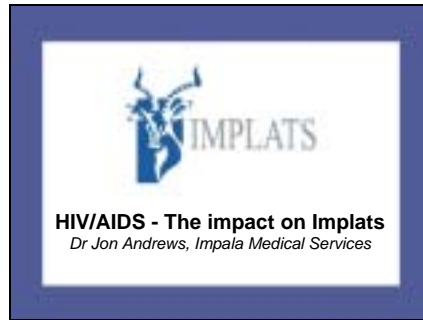


Slide 1

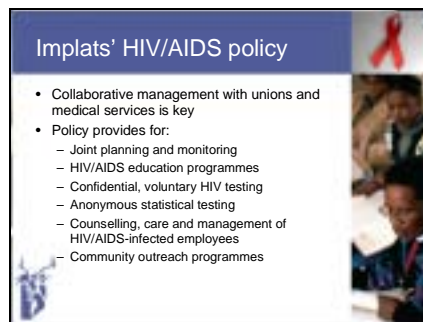


SLIDE 1: HIV/AIDS – THE IMPACT ON IMPLATS

We believe that anyone living or doing business in Africa must be concerned about what the actual impact of HIV/AIDS will be on business, the economies and the people.

At Implats we are concerned and we would like to share some of the things that we are doing to limit the Impact of HIV/AIDS.

Slide 2



SLIDE 2: IMPLATS' HIV/AIDS POLICY

The company's prevention and management programmes are directed by a collaborative union/management task team, supported by Impala Medical Services (IMS).

The work of the task team is guided by an agreed HIV/AIDS policy, based on the principles of the World Health Organisation and the International Labour Organisation.

The policy aims to limit the number of new infections among employees and their families and to minimise the impact of the disease both within the company and local communities. The policy provides for joint planning and monitoring by the task team particularly in respect of the development and implementation of HIV/AIDS education programmes. At the same time it provides for confidential and voluntary HIV testing, as well as counselling, care and health management of HIV-infected employees. The committee also oversees and supports community outreach programmes.

Slide 3

Understanding the problem

Needed to:

- Establish prevalence levels at Impala
- Establish levels of awareness
- Establish levels of risk behaviour
- Establish progress of disease

The slide features a blue header with the title 'Understanding the problem'. Below the title is a bulleted list of four items. To the right of the text is a vertical red ribbon graphic. The background of the slide is white with a faint blue logo in the bottom left corner.

SLIDE 3: UNDERSTANDING THE PROBLEM

To begin with there are four elements that we needed to understand when dealing with the problem of HIV/AIDS. First, we needed to establish the prevalence levels at Impala; Second, we needed to establish the level of awareness of HIV/AIDS amongst our employees. This was particularly important given the many misperceptions that exist within the country.

Third, we needed to establish the levels of risk behaviour of employees to be able to address these; and Fourth, we needed to establish the progress of the disease within our employee group

Slide 4

Establishing prevalence levels

- Full union co-operation
- De-linked pre-operative data
- Random anonymous surveys
- Indicate a leveling of infection levels below expectations and below reported industry levels

The slide features a blue header with the title 'Establishing prevalence levels'. Below the title is a bulleted list of four items. To the right of the text is a vertical red ribbon graphic. In the bottom center, there is a line graph showing a curve that levels off. To the right of the graph is a small photograph of two people. The background of the slide is white with a faint blue logo in the bottom left corner.

SLIDE 4: ESTABLISHING PREVALENCE LEVELS

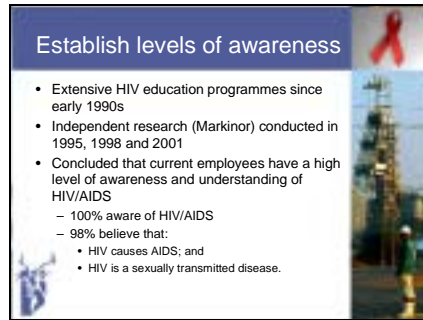
The HIV/AIDS Committee realised that it is important to establish and monitor HIV-prevalence levels amongst our employees so as to monitor the epidemic and the effectiveness of our programmes.

In the mid-1990s, we used independent consultants to develop a model of the likely infection rates given our employee demographics.

With full union backing, the HIV/AIDS committee has been able to conduct random anonymous surveys and use the de-linked pre-operative data gathered by Impala Medical Services to establish actual prevalence rates.

The data indicates a levelling off in infection rates at around 17% which is well below original projections and is an indication of the effectiveness of our programmes and interventions.

Slide 5



Establish levels of awareness

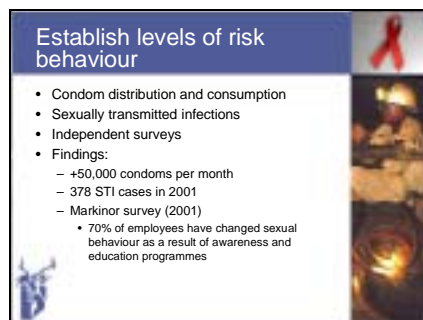
- Extensive HIV education programmes since early 1990s
- Independent research (Markinor) conducted in 1995, 1998 and 2001
- Concluded that current employees have a high level of awareness and understanding of HIV/AIDS
 - 100% aware of HIV/AIDS
 - 98% believe that:
 - HIV causes AIDS; and
 - HIV is a sexually transmitted disease.

SLIDE 5: ESTABLISH LEVEL OF AWARENESS

The second thing we had to do was establish the level of awareness of HIV/AIDS amongst our employees. Impala's education programmes were amongst the first in the country, and have been in place for over a decade. To establish the level of awareness we engaged Markinor, an independent research company, to conduct research amongst groups of employees in 1995, 1998 and 2001.

From their research we can conclude that there is a high level of awareness and understanding of HIV/AIDS amongst Impala employees. Specifically there is 100% awareness of the diseases and, importantly in the South African context, 98% believe that HIV causes AIDS and that HIV is a sexually transmitted disease.

Slide 6



Establish levels of risk behaviour

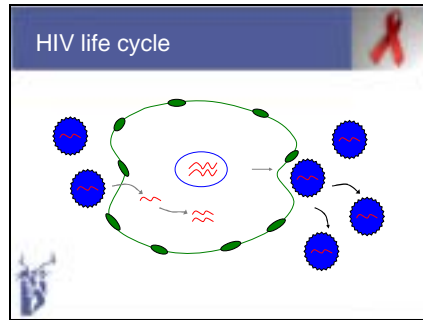
- Condom distribution and consumption
- Sexually transmitted infections
- Independent surveys
- Findings:
 - +50,000 condoms per month
 - 378 STI cases in 2001
 - Markinor survey (2001)
 - 70% of employees have changed sexual behaviour as a result of awareness and education programmes

SLIDE 6: ESTABLISH LEVELS OF RISK BEHAVIOUR

The third aspect we had to look at was the level of risk behaviour of employees and particularly whether this had changed over time as a result of the education programmes. The three main elements that we use to gauge this are: *Condom distribution and consumption*. Although we acknowledge that this is not a robust indicator of risk behaviour, it is often used in the southern African context. Implats distributes over 50 000 condoms per month to employees *The incidence of sexually transmitted infections (STIs)*. Sexually transmitted Infections are closely monitored and aggressively treated. Every patient undergoes special counselling in addition to receiving treatment. STI rates have shown significant year-on-year reductions since the start of the programme.

The results of independent surveys. The Markinor survey conducted in 2001, for example, found that 70% of employees believed that they had changed their sexual behaviour as a result of awareness and education programmes.

Slide 7



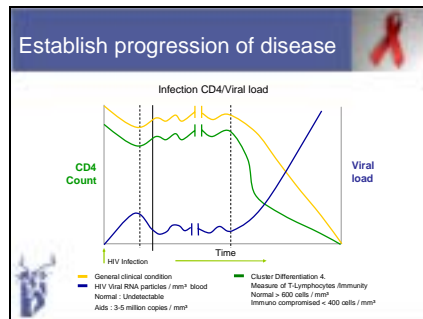
SLIDE 7 / 8: LIFE CYCLE OF HIV AND PROGRESSION OF THE DISEASE

We need to understand the life cycle of HIV and the progression of the disease. We are able to measure the amount of circulating viral genetic material in a persons blood (viral load) as well as the amount of CD4 Markers (T-lymphocytes) and are therefore able to measure the progress of the disease.

It is important to understand that generally after HIV infection, a person tests HIV positive but is otherwise well and the impact of the infection in this stage (which usually lasts between 6-8 years) is minimal. Wellness programmes can substantially increase the length of this stage.

The person may then be exposed to another infection, like tuberculosis or malaria or even another infection with HIV. Their immune system is further damaged which allows the HIVirus to take hold again. The viral load starts rising and the CD4 count (immunity measure) falls and the patient enters a period of severe illness (AIDS).

Slide 8



Slide 9

Implats' HIV/AIDS programme

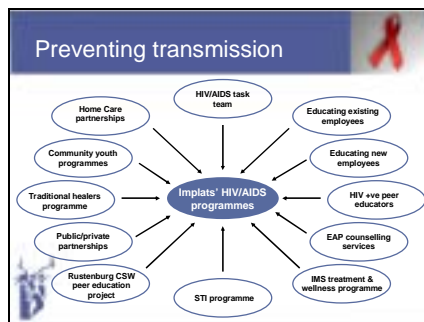
Efforts are directed in two areas:

- Preventing transmission amongst existing and particularly new employees
- Managing the impact of HIV/AIDS on infected employees and the company

SLIDE 9: IMPLATS' PROGRAMME

Impala HIV/AIDS programme has two main areas of focus. Firstly, preventing transmission amongst existing and particularly new employees, and secondly on managing the impact of HIV/AIDS on infected employees and the company.

Slide 10



SLIDE 10: PREVENTING TRANSMISSION

The Implats programme is directed by an HIV/AIDS Task Team consisting of unions, management and Impala Medical Services. The team is led by chairman, Mr Abraham Zulu, and the various elements of the programme are co-ordinated by our Implats HIV/AIDS co-ordinator, Mr Webster Diale.

Many of our programmes are not new. They have been copied and adapted to our circumstances from successful programmes that we have studied in Botswana, Zimbabwe, Zambia and Tanzania.

The education of new employees is receiving particular attention at present given the growth at Implats and it's vital that we bring our new employees level of HIV/AIDS education up to that of existing employees as shown in the Markinor Surveys. We are also very aware that new employees may come from communities where the level of HIV infection is far higher than the levels that we have amongst existing Implats employees.


Another particularly successful intervention has been the use of HIV+ve peer educators. These employees are HIV+ve and are employed as full time educators. They share their life experiences so as to help destigmatize the disease and educate fellow employees regarding the realities of HIV.

Our efforts have also been extended

Slide 11

Managing the impact on employees and company

- Aim to meet needs of infected employee as far as possible, balanced against capacity of company
- Confidential testing and counselling available and encouraged
- Infected employees receive care and counselling through Wellness Programme
- Medical support provided by Impala Medical Services
- Immuno-compromised employees may apply for alternative occupations or medical disability benefits (same as other chronic illnesses)
- Support for home-based care initiatives



into neighbouring communities, where we work in partnership with various authorities, youth and community groups and faith-based organisations. As well as offering treatment for STIs, home-based care programmes have also been extended to local communities for employees and non-employees alike.

Another intervention has been the use of traditional healers practising in the surrounding communities. These healers have become an integral part of the education programmes.

Commercial sex workers too form part of the programme and are provided with education, condoms and access to treatment for STIs.

SLIDE 11: MANAGING THE IMPACT ON EMPLOYEES AND THE COMPANY

As far as the HIV-infected employee is concerned, Impala tries to meet his or her needs as far as possible while at the same time balancing this with the needs and capacity of the company.

To do this, the company provides: Confidential testing and counselling – this is in fact encouraged; Care and counselling to infected employees through the Wellness programme.

Medical support, particularly in the treatment of opportunistic infections and when the employees become ill.


Alternative employment opportunities, where possible, or medical disability benefits to employees who are no longer able to work; as well as

Support for home-based care initiatives in the communities.

Slide 12

Impact on employees

	99/00	00/01	Actual Financial YTD MAY
Known AIDS deaths	98	139	93
AIDS incapacitations	133	124	385
HIV +ve resignations	384	297	216

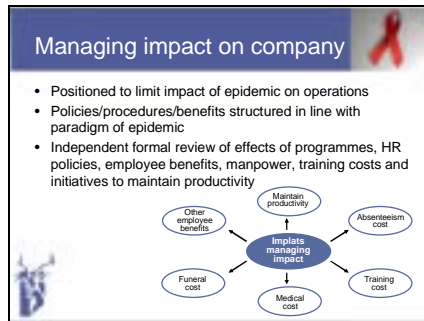


SLIDE 12: IMPACT ON EMPLOYEES

In spite of all the efforts described, AIDS has had an impact on our 28 000 employees.

During this financial year, 93 of our employees have died from AIDS, and 385 have become ill and have elected to take medical incapacitation benefits through the Impala Workers Provident Fund.

Slide 13



SLIDE 13: MANAGING THE IMPACT ON THE COMPANY

To effectively limit the impact on the company, our policies, procedures and benefits are structured in line with the paradigm of the epidemic. This has been particularly important as the disease and its impact have changed over the past few years and will undoubtedly change further in the years ahead.

We have also engaged in an independent, formal review of our education programmes, our HR policies, employee benefits, manpower training costs and initiatives to maintain productivity to ensure that the company is positioned to deal with the epidemic.

Slide 14

Managing the impact – financial implications

- Actuarial model developed and report commissioned in 2001
- Cost projections based on a wide range of scenarios




SLIDE 14: FINANCIAL IMPLICATIONS

To understand and ensure that we are effectively managing the financial impact on the company, Implats commissioned the development of an actuarial model in 2001. The model provides Impala with cost projections based on a wide range of scenarios.

Slide 15


Financial model (1) – do nothing



Rm

	Medical cost	Absenteeism cost	Maintain productivity	Training costs	Funeral costs	Total cost
FY02	2.99	3.51	2.57	7.96	1.79	18.82
FY05	8.95	9.24	7.59	9.78	4.21	39.77
FY11	17.24	17.30	22.93	22.04	6.47	85.98

Based on: Current prevalence level
Rate of new infections same as rest of SA




SLIDE 15: FINANCIAL MODEL SCENARIO – DO NOTHING

This scenario assumes that we do nothing to manage the progress of the epidemic. Our costs are then likely to be in the region of R86 million at the peak of the epidemic in 2011. Clearly though, at Implats, we are not going to 'do nothing'.

Slide 16


Financial model (2) – reduce new infections by 50%



Rm

	Medical cost	Absenteeism cost	Maintain productivity	Training costs	Funeral costs	Total cost
FY02	2.97	3.42	2.41	7.13	1.73	17.66
FY05	8.68	8.07	7.23	8.53	3.74	36.25
FY11	8.98	8.76	11.62	12.95	3.48	45.79

Based on: Current prevalence level
Rate of new infections half of rest of SA




SLIDE 16: FINANCIAL MODEL SCENARIO – REDUCE NEW INFECTIONS BY 50%

In this scenario the assumption is that we reduce new infection levels by 50% of the rate expected in the rest of South Africa. This scenario would see costs coming down to around R46 million during the year 2011.

Given our current level of infections and the apparent success of our programmes this scenario is achievable and is regarded as a worst case scenario for Impala.



Slide 17

Conclusion



- HIV/AIDS continues to be a major challenge
- Requires ongoing strategic focus
- Requires close operational management and monitoring

Impact and costs of AIDS can be managed

SLIDE 17: CONCLUSION

In conclusion, HIV/AIDS remains a major challenge to the company, and is the subject of ongoing strategic focus. It also requires and is clearly receiving close operational management and monitoring. Despite the magnitude of the epidemic and the human tragedy associated with it, the impact and cost on Implats can be managed.