

report of the social and ethics committee

The Group by virtue of the Companies Act established a Social and Ethics Committee (Committee).

THE ROLE OF THE COMMITTEE

As prescribed by the Companies Act the role of the Committee is to monitor the Group's activities in respect of:

- Social and economic development including the Group's compliance with the 10 Principles of the United Nations Global Compact Principles, the Organisation for Economic Co-operation and Development (OECD) recommendations regarding corruption, the Broad Based Black Economic Empowerment Act and the Employment Equity Act;
- Good corporate citizenship, including the Group's promotion of equality, prevention of unfair discrimination and reduction of corruption, contribution to development of the communities in which the Group operates and its record of sponsorships, donations and charitable givings;
- The environment, health and public safety and the impact thereon of the Group's activities;
- Consumer relations and the Group's compliance with consumer protection laws; and
- The Group's standing in terms of the International Labour Organisation Protocol on decent work and working conditions, the Group's employment relationships and its contribution to the educational development of its employees.

In addition, the Group also subscribes to the 10 Principles of the International Council on Mining and Metals and the Committee is responsible for monitoring the Group's activities in respect of this protocol.

THE STRUCTURE OF THE COMMITTEE

On 8 February 2013 the Board approved the terms of reference of the Committee to reflect the aforementioned duties and the membership, which consists of the respective chairmen of the Audit, Remuneration, Nominating and Governance and the Safety, Health and Sustainable Development Committees. The Board also appointed Jerry Vilakazi as Chairman of the Committee.

DISCHARGING ITS DUTIES DURING THE YEAR

At its first meeting at the beginning of the year the Committee approved its annual workplan for 2013. The Committee met three times during the year. Areas discussed with Management included: the 10 Principles of the International Council on Mining and Minerals; 10 Principles of the United Nations Global Compact; Community Development; Broad Based Black Economic Empowerment (BBBEE) and Employment Equity requirements; and Mining Charter compliance requirements. The Committee had noted that the Group complied with the statutory duties save for more work being done by Management in building up the Historically Disadvantaged South Africans pipeline in the middle-management levels and more work being done in certain areas with regard to the Mining Charter and the Social Labour Plans requirements.

Jerry Vilakazi

Chairman of the Social and Ethics Committee

25 April 2014