

Responding to the President's Framework Agreement

The Framework Agreement	Context and commitments In signing the PFA, Implats commits to:	Our contribution in 2017
Building a relationship among stakeholders based on trust and respect	<p>Acting in a fair and impartial manner in dealing with unions and acting swiftly where these principles are violated. Working with government and labour to identify and address factors behind workplace conflict</p> <p>Improve internal security measures and consistently implement them at the workplace</p> <p>Negotiate in the workplace and industry in ways that support long-term development and constructive peaceful labour relations</p>	<p>We continued to engage with labour representatives and various government departments directly, and through working with the Chamber of Mines (the Chamber) to find sustainable solutions to industrial relations challenges in the country. Operations work closely with security to prevent intimidation, and to ensure ethical behaviour. Future forums, as well as employee relations structures assist in resolving issues.</p> <p>In October 2016, Impala and Marula successfully signed wage agreements with the National Union of Mineworkers (NUM) and the Association of Mineworkers and Construction Union (AMCU). We will continue to assess our relationship with employees and unions and formulate appropriate responses to further enhance relations.</p>
Strengthening labour relations	<p>Respect the rule of law and the legal framework in labour relations matters</p> <p>When taking decisions, to take account of both the broader context in South Africa (in particular the need to reduce poverty, inequality and unemployment), as well as the interests of investors</p> <p>Respect agreements and legal obligations</p> <p>Contribute to creating cordial relations between unions in the sector</p> <p>Follow proper labour relations procedures</p> <p>Work with labour to fasttrack resolution of disputes</p> <p>The development of a prenegotiations framework</p> <p>Recognise and respect cultural diversity in the workplace</p>	<p>We have continued to strengthen our relationships with the AMCU national leadership and their elected representatives at Impala Rustenburg, and have good relations with their union representatives at Marula, as well as with the NUM representatives at all our operations.</p> <p>The envisioned structures required in terms of the recognition agreements with unions are in place and functioning.</p> <p>Union membership verification and processing of union membership stop orders against the Company's payroll is conducted in accordance with the Labour Relations Act and continuously reviewed.</p> <p>Strong collaboration with unions underpinned our ability to peacefully negotiate and sign wage agreements and the rationalising of the workforce at Marula without industrial action taken.</p>

<p>Ensure the rule of law, peace and stability</p>	<p>Properly adhere to laws, regulations and charters governing the sector and consistently apply their policies and respect agreements Take measures to protect staff members from violence and intimidation and to ensure that security personnel act in accordance with the law at all times Avoid acting in a manner that provokes or raises tensions in the workplace Participate in the Mine Crime Combating Forum (MCCF) Take all legal steps against unprotected labour actions Work with government and labour in developing protocols for security and law enforcement Where possible, inform police of all planned and unplanned strikes and protests</p>	<p>We remain committed to adopting the Voluntary Principles on Security and Human Rights (VPSHR) as defined by the United Nations at our operations. We have conducted a gap analysis against the requirements of the VPSHR and are developing controls to mitigate identified risks and ensure compliance.</p> <p>We remain committed to ensuring the rule of law and continue to work closely with the South African Police Service and MCCF.</p> <p>There were no reports of weapons carrying, or serious violence and intimidation in the period under review.</p> <p>Strategic relationships have been maintained with the Phokeng, Boitekong and public order policing forum.</p> <p>Employees who commit criminal activities on mine premises are handed over to SAPS by our Security division.</p>
<p>Improve living conditions</p>	<p>Accelerating the implementation of human settlement interventions Assisting with resources and technical support for upgrading human settlements around mining towns within the context of regulatory requirements and additional voluntary contributions</p>	<p>A total of R265 million was expended on employee housing (2016: R236 million).</p> <p>The Company's investment in the accommodation and living conditions of employees is a pillar of our contribution to the wellbeing of our host communities, and an area where we are recognised as leaders across the sector.</p> <p>We continue to work with government, developers and the Royal Bafokeng Nation on housing projects, which extend into other community projects, including roads, electricity, water, health, sewerage and schools.</p> <p>Impala Rustenburg has continued to make progress in advancing home ownership; Our current home ownership flagship project Platinum Village in Rustenburg, is on track to deliver 2 420 housing units (including 400 rental units) in four phases. During FY2017 we built 121 units at Platinum Village. The construction of a Platinum Village school, in partnership with the North West Department of Education and the IBT, was successfully completed during the year and both schools (primary and secondary) opened for the 2017 academic year. Both schools have a combined capacity for 1 700 learners.</p> <p>Our Marula operation completed its housing project in 2016, delivering 150 sectional title units for employee home ownership.</p>

<p>Assist workers with financial literacy and financial planning</p>	<p>Empower employees to be able to adequately manage their financial affairs Find sustainable solutions to employee indebtedness and guard against unscrupulous micro lenders Inform individual employees upon receipt of emolument garnishee orders</p>	<p>The company's wellness committees continues to focus on issues that negatively impact on employees' financial wellness and revise appropriate initiatives on an ongoing basis.</p> <p>Financial literacy is addressed as part of the Implats team mobilisation and ex leave induction training.</p> <p>We continue to scrutinise judgements received and reject those that are unlawful. Employees are approached and informed of garnishee orders pending against them prior to implementation thereof. Employees are educated on how to manage their finances on an ongoing basis.</p> <p>In 2017, 161 employees were enrolled for ABET, which provides for basic numeracy skills.</p>
<p>Reaching optimal levels of transformation</p>	<p>Accelerate progress in transformation, including the areas of ownership, procurement, employment, beneficiation, human resource development, as well as health and safety in line with the targets set out in the Mining Charter Review its long-term strategy and support initiatives for restructuring, reskilling to achieve competitiveness, sustainable growth and transformation</p>	<p>Implats has continued to focus on advancing transformation. Our efforts to promote diversity and transformation are reported on Page 37 of the 2017 Sustainable Development Report.</p>
<p>Transform the migrant labour system</p>	<p>Improve socio-economic conditions in labour sending areas Enforce and implement all elements and commitments of the Mining Charter Ensure integration and implementation of SLPs and IDPs in labour sending areas and mining areas</p>	<p>Implats participates in the task team spearheaded by the Department of Performance, Monitoring and Evaluation (DPME) - a multi stakeholder committee consisting of labour, industry and government - established in 2014 to participate in the government driven policy review around migrant labour.</p> <p>SLP plans are developed through an engagement process with the Mine Communities Leadership Engagement Forum (MCLEF) and are aligned with the municipalities' IDPs. We have continued to deliver on our commitments and engage regularly with key stakeholders in our areas of operation – see Page 42 to 53 of the 2017 Sustainable Development Report.</p>

<p>Resolve labour disputes as speedily as possible in the best interest of members and South Africa</p>	<p>Negotiate in the workplace and industry in ways that support long-term development and constructive peaceful labour relations</p>	<p>Impala works closely with unions to resolve all internal disputes through dispute resolution mechanisms and within the auspices of the Commission for Conciliation Mediation and Arbitration (CCMA). Task teams, including HR managers and union representatives, continue to address issues raised in wage agreements. We continue to make good progress in the following key areas: employee health and wellbeing, employee share ownership plans; industrial relations; and housing and living conditions. See Page 31 to 53 of the 2017 Sustainable Development Report.</p>
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