out by Zimplats in FY09 include the following.

- Zimplats has built more than 1 000 houses for its employees including supporting infrastructure, water, electricity, roads, and the upgrade of the local clinic and schools.
- Zimplats has supported the Zimbabwe Electricity supply authority (ZESA) in various projects at a cost of more than R350 million. This included the building of a 330 kVA sub-station at Selous,

the replacement of the SCADA system (to control the national grid) at the ZESA National Control Centre and the financing of the replacement transformers at the ZESA Norton sub-station.

- At the start of the cholera outbreak, Zimplats donated R5 million towards the management of the outbreak and the procurement of drugs and equipment to assist with the rehabilitation of the local health delivery system.
- Zimplats also invested in an agricultural project with the community around Ngezi Mine. The Zimplats Agriculture Programme is the latest such initiative geared to benefit and empower small-scale farmers. The broad-based Community Agricultural Development Programme which centres on crop production is being implemented, near Ngezi Mine. It is aimed at empowering the small-scale farming community around Ngezi. There are 96 beneficiaries from Turf and Mlota who are receiving guidance on sustainable conservation farming with the aim of making them self-sufficient within three years. There are 96 growers producing crops on 85 hectares (40 hectares are under maize, another 40 hectares under cowpea production and 5 hectares under sorghum seed production). Besides receiving intensive training and demonstration, participants also receive assistance in the form of access to seed, fertiliser and transport.

Objectives for FY2010

- Further consolidation of the revised approach to socio-economic development.
- Greater integration between the various elements of socio-economic development, so as to optimise the value received by communities.
- Continued expansion of the sports development programme.
- Ongoing implementation of the housing and living conditions strategy including:
 - complete conversion of all single residences;
 - complete construction and sale of 1 588 units in Rustenburg to promote home ownership;
 - formalised agreements with government for subsidies to facilitate affordability of home ownership;
 - initiate the servicing of land for the development of houses for home ownership in Burgersfort (economic conditions permitting);
 - incorporate non-residence employees into the "Miner Diner" card concept at the residents kitchens to promote and improve nutrition among employees.
- Continued implementation of socio-economic and infrastructural development committed to in the SLPs.

Environmental performance



Highlights	<ul style="list-style-type: none"> • New group environmental policy developed and approved by the board. • Good levels of legal compliance reported. • Final commissioning of new and expanded air quality abatement equipment at the smelter in Rustenburg, which will more than halve SO₂ emissions in the future. • A reduction in fresh water consumption reported. • Group response to climate change developed. • Impala Rustenburg, Impala Springs and Zimplats retain ISO14001 certification. • Direct SO₂ emission reduction of 20%.
Disappointments	<ul style="list-style-type: none"> • Lack of progress in obtaining water licences.
Opportunities	<ul style="list-style-type: none"> • Continued implementation of ISO14001 to maintain highest levels of environmental practice. • SO₂ emissions from Impala Rustenburg to further decrease in the future. • Potential opportunities as a result of climate change to be investigated.

Management approach

Prospecting, mining, processing and refining operations inevitably have an impact on the environment. Implats is extremely mindful of this and has ensured that the strategies and processes required to minimise this impact are in place at all stages of the operations' life cycle, from prospecting to closure. Further, Implats plays a significant role in the recycling of its product.

While the management and day-to-day responsibility for environmental matters lies with the relevant managers at Implats' various operations, these operations are guided and supported by a corporate level environmental team, which has as its head a Group Safety, Health and Environment executive.

As a minimum, Implats ensures compliance with environmental legislation. Significant environmental issues are reported and considered at the company's executive meetings, comprising the senior leadership of the company. At the board level, the SHEQ Audit Committee has oversight of environmental matters, and environmental performance is reported to this committee on a quarterly basis. Site visits are undertaken on a regular basis by the SHEQ Audit Committee, while the group corporate environmental team conducts regular audits.

Environmental performance (continued)

Environmental harm is avoided or mitigated as far as is practical throughout the life cycle of mining operations

Environmental policy

A revised Implats group environmental policy was developed during the year, and signed by the CEO and approved by the board in November 2008. The policy is more focused on environmental matters than the previous integrated Health, Safety and Environment Policy. Its full implementation is being undertaken at an operational level, and communication with employees and contractors on this new policy has begun.

While the group aspires to zero harm as a fundamental vision, it is recognised that it is rarely possible to achieve this in the context of sustainable development, particularly in mining. It is considered though, that it is possible to achieve 'net' environmental zero harm, through social and environmental offsets which would give a net positive benefit rather than negative harm through the application of sustainability principles.

Environmental harm is avoided or mitigated as far as is practicable throughout the life cycle of mining operations through operational control and the application of sound environmental principles and practices, including:

- legal compliance;
- pollution prevention;
- implementation of the precautionary approach and duty of care;
- continual improvement in environmental performance; and
- ongoing rehabilitation.

ISO14001 certification

Operation	Date of initial certification	Most recent audits
Impala Rustenburg	May 2003	Recommended for recertification in May 2009
Impala Springs	May 2000	Recertified in January 2009; Surveillance in May 2009
Zimplats	SMC – October 2004 Ngezi Mine – November 2005	Recertified in September 2008
Mimosa	May 2007	Surveillance in December 2008
Marula	Marula is in the process of implementing an ISO14001 based EMS. An initial review (gap analysis) was undertaken in March 2009.	

Compliance

Implats' operations all have environmental management systems (EMSs), developed in accordance with the ISO14001 environmental standard (see table on page 138). Environmental management programmes are in place at all mining and prospecting areas, as required by the relevant mining legislation.

All but one operation (Marula) are certified as being compliant with ISO14001, with recertification audits having taken place in FY2009. Impala Springs, Impala Rustenburg and Zimplats were recertified during the year. All major and minor non-conformances had to be closed out before the recertifications were awarded. Impala Rustenburg was recommended for recertification in May 2009, provided that eight minor non-conformances are resolved by the end of August 2009. Rustenburg also received 14 commendations during this audit.

A gap audit was conducted at Marula (in respect of compliance with ISO14001). Several issues were raised during this audit which are receiving attention and will be addressed prior to Marula seeking external verification of its compliance with this standard during FY2010.

In line with its commitment to complying with legislation, regulations and its own EMSs, both internal and external audits are undertaken on a regular basis. A total of 109 internal audits and 5 external audits were undertaken during the year.

Internal environmental systems audits are conducted to ensure ongoing compliance with ISO14001 and the group's environmental management systems requirements. External legal compliance, ISO14001 certification, EMP compliance and other legislated audits are undertaken regularly.

No significant breaches of environmental laws, regulations or standards were reported by the group during FY2009, and no fines were imposed by the regulatory authorities in respect of environmental compliance. No critical level environmental incidents were reported.

Complaints received from the public are addressed as part of non-conformance management in the ISO14001 management systems for all operations other than Marula. At Marula, issues raised by communities are addressed under the auspices of the Marula Community Development Agency. Mimoso also receives complaints from the public via the human resources department and quarterly community liaison meetings.

Implats' operations all have
EMSs developed in
accordance with ISO14001

Environmental performance (continued)

In respect of environmental authorisations, the following is reported:

- Little progress has been made towards concluding water use licences at Impala Rustenburg, Impala Springs, Marula or Leeuwkop. Impala Springs and Marula have received a draft water use licence.
- All relevant authorisations for the Merensky project at Marula were obtained.
- Mimosa Mine was granted a licence for hazardous waste generation, use, recycle, storage, treatment and transportation in March 2009. This is in compliance with the Environmental Management (Hazardous Substances, Pesticides and other Toxic Substances) Regulation of 2007, in terms of Zimbabwean legislation. The list of hazardous substances includes petrol, diesel and chemicals used mainly in the laboratory.
- Impala Rustenburg received authorisation for the installation of diesel storage tanks at 11C shaft and for the installation of diesel and oil storage tanks for 12 shaft.
- A total of 21 solid waste and effluent disposal permits were applied for and granted to Zimplats during the course of the year.

Communication

Open and transparent communication with stakeholders continues to be a key objective for the group and a close alignment has been sought between the environmental teams and the newly formed stakeholder engagement unit. Hotlines, open days, newsletters and community liaison forums continue to form an integral part of the communication with stakeholders.

Performance in FY2009

Given the varying nature of mining, processing and refining operations and environmental circumstances across the operations within the group, it is understandable that the environmental priorities and the potential for environmental risk varies from site to site. Generally, however, Implats' environmental priorities are:

- improving resource usage (water and energy),
- reducing the group's carbon footprint,
- preventing pollution (air, water and land),

- instilling and ensuring good practice in respect of waste management, and
- responsible conservation and preservation of land under management.

Water management

Water is a scarce and valuable resource in Southern Africa. It is anticipated that supply could be further constrained in the future owing to the effects of climate change. The group's water management strategy involves the reduction of fresh water consumption where possible, increasing recycling and mitigating any negative impacts of its operations on local and regional water resources.

Water consumption

Implats is cognisant of the fact that, in Southern Africa, water is a scarce resource and programmes are in place to reduce and minimise consumption, and improve recycling. As far as it is possible, effluent water is re-used directly for mining, processing and refining operations.

To optimise water usage at the Rustenburg operations, a water conservation programme has been developed to include:

- maximising the recycling of water within the company's operations;
- using treated effluent from the Rustenburg Water Services Trust in the processing facilities; and
- recycling of water from the tailings operation. Additional stormwater storage dams at the tailings and UG2 concentrator operations are being constructed and will be completed in FY2010.

Measures in place to optimise water usage at Zimplats include:

- recycling water from tailings dam into the plant.
- storm water retention dam captures all water from the SMC plant area and re-channels it to the plant.
- run-off mine water is recycled from settling dams at the three underground mines at Ngezi, although there are no meters in place as yet to quantify the amount recycled back into the mine.

Open and transparent communication with stakeholders remains a key objective

Environmental performance (continued)

Water sources

- | | |
|-------------------|--|
| Impala Rustenburg | <ul style="list-style-type: none"> • Surface water – water from Rockwall Dam used at processing plant • Recycled water – water from the tailings dam and treated effluent from the Impala water care works re-used in processing plants • Groundwater – ingress water from various shafts; smelter boreholes will become operational in FY2010 • Waste water – effluent water received from Rustenburg Water Services Trust; • Fresh water – potable water from water services provider (Rand Water and Magalies Water) |
| Impala Springs | <ul style="list-style-type: none"> • Fresh water – potable water from water services provider • Recycled process water |
| Marula | <ul style="list-style-type: none"> • Surface water – water from water services provider, Lebolelo Water Scheme • Fresh water – Marula treats a portion of the water obtained from the Lebolelo water scheme for use as potable water • Recycled water from tailings dam |
| Mimosa | <ul style="list-style-type: none"> • Surface water – Mimosa Mine abstracts water from the nearby river • Fresh water – A portion of the water abstracted from the nearby river is used as potable water • Recycled water from tailings return dam |
| Zimplats SMC | <ul style="list-style-type: none"> • Surface water – abstracted from a Zimbabwe National Water Authority dam, the Manyame dam. A portion of this water is treated for potable water • Groundwater – dewatering of old mine portals |
| Zimplats Ngezi | <ul style="list-style-type: none"> • Surface water water is abstracted from a Zimbabwe National Water Authority (ZINWA) Manyame dam and the dewatering of the two old BHP Mine portals. Zimplats Ngezi operations' water supply is from the Ngezi River Weir and boreholes within the site |

To optimise water usage at Mimosa Mine, a second return water dam is being constructed, which will optimise the use of return water decanted from the active tailings dam.

Total water consumption by the group in FY2009 was 35.9 million kJ, a decrease of 9% on the previous year. Total water withdrawn amounted to 25.8 million kJ, a decrease of 0.7% on FY2008. In line with the group's strategy to reduce fresh water consumption, this parameter decreased during the year as further recycling initiatives took effect.

Impala Springs is currently investigating ways of optimising the recycling of water.

Total and fresh water consumption (1 000k l)*

Operation	Total water consumption			Total water withdrawn		
	FY2009	FY2008	FY2007	FY2009	FY2008	FY2007
Impala Rustenburg	24 894	29 530	24 608	18 843	19 812	16 715
Impala Springs	1 195	1 186	1 310	758	752	858
Marula	2 160	2 031**	2 174**	1 169	1 001	1 083
Zimplats	3 793	3 442***	2 078	2 685	2 386	930
Mimosa	3 885	3 286	2 972	2 328	2 019	2 138
Group	35 927	39 475	33 142	25 783	25 970	21 724

* Total water consumed includes various sources of water and recycled water.

* Total water withdrawn includes water from service providers, rivers, dams, groundwater and external recycled water.

** Marula: FY08 - 4 611 restated as 2 031

FY07 - 2 310 restated as 2 174

*** Zimplats: FY08 - 6 502 restated as 3 442

Recycled water used (1 000k l) and % total water consumed)

Operation	k l recycled			% total consumption		
	FY2009	FY2008	FY2007	FY2009	FY2008	FY2007
Impala Rustenburg	7 557	9 719	7 893	30	33	32
Impala Springs	438	433	457	37	37	35
Marula	991	1 030*	1 091***	46	51	50
Zimplats	1 109	1 056**	834	29	31	55
Mimosa	1 557	1 267	1 148	40	39	28
Group	11 652	13 505	11 423	32	34	34

* Marula: FY08 - 3 610 restated as 1 030

** Zimplats: FY08 - 4 116 restated as 1 056

*** Marula: FY07 - 1 227 restated as 1 091

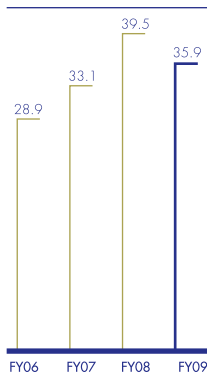
Group water withdrawn by source – FY2009 (1 000k l)

Water from service providers	11 982
Water from external recycling projects	3 829
Water from rivers, dams and groundwater	9 972
Total water withdrawn	25 783

Implats plays an active role in local water forums so as to constructively engage with neighbours and the authorities in optimising water usage. In FY2009, Marula participated in the Sekhukhune District Environmental Forum which focuses on, among other issues, water usage, and promotes the sharing of knowledge and information.

Environmental performance (continued)

Total water consumption
(1 000 000 k)



Impala Rustenburg actively participates in the water sub-committee of the Producers' Forum on the western limb which aims to ensure the optimal usage of water in the area.

Preventing pollution

Given the nature of mining operations (and particularly the use of explosives) the primary concern in respect of water pollution is the potential release of process water containing sulphates, chlorides and nitrates into receiving water bodies. None of Implats' operations are associated with acid mine drainage.

Groundwater and surface sampling is regularly undertaken at all operations. For the Impala Rustenburg operation, this data is fed into a regional groundwater model which is then used as a management tool for groundwater problem identification and mitigation design, should this become necessary.

Capital expenditure of R68.5 million has been allocated for water-related projects at the Rustenburg operations to be implemented over the period FY2009 to FY2012. R30 million was spent in FY2009.

As part of the company's project to improve water quality in receiving water bodies and to further minimise discharges, several new storm water control dams are under construction – at Impala Rustenburg's UG2 concentrator complex and the No 3/4 tailings dams. This project forms part of an initiative to clean the Rockwall Dam by minimising the inflow of contaminated process water and storm water. It is expected to be completed in FY2010. The design of the storm water control dams at the Mineral Processes' central concentrator is targeted for completion during FY2010.

Various projects to prevent and mitigate groundwater pollution will be finalised during FY2010. These include: the construction of cut-off trenches at the 14 shaft waste rock dump and sludge ponds; lining of the 16 shaft evaporation ponds and implementation of environmental engineering controls at the waste rock dump; and formalising an environmental standard for the construction, operation and closure of waste rock dumps.

An additional pond was also constructed at Impala's Refineries in Springs to manage effluent and prevent any spillages into water courses. The refineries do not discharge water into any water courses, although some effluent is released into the municipal sewer (with permission).

A second return water dam has almost been completed at Mimoso, at a cost of around \$1 million.

Energy management

The amount of energy available to and used by the company is a material issue. It has a bearing on the continuity of Implats' business and growth and on costs, and the energy used is a significant component of the company's greenhouse gas (GHG) emissions. Electricity costs have risen and are likely to rise significantly in coming years.

In early 2008, following a national electricity shortage, Eskom, the national power utility in South Africa, reduced the permanent electricity allocation to the mining industry by 5%. Implats worked closely with Eskom on demand-side management (DSM) programmes to effect this reduction in energy usage. Subsequently, electricity tariffs have risen by 24% in South Africa, and additional increases are anticipated in the coming year. In FY2009, the cost of electricity made up 6.5% of the company's operating costs excluding share based payments.

Integral to Implats' strategy to reduce its GHG emissions is the group's strategy to optimise energy consumption and energy efficiency.

The opportunity for reducing energy usage at the group's smelters and refineries is limited. Energy requirements here are largely fixed, and related to throughputs. In FY2008, a third furnace was commissioned at the Rustenburg operations so as to increase the group's capacity to smelt its concentrate, concentrate from other producers and the rising tonnages of spent autocatalysts. (Implats is one of the world's largest recyclers of autocatalysts, sourced largely from the United States). Implats' focus is therefore on optimising the energy efficiency of its mining operations.

During the year under review, Implats' total energy consumption, and hence GHG emissions, have continued to rise as the group continues to pursue its growth strategy despite a 10% decrease in gross refined platinum production. The increase in energy consumption is largely as a result of:

- the third furnace becoming fully operational, and
- mining operations becoming deeper and further from the shafts, resulting in greater energy requirements for transport and refrigeration.

Integral to Implats' strategy to reduce GHG emissions is the optimisation of energy usage and efficiency

Environmental performance (continued)

Implats' energy saving initiatives have achieved some benefits, although these have not yet been seen in total energy consumption figures. Many of the initiatives delivered substantial benefits to Eskom as a result of demand shifts (to off-peak hours) and the installation of appropriate scheduling and control mechanisms.

It is anticipated that these initiatives will deliver further improvements going forward but, given the group's expansion plans, the emphasis will remain in improving efficiencies rather than reducing absolute consumption.

A similar need exists in Zimbabwe. Severe power outages, combined with punitive electricity tariffs, provide significant financial incentives for power conservation strategies.

Mimosa Mine is in the process of installing solar water heating systems on low density residential houses and inverters as a result of power outages. Energy reductions will not be reflected on Mimosa Mine energy consumption as occupants of the low density houses pay their bills to the Zvishavane town council.

Implats established an internal Energy Initiative Working Group as far back as 2005, and has worked closely with Eskom since then on several demand-side management (DSM) initiatives. Among the initiatives investigated (and discussed further in the table on page 146) are projects related to:

- main fan stations;
- refrigeration systems;
- underground pumping systems;
- underground lighting;
- air compressor and reticulations systems; and
- hot water control systems for change houses and residences.

Other projects either underway or being considered are: purchase of high efficiency electric motors, closed loop water cooling towers on compressor plants (which require less pumping), replacement of bag house filters with cyclo filters on the intake of compressors (which reduces the restriction of air flow and increases compressor efficiency). The installation of alternative methodologies used in Impala Rustenburg water treatment works, for example, has reduced power requirements by 25%.

Impala's new shafts (16, 17 and 20 shafts) have been and are all being constructed with high-level specifications for energy efficiency and power management in terms of main fan stations, refrigeration systems, underground pumping systems, underground lighting, air compressor and reticulation systems, and hot water control systems for change houses and residences.



Environmental performance (continued)

Energy management initiatives at Impala Rustenburg

Project name and description

Main ventilation fan stations: This project involved the improvement in the central control of the main ventilation fans, as well as improved fan control.

Refrigeration systems:

Project involves improving central control, as well as thermal storage systems (ice stores, water dams and rock mass)

Underground pumping systems (1):

Project involves optimising pumping schedules.

Underground pumping systems (2):

Installation of mid-shaft dams (in place of surface dams), thereby reducing the energy required to pump to surface.

Underground pumping systems (3):

Project involves installation of mud presses underground, reducing energy required to pump mud to surface.

Underground lighting:

Project involves replacement of some 34 000 globes installed underground with compact fluorescent lighting.

Air compressor and reticulation systems:

Project involves improvement in central control and more efficient operating systems.

Hot water systems for change houses and residences:

Project involves implementation of heat pump technology.

Scope of project	Status
Project able to reduce electricity usage by some 7.4 MW between 18:00 and 20:00 (peak demand period). Total cost of capital for this project was R17.5 million, of which Impala contributed R1.3 million.	Completed
Expected load shifting and efficiency improvements of 1.3MW. Capital required of R29 million.	Proposal submitted to Eskom as a potential DSM project. Impala currently examining alternative funding.
Expected load shifting and efficiency improvements of 1.4MW on average. Total cost of project of R3.6 million.	Eskom has approved this DSM project and implementation is underway.
Load shifting improvements of 3.0MW on average from existing shafts. Capital cost requirements under investigation.	This model has been implemented at the new shafts (16, 17 and 20) and consideration is being given to retrofitting arrangements at existing shafts.
Load shifting potential and capital expenditure still to be determined.	This model has been implemented at the new shafts (16, 17 and 20) and consideration is being given to retrofitting at existing shafts.
Potential energy savings of 7 000MWh at a cost of R500 000.	Detailed surveys were undertaken. Key consideration to be given to illumination levels and replacement frequency. Proposal is under review and alternative suppliers are being sought.
Expected load shedding and efficiency improvements of 3.5MW on average.	Detailed surveys were conducted. Specific project proposals under development.
Load shedding opportunity is minimal. Capital cost of R1 million.	Detailed site metering and surveys were carried out and a project proposal is under development.

Environmental performance (continued)

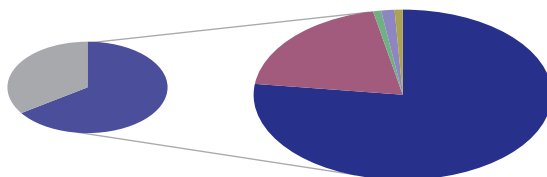
Total energy consumption (which includes direct and indirect energy) rose by 29% to 16 million GJ in FY2009. Energy consumption per ounce of platinum produced was 9.6GJ, an increase of 13.1% per platinum ounce produced. (See the diagram below).

Mimosa is currently working on cost-saving strategies that will reduce energy consumption and that can be adopted and implemented by various departments.

Total energy consumed (000 GJ)

Operation	FY2009	FY2008	FY2007
Impala Rustenburg	11 138	10 875	10 441
Impala Springs	2 554	2 520	2 789
Marula	637	613	472
Zimplats	1 413	1 587	1 468
Mimosa	646	540	491
Group	16 388	16 135	15 661

Breakdown of group energy consumption - FY2009 (Expressed as % of total GJ)



Total energy

— Indirect	65.5%
— Direct	34.5%

Direct energy

— Coal	26.5%
— Diesel	6.8%
— Petrol	0.3%
— IBO	0.5%
— Sasol gas	0.3%

Climate change and greenhouse gas emissions

In April 2009, Implats embarked on a process to consider and address opportunities and risks to the group posed by climate change. As Implats operations are based in South Africa and

Zimbabwe, the group currently has limited exposure to legislation regulating GHG emissions, although this is expected to change in the future. South Africa, by virtue of its dependence on electricity generated from fossil fuels, is a significant global emitter of carbon dioxide.

The primary risks that the group faces as a result of climate change include physical risks, such as water and electricity supply shortages (and hence rising costs).

Given the 'clean' uses for its metals (from autocatalysis to fuel cells), the group anticipates that growing awareness of global warming and increased emission reduction legislation will present greater opportunities for the platinum industry. A focus on smaller, more energy efficient diesel vehicles to meet legislative requirements, will see the demand for PGMs in autocatalysts increasing.

Implats again participated in the Carbon Disclosure Project's (CDP) survey. The group's CDP7 Greenhouse Gas Emissions Questionnaire is available at www.cdproject.net.

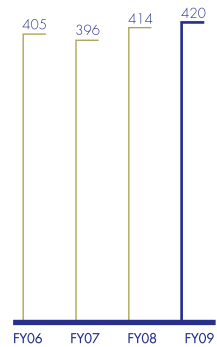
Integral to Implats strategy to reduce its GHG emissions, is the group's strategy to reduce and optimise its energy usage and improve energy efficiency (discussed above), as some 87% of its CO₂ footprint comprises secondary emissions from electricity consumption.

Total direct CO₂ emissions (as a result of burning fuel such as coal, diesel, petrol and gases) amounted to 420 410t, 1.5% higher than the previous year. Total indirect CO₂ emissions rose to 2 970 785t, 6% higher than in FY2008.

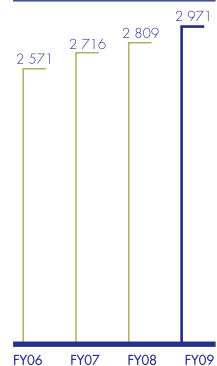
Sources of direct CO₂ emissions

	t	%
Petrol	3 754	0.9
Diesel	76 265	17.5
Coal	332 490	80.0
Sasol gas	2 541	0.5
IBO	5 360	1.2

Total direct CO₂ emissions (000t)



Total indirect CO₂ emissions (000t)



Environmental performance (continued)

Climate change indicators

	FY2009	FY2008	FY2007
Direct CO ₂ emissions (t)*	420 410	414 132	396 252
Indirect CO ₂ emissions (t)**	2 970 785	2 808 766	2 716 235
MWh of indirect energy (electricity purchased)	2 981 369	2 931 906	2 777 336
Direct energy (GJ)	5 655 207	5 579 858	5 661 377
Indirect energy (GJ)	10 732 929	10 554 861	9 998 410
Total energy (GJ)	16 388 136	16 134 719	15 659 787

* Direct CO₂ emissions as a result of burning fuel (coal, diesel, petrol, IBO, natural gas)

** CO₂ emissions from energy purchased

Air quality management

Sulphur dioxide (SO₂) emissions are the major air quality issue for the group's smelting and refining operations at Impala's operations in Rustenburg and Springs, and at Zimplats.

The ambitious SO₂ emission reduction strategy that the Impala Rustenburg operations embarked upon in 2006 reached a critical stage in FY2009. As part of the R830 million smelter upgrade, the upgraded acid and sulfacid plants were commissioned in August and September 2008 respectively. The tail gas (acid and sulfacid plant) and fugitive gas scrubbers were commissioned during February and March 2009. This strategy encompasses three critical components:

- meeting air quality standards;
- limiting visual emissions; and
- minimising occupational exposures.

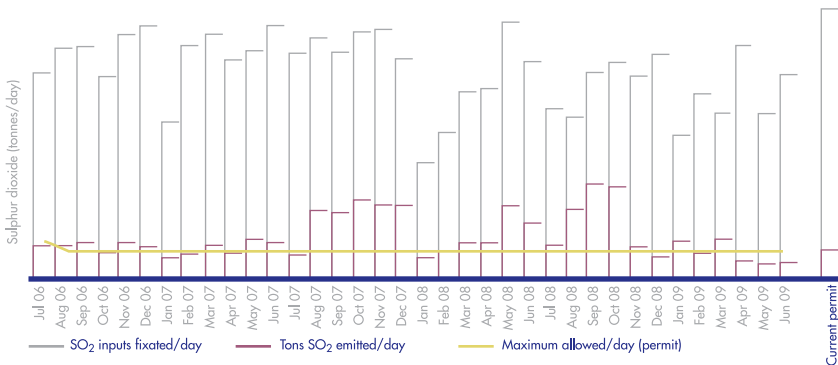
While there were a number of abnormal emissions to the atmosphere during the commissioning process as a result of plant shutdowns (in order to effect the upgrades and new installations), emission levels began to decline towards the end of the year and the full benefit of the installations should be felt in FY2010. Following the full commissioning of the new emission abatement equipment which formed part of the smelter upgrade project, the target for the smelting complex is less than 16t of SO₂ per day (against a previously allowable daily limit of 27.4t of SO₂). (See graph on page 153).

Total group direct SO₂ emissions in FY2009 amounted to 21 152t, a decrease of 20% on the prior year. SO₂ emissions and other significant emissions to air are reported in this section (chlorine, ammonia and NO_x). It should be noted, however, that different monitoring systems are in place at the different operations. At Impala Rustenburg and at Zimplats, SO₂ balances are calculated, while at Impala Springs the data has been collated from a specialist report. The figure for Impala Springs excludes fugitive emissions, which are included in the SO₂ balances calculated at the other two sites. The graph below shows the total amount of sulphur emitted into the atmosphere versus the total sulphur input. The difference results in the amount of sulphur fixated.

Total direct SO₂ emitted (tonnes)

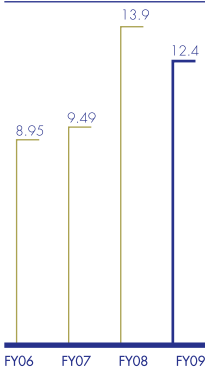
	FY2009	FY2008	FY2007
Impala Rustenburg	14 223	18 184	10 990
Impala Springs	455	342	475
Zimplats	6 474	7 951	7 820
Group	21 152	26 477	19 285

Total SO₂ fixated and emitted
(July 2006 – June 2009)

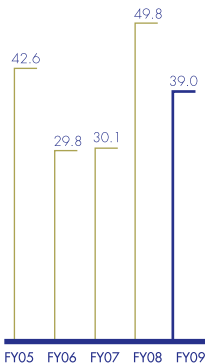


Environmental performance (continued)

**Total SO₂ emitted
kg/platinum oz**



**Average daily SO₂
emissions (t/day) for
Rustenburg operations**



The ambient monitoring network at Impala Rustenburg comprises three ambient monitoring stations that measure meteorological conditions, SO₂ and PM₁₀ (particulate matter smaller than 10 microns). Two additional SO₂ ambient monitoring stations were commissioned during the year. These stations were commissioned particularly to monitor ambient air quality during the commissioning periods of the upgraded smelter. In addition to the ambient stations, a comprehensive total dust fallout network is also maintained. Monitoring of ambient conditions is one of the management tools that can be used to identify and investigate trends.

Ambient air monitoring in the vicinity of the Refineries indicates only minor and infrequent exceedances against national ambient standards. Of concern to the Refineries is the high level of pollution in Springs. The Refineries fall within the Highveld Priority Area that was declared recently in terms of the National Environmental Air Quality Act. As a result, air quality management plans for this area will be a national priority and are currently being drawn up by the Department of Water and Environmental affairs.

At Marula, the PM₁₀ analysis of the fall-out dust in the vicinity of the mine is well below the standards set by the authorities. The major generators of dust are the tailings dam and dirt roads leading to the shafts and in the vicinity of the shafts. Marula has commissioned a dust suppression system (at a cost of R2.5 million) on the tailings dam to address the issue of windblown dust, which could cause a nuisance to the surrounding community.

The focus of the air quality management programme at Zimplats has been the restoration of the ambient air quality monitoring unit, as well as upgrading the dust fall out programme.

Fugitive dust from the active tailings dam at Mimosa remains a challenge and an objective is to minimise dust emission by implementing a dust suppression system.

Implats has phased-out the use and purchase of ozone-depleting substances; an audit to establish whether there are any potential ozone-depleting substances still in use will be undertaken in FY2010.

Material consumption

The efficient use of raw and input materials is promoted both from a cost and environmental conservation perspective. Non-renewable raw materials consumed are: rock mined and milled and slag treated, as well as liquid fuels, coal, explosives, oils,

grease and grinding media (steel balls). This is used in the PGM process for cobalt recovery. Timber used by the operations is sourced from sustainable forestry enterprises

Key production statistics

	FY2009	FY2008	FY2007
Ore milled (000t)	20 083	21 247	21 564
Tailings disposed of on tailings dams (000t)	20 333	19 162	17 413
Dump slag treated (000t)	235	365	302
Furnace and convertor slag generated and treated (000t)	842	903	842
Total slag treated (000t)	1 076	1 268	1 208
Platinum produced (000oz)	1 704	1 907	2 026

* 50% minimum tonnes milled

Land management, biodiversity and rehabilitation

The group has significant areas of land under management – around 94 237 ha in FY2009. Closure plans have been developed for Impala Rustenburg, Impala Springs, Marula and Zimplats.

Compiled initially in June 2006, Mimosa's mine closure plan is currently being reviewed to accommodate current strategic changes.

Open cast mining operations have historically taken place at Zimplats, Marula and Impala Rustenburg. Rehabilitation at Impala Rustenburg is undertaken concurrently with mining activities. At Zimplats, open cast mining ceased in October 2008 and rehabilitation work is currently underway.

Land under management – 30 June 2009

	Land under management (ha)	Disturbed areas rehabilitated in FY09 (ha)*
Impala Rustenburg	33 188	51
Impala Springs	239	–
Marula	5 720	–
Mimosa	6 590	–
Zimplats	48 500	305
Total	94 237	356

* Excludes rehabilitation of tailings dam side slopes

Environmental performance (continued)

During the process of mining, significant amounts of ore (that is minerals-bearing material) are brought to surface and processed to extract the precious metals. Waste rock and tailings (the slurry left behind when the minerals concentrate is sent on for further processing) are deposited on surface in waste rock dumps and tailings dams respectively.

Tailings dam management

Implats has standing contracts with civil engineering and environmental consultants to advise on all aspects of tailings dam management. This includes the design, construction, operation and closure of all their tailings dams. These contract agreements also include dam safety programmes, monitoring, audits and risk assessments.

Additional tailings dam management criteria implemented by most operations include:

- extensive surface and groundwater sampling programmes around their tailings dams.
- bi-annual biomonitoring programmes which assess the impact of the operations, including the tailings dam on downstream users at Impala Rustenburg.
- a new and improved revegetation method for tailings side slopes.
- a mandatory Code of Practice for Mine Residue Deposits which defines all the associated risks as well as the management thereof.

Implats applies an on-land impoundment disposal method for its tailings. Although high in salt load, the tailings, and in particular the seepage water from the tailings dams, are generally regarded as non-toxic. Various controls have been implemented to collect all decant water and to re-use it in the processing facility.

Given the high concentrations of salt, these dumps represent a potential source of ground and surface water contamination. Programmes which include landscaping and vegetation, as appropriate to the area of operation and designated land use are in place to minimise this impact. As far as it is possible, rehabilitation takes place concurrently with tailings deposition processes.

At Impala's Rustenburg operations, woodchips and sewage sludge from the Rustenburg operations continue to be collected for the manufacture of compost by Monontsha, a community-based business.

This is then used in the rehabilitation of the tailings dam slopes. In FY2009 a total of 31 469 hectares of the tailings side slopes have been cleared of alien vegetation and re-grassed with a mixture of indigenous grass species and the compost from the

Rehabilitation liabilities and provisions (R million)

Operation	Rehabilitation liability			Rehabilitation provision		
	FY2009	FY2008	FY2007	FY2009	FY2008	FY2007
Impala Rustenburg	520.3	540.2	498.8	288.6	227.0	213.4
Marula	66.3	69.7	63.1	32.9	36.2	21.1
Mimosa	32.2	13.7	102.2	16.6	9.7	87.3
Zimplats	122.0	121.9	11.6	99.1	51.2	8.3
Group	740.8	745.5	675.7	437.2	324.1	330.1

* Note these numbers reported are aligned with financial requirements and not environmental requirements

Monontsha project. (See the *Socio-economic development* section for further information on this project - page 123).

Rehabilitation

A significant rehabilitation project undertaken during the year at the Rustenburg operations was the rehabilitation of historical waste sites. The five historical sites were rehabilitated by the end of FY2009 at an approximate cost of R8 million covering a combined area of 29 hectares.

Impala Springs has decommissioned the Enhanced Evaporation Spray System and the site is now being rehabilitated using phytoremediation (using plants) techniques.

Group rehabilitation provisions and liabilities are indicated in the table on above.

Bio-diversity

Prior to their start, all prospecting, mining, processing and refining activities are subject to environmental impact assessments (EIA) that include an ecological impact assessment study. Management commitments in terms of the identified impacts/risks are therefore included in the EMP specific to the operation.

Biodiversity is considered in each operations' environmental management plan and is managed as an integral part of the environmental management systems. Other than Zimplats' Ngezi mine, none of the group's operations are located in protected areas or in areas of high biodiversity value. Ngezi is located in a national park. Red data species are located in the vicinity of the Marula operations and are considered in Marula's EMP.

Biodiversity is considered in each operations' environmental management plan

Environmental performance (continued)

The first phase in the development of a Biodiversity Action Plan has been completed for Impala Rustenburg. The programme will identify any threatened species and habitats and is designed to protect and restore biological systems within the mining area. It will require a partnership with the local authorities to work towards regional biodiversity targets. The plan will be fully implemented by FY2011.

At Zimplats, Marula and Mimosa, biodiversity-related issues are managed under the auspices of the respective EMSs.

Mimosa, which is not located in a protected area of high-biodiversity value, has a Resource Conservation Plan that focuses on wildlife habitats protection and flora conservation.

Impala Springs is a corporate trustee of the Blesbokspruit Environmental Centre, just outside Springs. The centre, which provides environmental education to schools and communities, is located near a wetland site.

Waste management

Waste management strategies have been implemented at all operations. To assist in the management and minimisation of waste, Implats is in the process of implementing a waste management module as part of the SAP management programme.

In 2004, Impala Rustenburg contracted a refurbishment and salvage management company to carry out the salvaging, reclamation, sorting and recycling of waste (see case study at www.implats.co.za). Final collection and transportation of hazardous waste is, however, carried out by another reputable waste contractor. Due to the special requirement for the handling and disposal of medical waste, all waste generated by Impala Medical Services is collected by a specialist external contractor.

Waste management strategies have been implemented at all operations

Impala Rustenburg also operates its own permitted general landfill site. The day-to-day operation of this site is managed by an external landfill operator. This site not only offers Impala full control over its general waste but also allows for further recycling to be conducted at the disposal site.

Impala Refineries in Springs generates three waste streams some of which are disposed of in landfills, namely salt generated by the Precious Metals Refinery crystalliser; and boiler ash and jarosite generated by the Base Metals Refinery. Crystalliser salts and jarosite are disposed at a permitted hazardous landfill site and the boiler ash is currently reused for brick-making.

Waste (t)

Non-mineral waste	Impala Impala				
	Rustenburg	Springs	Marula	Zimplats	Mimosa
Non-hazardous (landfill)	7 005	40	22	659	134
Non-hazardous (incineration)	0	0	0	0	0
Hazardous (landfill)	4 644	4 486	31	39	7
Hazardous (incineration)	7	0	0.008	206	0.9
Mineral waste					
Accumulated tailings	14 622	0	1 559 548	2 102 084	2 049 209
Tailings reprocessed	0	0	0	0	0
Surface waste rock	834 325	0	109 459	5 461 534	0

At Zimplats, permission was granted by the authorities for the construction of incinerators to burn hydrocarbon-contaminated material during FY2009. The SMC incinerator is now in operation, while the construction of the Ngezi facility is underway and will be commissioned in FY2010.

Mimosa implements an integrated waste management system that focuses on cleaner production, recycling, treatment and disposal of waste.

Objectives for FY2010

- Achieve continual improvements on the EMSs that are in place and retain ISO14001 certification. Obtain ISO14001 certification at Marula.
- Achieve and maintain regulatory compliance with all permits.
- Minimise waste generation and fully implement SAP waste management module
- Undertake energy investigations and optimise energy usage and in so doing, reduce carbon emissions.
- Investigate potential opportunities as a result of climate change to be investigated.
- Reduce water consumption, minimise the discharge of water into the environment and optimise recycling.
- Reduce dust and SO₂ emissions.
- Ensure closure plans are in place for all operations.
- Maintain communication with interested and affected parties, contractors and employees.

Administration



Reporting in line with the Global Reporting Initiative

Implats has adopted GRI as the basis of its reporting. This report has been compiled in accordance with the GRI's G3 guidelines.

In preparing this report, Implats has been guided by GRI principles in respect of content, quality and reporting boundaries:

Principles relating to the quality of this report:

- **Materiality:** The issues covered in this report have been guided by a combination of feedback from stakeholders, the identification of material issues by the Sustainable Development Forum, and the matters identified through the groups risk management process.
- **Stakeholder inclusiveness:** The views and concerns of stakeholders have been considered in this report. However, this has been on an ad hoc and informal basis. Following the appointment of a stakeholder engagement manager in FY2009, this process will be formalised in FY2010.
- **Sustainability context:** The group has considered the nature of its products and markets (mainly used in first world, developed nations) with the real on-the-ground matters of sustainability faced within developing countries such as South Africa and Zimbabwe.
- **Completeness:** As there have been a number of significant changes in the group's approach to sustainability management, this has been reported extensively in FY2009. It is envisaged that only changes to the management structure and processes will be reported in FY2010.

Principles relating to the quality of this report:

- **Balance:** The group has endeavoured to report in a balanced manner, reflecting both the positive features of the year and the challenges faced.
- **Comparability:** In almost all performance areas, comparisons with FY2008 have been made. Where possible and the information is available, data has been provided over a period of five years.
- **Accuracy:** The group believes that data has been provided in a format which is broadly acceptable and comparable against industry norms. Where necessary definitions have been provided.
- **Timeliness:** This report is published on an annual basis, in conjunction with the release of the group's financial report.
- **Clarity:** The group has adopted a reporting style that is concise, but that is comprehensive enough to be understandable to the lay person.

Implats has adopted GRI as the basis of its sustainable development reporting

Reporting in line with the Global Reporting Initiative (continued)

- **Reliability:** During FY2009, the group implemented a sustainability toolkit to collate and verify data, and to ensure greater accuracy and reliability. Certain KPIs have also been verified by the external assurance provider.

Principles relating to the boundaries of this report:

Included in this report are those operations which are wholly owned and/or managed by the group, as well as the Mimosa mine, in which Implats has a 50% interest. The Two Rivers operation, in which the group has a 40% interest and does not directly managed is not directly covered.

The following table provides an index to the content in line with the GRI indicators.

Vision and strategy

Strategy and analysis			
1.1	front cover flap, p8-12, 25		
1.2	p4-5, 7		
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EN15	NM		

Emissions, effluents and waste

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EN22	p158-159	EN23	p144
EN24	NM	EN25	NM

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Labour practices and decent work p62-75

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LA14	NM

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Non-discrimination

HR4	p61
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Freedom of association and collective bargaining

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Child labour

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Forced and compulsory labour

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HR8	NR
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Community

SO1	p106-135
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Corruption

SO2	NR	SO3	p49
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Public policy

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Anti-competitive behaviour

SO7	p56
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PR3	NM	PR4	p103
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Marketing communication

PR6	NM	PR7	NM
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Customer privacy

PR8	NM
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Compliance

PR9	p104
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Key

AR: Reported in the annual report

NR: Not reported as information is not available at this time

NA: Not applicable to Implats

NM: Not reported as this is not deemed to be material by Implats

Reporting in line with the Global Reporting Initiative (continued)



GRI application level

GRI requires that the company self-declares an application level ranging from C, B to A. The requirements for these levels are indicated below. The + symbol indicates external assurance.

For FY2009, Implants has declared a B+ level of reporting and this has been verified by a third party assurance provider. (See statement on page 166).

Implats will seek GRI confirmation of this level of reporting.

Report application level

	C	C+	B	B+	A	A+	
Standard disclosures	G3 profile disclosures	Report on 1.1 2.1 - 2.10 3.1 - 3.8 3.10 - 3.12 4.1 - 4.4 4.14 - 4.15	Report externally assured	Report on all listed for Level C plus: 1.2, 3.9, 3.13 4.5 - 4.13 4.6 - 4.17	Report externally assured	Same as requirement for Level B	Report externally assured
	G3 management approach disclosures	Not required		Management Approach Disclosures for each Indicator Category		Management Approach disclosed for each Indicator Category	
	G3 performance indicators and sector supplement performance indicators	Report on a minimum of 10 Performance Indicators, including at least one from each of: social, economic, and environment.		Report on a minimum of 20 Performance Indicators, at least one from each of: economic, environment, human rights, labour, society, product responsibility.		Respond on each core G3 and Sector Supplement* indicator with due regard to the materiality Principle by either: a) reporting on the indicator or b) explaining the reason for its omission.	

Reporting in line with the United Nations Global Compact

Implats became a signatory to the UN Global Compact in July 2008. In line with its signatory status, the group will report to the Global Compact on its performance against the commitments that it has made. Aspects of this performance are reported in this report and the table with page references is provided for convenience.

Principle no	Principle	Page no
1	Businesses should support and respect the protection of internationally proclaimed human rights within their sphere of influence;	p76 - 79
2	Make sure they are not complicit in human rights abuses.	p76 - 79
3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	p72 - 74, p76 - 79
4	Businesses should uphold the elimination of all forms of forced and compulsory labour	p78
5	Businesses should uphold the effective abolition of child labour	p78
6	Businesses should uphold the elimination of discrimination in respect of employment and occupation.	p70 - 79
7	Businesses should support a precautionary approach to environmental challenges	p33, p136 - 160
8	Businesses should undertake initiatives to promote greater environmental responsibility	p136 - 160
9	Businesses should encourage the development and diffusion of environmentally friendly technologies.	p136 - 160, p104 - 105,
10	Businesses should work against corruption in all its forms, including extortion and bribery.	p49

Mining Charter Compliance Index

Implats has programmes and policies in place to ensure that the company is aligned with the requirements of the MPRDA and the Mining Charter. Implats was granted new order mining rights for the Impala and Marula operations and the Leeuwkop project in August 2008. Accordingly, Implats will report its progress in respect of the Mining Charter and, specifically, against the targets set in its SLPs to the DMR on an annual basis. Aspects covered in the Mining Charter are integral to the group's sustainable development policies and practices and are also reported on at a high level in this report. The table below is provided for convenience, although it should be noted that the coverage of the Mining Charter in this report is illustrative rather than comprehensive.

Item no	Description	Page no
1	<p>Human resource development</p> <p>Has the company offered every employee the opportunity to be functionally literate and numerate by the year 2005 and are employees being trained?</p> <p>Has the company implemented career paths for HDSA employees, including skills development plans?</p> <p>Has the company developed a system through which empowerment groups can be mentored?</p>	p69 - 70
2	<p>Employment equity</p> <p>Has the company published its employment equity plan and reported on its annual progress in meeting that plan?</p> <p>Has the company established a plan to achieve a target for HDSA participation in management of 40% within five years and is it implementing the plan?</p> <p>Has the company identified a talent pool and is this being fast tracked?</p> <p>Has the company established a plan to achieve the target for the participation of women in mining of 10% within five years and is it implementing the plan?</p>	p70 - 72
3	<p>Migrant labour</p> <p>Has the company subscribed to government and industry agreements to ensure non-discrimination against foreign migrant labour?</p>	p65
4	<p>Mine community and rural development</p> <p>Has the company co-operated in the formulation of integrated development plans and is the company co-operating with government in the implementation of these plans for diffusion of environmentally friendly technologies?</p>	p107 - 135

Item no	Description	Page no
4	<p>Mine community and rural development (continued) Has there been effort on the side of the company to engage the local mine community and communities in major labour-sending areas?</p>	
5	<p>Housing and living conditions For company provided housing, has the mine, in consultation with stakeholders, established measures for improving the standard of housing, including upgrading the hostels, conversion of hostels to family units and promoted ownership options for mine employees? Companies will be required to indicate what they have done to improve housing, show a plan to progress the issue over time and whether such a plan is being implemented? For company-provided nutrition, has the mine established measures to improve the nutrition of mine employees?</p>	p128 - 131
6	<p>Procurement Has the mining company been given HDSA preferred supplier status? Has the mining company identified current levels of procurement from HDSA companies in terms of capital goods, consumables and service? Has the mining company indicated a commitment to progress procurement from HDSA companies over a three-year to five-year time frame in terms of capital goods, consumables and service and to what extent has the commitment been implemented?</p>	p58 - 66
7	<p>Ownership and joint ventures Has the mining company achieved HDSA participation in terms of ownership for equity or attributable units of production of 15% HDSA hands within five years and 26% in 10 years?</p>	p58
8	<p>Benefication Has the mining company identified its current level of benefication? Has the mining company established its baseline level of benefication and indicated the extent that this will have grown in order to qualify for an offset?</p>	p104 - 105
9	<p>Reporting Has the company reported on an annual basis its progress towards achieving its commitments in its annual report?</p>	This report

Independent statement of assurance

Independent Assurance Report to the Directors of Impala Platinum Holdings Limited on Sustainability Information

We have been engaged by the Directors of Impala Platinum Holdings Limited (further referred to as 'Implats') to provide assurance over selected performance information presented in the "Sustainable Development Report 2009" ("the Report").

The Directors and management of Implats are responsible for preparing and presenting the Report and the information, statements and commitments with respect to sustainability performance contained herein, as well as for identifying stakeholders and material issues, and establishing and maintaining appropriate performance management and internal control systems from which the reported information is derived. The following criteria were used by Implats:

- The Implats internally developed reporting guidelines applied to the selected performance information, which are available on request from Implats, for the selected performance data; and
- The Global Reporting Initiative (GRI) G3 Guidelines requirements for the B+ application level.

Our responsibility is to provide limited assurance in terms of the scope of our engagement.

Our report is made solely to Implats in accordance with the terms of our engagement. Our work has been undertaken so that we might state to the Directors of Implats those matters we have been engaged to state in this report and for no other purpose. We do not accept or assume liability to anyone other than Implats, for our work, for this report, or for the conclusions we have reached.

We comply with the appropriate requirements of the International Federation of Accountants (IFAC) Code of Ethics for Professional Accountants and have systems and processes in place to monitor compliance with the code and to prevent conflicts regarding independence. Our work was carried out by a multi-disciplinary team of health, safety, social, environmental and assurance specialists with extensive experience in sustainability reporting.

We believe that the evidence obtained from our work performed provides an appropriate basis for our limited assurance conclusion expressed below.

Assurance standards used

We conducted our engagement in accordance with the ISAE 3000*.

The scope our assurance engagement

1. The selected performance information contained in the Report is:

- Economic performance indicators: HDSA/BEE procurement (HDSA/BEE ownership > 25%) by commodity as a percentage of discretionary procurement (South Africa): FY2009: Total South Africa (pg. 58);
- Social performance indicators – human capital: Number of employees received ABET: FY2009: SA operations (pg. 68); Total number of new bursaries awarded (pg. 70); HDSA representation in management (South Africa): FY2009 Total number of employees/members: Total management (pg. 70), Total number of new learnerships in FY2009 (pg. 70); Total number of women in mining in FY2009 (South Africa) (pg. 72);
- Social performance indicators – safety and health: FIFR (per million man hours worked): FY2009 (pg. 86); LTI FR (per million man hours worked): FY2009 (pg. 88); New pulmonary TB cases treated at Implats facilities: FY2009: Group (pg. 92); New cases of NIHL diagnosed at Implats: FY2009: Group (pg. 93);

* International Standard on Assurance Engagements 3000: Assurance engagements other than Audits or reviews of Historical information, issued by the International Auditing and Accounting Standards Board.

- Social performance indicators – HIV & AIDS: Total number of people on VCT at Implats: FY2009: Group (pg. 97); ART programme at Implats: Total number of new patients on ART FY2009: Group (pg. 100);
- Social performance indicators – socio-economic development: Sustainable development expenditure in South Africa (R000): Amount spent in FY2009: Total Socio economic development (pg. 111);
- Environmental performance indicators: Group water withdrawn by source – FY2009 (1000kl): Total water withdrawn (pg. 143); Total energy consumed (000GJ): FY2009: Group (pg. 150); Total direct CO₂ emissions (000t): FY2009 (pg. 151); Total indirect CO₂ emissions (000t): FY2009 (pg. 151); Total direct SO₂ emitted (tonnes): FY2009: Group (pg.153).

2. Implats' self-declaration of GRI B+ application level (pg. 164)

Work performed

Our work included the following evidence-gathering procedures:

- Interviewing management and senior executives at group level to assess the application of the GRI G3 principles and to obtain an understanding of the general control environment;
- Evaluating and testing processes and systems and reviewing of documentation in place at group level and at site level to support the generation, collation, aggregation, monitoring and reporting of the selected sustainability performance information for the year;
- Visiting a risk based selection of four operation sites, including Rustenburg (mining, concentrating and smelting), Springs (refineries), Marula (mining) and Zimplats (mining, concentrating and smelting);
- Conducting an application level check on the Report to ensure all disclosure requirements of the GRI B+ application level have been adhered to;
- Evaluating whether the information presented in the Report is in line with our overall knowledge and experience of sustainability management and performance at Implats.

Limited assurance opinion

1. On the selected performance information

Based on the work performed as described above, nothing has come to our attention to indicate that the selected 2009 sustainability performance information, set out in the scope of the assurance engagement paragraph above for the year ended 30 June 2009, is not fairly stated in all material respects in compliance with the Implats' internally developed reporting guidelines applied to the selected performance information.

2. On Implats' self-declaration on GRI G3 B+ application level

Based on the work described above, nothing has come to our attention to indicate that management's self-declaration of a B+ application level, is not fairly stated in all material respects on the basis of the GRI G3 Guidelines.



KPMG Services (Pty) Limited
Per PD Naidoo
Director
Johannesburg
19 August 2009



Glossary of terms and acronyms

ABET	Adult Basic Education and Training
AIDS	Acquired immune deficiency syndrome
ART	Anti-retroviral therapy, provided for the treatment of HIV & AIDS
BEE	Black economic empowerment
CBO	Community-based organisation
CO ₂	Carbon dioxide
dB	Decibels. Unit of measurement for sound
DMR	Department of Minerals and Resources, South Africa
DSM	Demand side management
EIA	Environmental Impact Assessment
EMP	Environmental Management Programme
EMS	Environmental Management System
ESOP	Employee Share Ownership Programme
FIFR	A rate expressed per million man hours of any Impala employee, contractor or contractor employee or visitor who is involved in an incident whilst performing his duties at work and who sustains terminal injuries shall constitute a fatal accident. Any road related fatal incident where the company is in full control of the vehicle, the driver and conditions related to the road injury of an employee shall constitute a fatal incident. A fatal injury may occur when an employee is incapacitated for a period of time prior to expiration, thus requiring a revision of injury status from LTI to a fatality.
FOG	Fall of ground
FY	Financial year (to 30 June)
GJ	Gigajoules. Unit of measure for energy
GHG	Greenhouse gases
GRI	Global Reporting Initiative
HDSA	Historically disadvantaged South African
HIV	Human immuno-deficiency virus
IBT	Impala Bafokeng Trust, socio-economic development vehicle jointly funded by Implats and the RBH
ICDT	Impala Community Development Trust, vehicle for socio-economic development, now dissolved
IDP	Integrated Development Plan
ILO	International Labour Organization
Impala Platinum	Impala Platinum Limited, comprising the Rustenburg operations and the Refineries in Springs
Implats	Impala Platinum Holdings Limited
IRS	Impala Refining Services
IPA	International Platinum Association
ISO	International Organization for Standardisation
LED	Local Economic Development

Lost time injury	A work related injury resulting in the employee being unable to be at his/her place of work, performing his/her assigned duties, on the next calendar day (whether a scheduled work day or not) after the day of the injury. If the appointed medical professional advises that the injured person is unable to attend work on the next calendar day after the injury, regardless of the injured person's next rostered shift, a lost time injury is deemed to have occurred.
LTIFR	Lost time injuries, expressed as a rate per million hours worked.
Marula	Marula Platinum (Pty) Limited
Mimosa	Mimosa Platinum (Private) Limited
Mining Charter	Broad-based Socio-Economic Empowerment Charter for the South African Mining Industry.
MPRDA	Mineral and Petroleum Resources Development Act, 28 of 2002, which came into effect in South Africa on 11 May 2004.
Medical Treatment Cases (MTCs)	A Medical Treatment Case is defined as a one-time treatment and subsequent observation of minor injuries by an appointed medical professional. Such minor injuries may include treatment by the application of bandages, antiseptic, ointment, irrigation of eye to remove non-embedded foreign objects or the removal of foreign objects from the wound. MTCs never involve a loss of one or more calendar days after the injury, regardless of the injured person's next rostered shift or where the injured is unable to perform one or more of their routine functions normally connected with their work due to a restriction applied by an appointed medical professional.
MW	Megawatt, a measure of power
NBI	National Business Institute
NGO	Non-governmental organisation
NIHL	Noise-induced hearing loss
NUM	National Union of Mineworkers, South Africa
PGI	Platinum Guild International
PGMs	Platinum group metals
RBH	Royal Bafokeng Holdings
RWC	Restricted Work Case. This refers to an individual who is injured on duty and receives medical treatment and is deemed by medical staff to be fit to resume his/her normal duties, in his normal working place, but with certain restrictions for a specified time period.
Reportable	A reportable injury is an injury which results in: <ul style="list-style-type: none"> (a) the death of an employee; (b) an injury, to any employee, likely to be fatal; (c) unconsciousness, incapacitation from heatstroke or heat exhaustion, oxygen deficiency, the inhalation of fumes or poisonous gas, or electric short or electric burning accidents of or by any employee and which is not reportable in terms of paragraph (d), or as required by the OHS Act where applicable. (d) an injury which either incapacitates the injured employee from performing that employee's normal occupation for a period totalling 14 days or more, or which causes the injured employee to suffer the loss of a joint, or a part of a joint, or sustain a permanent disability.
ppm	Parts per million

Glossary of terms and acronyms (continued)

Restricted Work Injuries (RWI)	A Restricted Work Injury is a work related injury which results in the employee being able to return to his or her permanently assigned work place, to perform his or her permanently assigned work on the next calendar day, but where the injured is unable to perform one or more of their routine functions normally connected with their work due to a restriction applied by an appointed medical professional.
RLM	Rustenburg Local Municipality
SAMDA	South African Mining Development Association
SAWIMA	South African Women in Mining Association
SED	Socio-economic development
SHEQ	Safety, health, environmental and quality
SLP	Social and Labour Plan
SMC	Selous Metallurgical Complex
SMMEs	Small, medium and micro enterprises
SO₂	Sulphur dioxide
TB	Pulmonary tuberculosis, which in South Africa is considered an occupational illness when it is associated with the presence of dust in the workplace.
UASA	United Association of South Africa
UNGC	United Nations Global Compact
VCT	Voluntary counselling and testing, in respect of HIV & AIDS
WHO	World Health Organization

The basis of calculation for both direct and indirect energy and the resulting CO₂ emissions is:

Indicator	Basis of calculation
Indirect energy	Calculated by multiplying the MWh by 3.6 (basic principles) to get GJ
Indirect CO ₂	Eskom website (period 01 April 07 to 31 Mar 08)
Direct energy from diesel, petrol and IBO	Department of Trade and Industry - UK
Direct CO ₂ from diesel, petrol and IBO	Basic principles, assuming full combustion
Direct energy from Sasol gas	From Sasol gas (supplier)
Direct CO ₂ from Sasol gas	From Sasol gas (supplier)
Direct energy from coal consumption	Supplier analysis
Direct CO ₂ from coal consumption	Supplier analysis



Implats Sustainable Development Report – Request for feedback

Implats values feedback from its stakeholders and invites them to complete this form and fax or email it to:

Cindy Mogotsi at:

Email: Cindy.Mogotsi@implats.co.za

Fax: +27 11 731 9254

1. Personal details (not required, unless you indicate yes to (2) or would like feedback:

Name: _____

Organisation: _____

Tel: _____

Fax: _____

Email address: _____

Postal address: _____

2. Would you like to receive copies of the Implats' sustainable development report in future, or email notification of its publication?

Yes

No

Printed copy

Email notification

3. Are you (please select)

Employee

Analyst

Shareholder

Journalist

Government representative

NGO/CBO

Supplier

Business partner

Community member

Student

Other:

4. How did you become aware of this report?

Delivered to me

Email link sent to me

Company website

Through the media

5. How did you view the report?

Website version

Printed version

6. Have you seen or had access to Implats' previous reports?

Yes

No

7. Please describe the report

Printed version

Too much information

Not enough information

Website version

Too much information

Not enough information

8. What are your areas of interest?

- | | |
|---|---|
| <input type="checkbox"/> Economic performance | <input type="checkbox"/> Environmental performance |
| <input type="checkbox"/> Social performance | <input type="checkbox"/> Human capital |
| <input type="checkbox"/> Human rights | <input type="checkbox"/> Safety and health |
| <input type="checkbox"/> HIV & AIDS | <input type="checkbox"/> Socio-economic development |
| <input type="checkbox"/> Product responsibility | |

9. Did you read the message from the CEO?

- Yes No

Comment: _____

10. After reading this report, do you have a clear understanding of Implants' sustainable development challenges and progress made?

- Yes No

11. Are there any other sustainable development issues you would have liked to see covered in the report?

If so, what were these?

12. Was the report user-friendly?

Printed version

- Yes No

Website version

- Yes No

13. If not, what would you like to see changed?

14. Do you have any other comments on the report or questions for the company?

15. Would you like to receive feedback on your comments?

Contact details and administration

Registered office and Secretary

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Registration No: 1957/001979/06

Share codes:

JSE: IMP/IMPO

LSE: IPLA

ADRs: IMPUY

ISIN: ZAE 000083648

Website: www.implats.co.za

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