

Scorecard

for the Broad Based Socio-economic Empowerment Charter for the South African mining industry

Northam is committed to achieving the targets as identified in the new minerals legislation. Significant progress has been made in a number of areas, as indicated in the table below. The Scorecard remains a living document within the company to chart progress and to identify shortcomings. Northam will continue to report on these areas to stakeholders both in its annual report and on the company's website at www.northam.co.za

Key performance area	Current status and remarks
Ownership and joint ventures	■ BEE company Mvelaphanda Resources currently holds 22.3% of the company's issued share capital
Equitable people development opportunities	■ Literacy and numeracy training in place using modern training methods based on e-learning. Adult Basic Education and Training (ABET) is an important component of the company's overall training initiatives and is contributing to the development of historically disadvantaged South Africans (HDSA) employees ■ A pool of 81 HDSAs has been selected for career fast-tracking ■ HDSA management currently stands at 12.5% The 5 and 10 year targets are 14.3% and 40% respectively ■ The training department has received ISO 9000 accreditation, and has received provisional accreditation from the Education and Training Qualification Authority (ETQA) ■ Bursary students at tertiary institutions have access to experiential training at Northam as a result of the company's participation in industry initiatives for skills development ■ Training expenditure in the past financial year increased by 27% and in the next financial year will approximate R10 million, equivalent to over 2% of the company's total payroll
Mine community and rural development	■ The company's corporate social investment (CSI) programme has recently been formalised. Projects are informed by a multi-stakeholder engagement process



- Mine community and rural development (continued)
- The Northam Schools Project is now in its third year, and focuses on building capacity and facilities at local educational institutions. The CSI programme has recently allocated R1million to the Mandela Schools Programme
 - Northam supports the local Mashapile community AIDS project to fight the disease in the surrounding community
 - The company is a partner in TEBA's rural home-based care programme for AIDS patients in the labour-sending areas

Procurement from HDSA companies

- HDSA companies are given preferred status, although the company is vigilant about avoiding empowerment "frontage" and has implemented steps to verify suppliers' empowerment status
- Currently some 6% of the total value of the company's procurement expenditure is allocated to verified empowerment vendors. The target for HDSA procurement in the medium to longer term is 50%
- During the coming year all vendors will have their credentials verified

Housing and living conditions

- The past year has seen vast improvements in the quality of nutrition for employees. A catering supervisor has been appointed and a dietician pays regular monitoring visits
- Improvements in employees' accommodation are planned for the year ahead, with further work being required to fast-track a housing project and providing for living-out allowances.

Employment Equity

	2003	2003	2003	2005
	Actual	Actual	Actual	Target
Occupational level	White male	HDSA	HDSA %	HDSA %
Managers and senior officials	75	4	5.1	20.6
Skilled technical and academically qualified	325	209	39.1	53.2
Semi-skilled and discretionary decision making	29	3 950	99.3	98.9
Unskilled and defined decision making	26	2 123	98.8	97.5
Total	455	6 286	93.3	94.4

