



GRI Report **2013**



PAN AFRICAN
RESOURCES
PLC

The African Focused Precious Metals Producer

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Global Reporting Initiative (GRI)

(Including Mining and Metals Sector Supplement)

Application level: B

Indicator	Description	Response/Reference
1.	Strategy and analysis	
1.1	Statement from the most senior decision-maker of the organisation.	Chairman's report, page 10 of the Group's 2013 Integrated Annual Report.
1.2	Description of key impacts, risks and opportunities.	<p>Information regarding the external environment in which the Group operates is provided on pages 40 to 42 of the 2013 Integrated Annual Report.</p> <p>The Group's approach to the management of risk is described on page 99 of the 2013 Integrated Annual Report.</p> <p>A list of identified key risks and the mitigating strategies adopted by the Group appears on pages 100 to 103 of the 2013 Integrated Annual Report.</p> <p>The Group's significant opportunities stem from its identified mineral reserves and resources. A summary of these appears on pages 67 to 85 of the 2013 Integrated Annual Report.</p> <p>The Group's impacts on sustainability and opportunities arising from sustainability issues, relating to improved governance of social and environmental issues and increasing efficiencies with regard to water and energy consumption, are described on pages 9 and 11 of the Sustainability Review on our website www.panafricanresources.com.</p>
2.	Organisational profile	
2.1	Name of the organisation.	Pan African Resources PLC (the Group or Company as the context determines).
2.2	Primary brands, products and services.	Gold and Platinum Group Metals (PGM 6E).
2.3	Operational structure of the organisation, including main divisions, operating companies, subsidiaries and joint ventures.	<p>The Group owns and operates gold mines and gold and chrome tailings retreatment plants in South Africa. These operations are conducted through three South African registered subsidiary companies.</p> <p>The Group's corporate office provides technical and administrative support services to the subsidiaries, for which it charges a management fee.</p> <p>The Company has a 42% equity investment in an Australian listed company (Auroch NL) which conducts gold exploration in Mozambique. The non-financial aspects of this operation are excluded from the boundary of this GRI Content Index and the Group's 2013 Integrated Annual Report.</p> <p>Details of the Company's subsidiaries and associate companies appear in note 19 of the Annual Financial Statements.</p>

Indicator	Description	Response/Reference
2.4	Location of organisation's headquarters.	<p>The Company's corporate office is situated at: The Firs, 1st Floor Office 101, Cnr Biermann and Cradock Avenues, Rosebank, South Africa</p> <p>The Company's registered office is situated at: Suite 31, second floor, 107 Cheapside London EC2V 6 DN United Kingdom</p>
2.5	Number of countries where the organisation operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	<p>The Group's core assets are situated in South Africa and the sustainability issues covered in this GRI content index are restricted to these operations.</p> <p>23.9% of the shares in Pan African Resources PLC are held by Shanduka Gold (Pty) Limited, a South African registered black-owned investment holding company.</p>
2.6	Nature of ownership and legal form.	Pan African Resources is a PLC with dual cross listing on both the London AIM (share code: PAF) and Johannesburg stock exchanges (share code: PAN).
2.7	Markets served.	The Group produces gold and PGM 6E precious metals. Smelted gold bars and gold dry concentrate are sold to a bullion bank through Rand Refinery acting as an agent. PGM 6E concentrate is sold to a refinery for further processing.
2.8	Scale of the reporting organisation.	<p>Indicators of the Group's scale include:</p> <ul style="list-style-type: none"> • gold sold 130,493 oz (2012: 94,449oz); • gross revenues: ZAR1.8 billion (2012: ZAR1.2 billion); • total shareholder funds: ZAR2.6 billion (2012: ZAR1.4 billion); • total debt (including current liabilities): ZAR497.2 million (2012: ZAR312.4 million); • gold reserves: 9.20 Moz (2012: 1.16 Moz); and • number of employees: 4,385 (2012: 1,835).
2.9	Significant changes during the reporting period regarding size, structure or ownership.	The finalisation of the acquisition of Evander Mines during the year fundamentally doubled the Group's annual gold production capacity and multiplied its gold reserves by a factor of 8.
2.10	Awards received in the reporting period.	Shanduka Chairman's Award – best performing asset “for outstanding net asset value and contribution to shareholder value”.
3.	Report parameters	
3.1	Reporting period.	1 July 2012 – 30 June 2013.
3.2	Date of most recent previous report.	The annual report for the year ended 30 June 2012 issued on 26 September 2012.
3.3	Reporting cycle (annual, biennial etc.).	Annual.
3.4	Contact point for questions regarding the report or its contents.	For questions or comments regarding this report please contact RSA enquiries: Elizma Coetzee: eking@paf.co.za. UK enquiries: Phil Dexter: phil.dexter@corpserv.co.uk.

Indicator	Description	Response/Reference
3.5	Process for defining report content.	The contents of this report have been informed by the directors' commitment to embed sustainability issues within the operations of Pan African Resources in order to optimise operations, address the concerns of a wide range of stakeholders, and report on the Group's social responsibility initiatives and its compliance with laws and regulations. As this is the first year in which Pan African Resources is providing sustainability information, a key consideration governing the content of this report was the availability of information and the reliability of the systems collecting such information.
3.6	Boundary of the report.	<p>This report covers the South African operations of Pan African Resources, including specifically Barberton Mines (including Barberton Tailings Retreatment Plant (BTRP)), Evander Mines and the Chrome Tailings Retreatment Plant (CTRP) at Phoenix Platinum.</p> <p>Information regarding the corporate office is often excluded as it is considered immaterial. Also, information for the CTRP is limited by its availability and relevance due to the nature of its operations and products.</p> <p>Information concerning the Evander Mines relates only to the four months of the reporting period. (Refer to 3.8).</p>
3.7	Limitations on the scope or boundary of the report.	No limitations to the scope or boundary of the report were placed on its preparers. As this is the first year that the GRI Guidelines have been applied to the presentation of sustainability information, the completeness of the report is sometimes restricted by the availability of information, both for the current year and the prior year.
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organisations.	<p>The Evander Mines' financial results have been consolidated into the Group's Annual Financial Statements for a period of four months, commencing 1 March 2013. Similarly, non-financial information, including safety and environmental statistics, has been reported on for the final four months of the reporting period.</p> <p>The 42% equity investment in Auroch NL, arising from the disposal of the Manica operation's assets, is equity accounted in the Annual Financial Statements. No sustainability or non-financial information is included in this GRI Content Index or the 2013 Group's Integrated Annual Report for this investment.</p>
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the indicators and other information in the report.	<p>In terms of the Mine Health and Safety Act, the health and safety of contractors working at Pan African Resources' operations is the responsibility of the Group. As such, contractors are included in the head counts disclosed and used in determining the health and safety statistics.</p> <p>Direct and indirect energy consumption has been calculated by applying the conversion factors provided in the GRI Guidelines to the individual operations' consumption of petrol, diesel and electricity. Other sources of direct energy (LPG) have been considered as immaterial.</p> <p>The GHG Protocol has been applied when calculating emissions stemming from direct energy consumption. Emissions factors published by Eskom have been applied to determine emissions arising from indirect energy consumption.</p> <p>Lost Time Injury Frequency Rates for Barberton Mines and Evander Mines have been calculated on the basis of one million man-hours in conformance with the DMR guidelines. The Phoenix Platinum operation uses two hundred thousand man-hours in determining its injury frequency rates.</p>

Indicator	Description	Response/Reference
3.10	The effect of any restatements of information provided in earlier reports and the reasons for such restatements.	No restatement of any previously published information has been made in this GRI Content Index or the Group's 2013 Integrated Annual Report.
3.11	Significant changes from previous reporting periods in the scope, boundary or measurement methods applied in the report.	No significant changes from the previous reporting period with regard to scope, boundary or measurement techniques have occurred.
3.12	Table identifying the location of the Standard Disclosures in the report.	This GRI Content Index.
3.13	Policy and current practice with regard to seeking external assurance for the report.	The practice of collecting and reporting sustainability data is undertaken at Evander Mines, Barberton Mines and Phoenix Platinum. Internal audits are conducted on selected indicators at Evander Mines as part of the certification of its ISO 14000 environmental management programme. The experience available at Evander, together with the appointment of a Group SHEQC Manager will be applied to improving systems and processes at the other operations. External assurance of selected sustainability indicators will only be sought once the directors are satisfied with the design and application of these systems and processes.
4. Governance, commitments and engagement		
4.1	Governance structure of the organisation, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organisational oversight.	Details of the Group's approach to, and structure of, its governance mechanisms appears on pages 92 to 104 of its 2013 Integrated Annual Report.
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	Keith Spencer is not considered independent under UK regulations. Keith Spencer is, however, considered independent according to King III and the JSE regulations. The Board has considered his independence and believe he is independent.
4.3	For organisations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/or non-executive members.	Details of the Group's Board of Directors appears on pages 14 to 15 of its 2013 Integrated Annual Report.
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	Shareholders are invited to attend annual and general meetings of the Company. Employees communicate to the Board of Directors through various structures (bargaining councils, safety committees).
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organisation's performance (including social and environmental performance).	Non-executive directors are remunerated based on attendance of board and committee meetings but there is no linkage to any of the Group's performance indicators. The Group's safety performance is taken into consideration when determining executive directors and senior managers' remuneration. Refer to the Remuneration section in the Integrated Annual Report on page 104.
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	A register of directors' interests is maintained and updated at each meeting of the Board.

Indicator	Description	Response/Reference
4.7	Process for determining the composition, qualifications and expertise of the members of the highest governance body.	A sub-committee of the Board, the Nominations Committee, is responsible for ensuring the Board is composed of appropriately qualified and experienced individuals. More details regarding the functioning of the Nominations Committee can be found on page 94 of the 2013 Integrated Annual Report.
4.8	Internally developed statements of mission or values, codes of conduct and principles relevant to economic, environmental and social performance, and the status of their implementation.	The Group has developed an integrated Safety, Health, Environment, Quality and Communities (SHEQC) Charter to manage its interactions with employees, communities and the environment, and an Ethics Policy which reflects the Group's values and principles and is applied throughout the Group. Refer to the Integrated Annual Report for: vision, mission, values and the four pillars – an integrated business and integrating model. Copies of the SHEQC Charter and the Ethics Policy are displayed at all operations and are available from the Company Secretary on request.
4.9	Procedures of the highest governance body for overseeing the organisation's identification and management of economic, environmental and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct and principles.	The Group's management of risks, including Economic, Social and Environmental, and the monitoring and reporting on the Group's performance in this regard is described on pages 99 to 103 of the 2013 Integrated Annual Report.
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental and social performance.	An evaluation of the board, its committees and individual directors, including the chairman, is performed annually. The Nominations Committee assesses the independence of non-executive directors annually.
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organisation.	In terms of the Group's Environmental Policy, it is committed to "exercising prudence with critical ecological resources, in particular where impacts are unknown or uncertain".
4.12	Externally developed economic, environmental and social charters, principles, or other initiatives to which the organisation subscribes or endorses.	DMR Mining Charter.
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organisations in which the organisation: has positions in governance bodies; participates in projects or committees; and provides substantive funding beyond routine membership dues; or views membership as strategic.	Evander Mines is a member of the South African Chamber of Mines and actively participates in various initiatives promoted by the chamber. GSSA, SAMREC, AMMSA.
4.14	List of stakeholder groups engaged by the organisation.	<ul style="list-style-type: none"> • shareholders, prospective investors and investment analysts; • employees and trade unions; • regulators in South Africa – mining, environmental, tax; • providers of funding; • suppliers; and • local communities.

Indicator	Description	Response/Reference
4.15	Basis for identification and selection of stakeholders with whom to engage.	The Group defines stakeholders as people, groups or organisations that have a direct interest in Pan African Resources in that they can affect, or be affected by, its operations, policies and procedures. Stakeholders are identified at both an operations level and by the various governance structures of the Group.
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	Details of the Group's approach to engaging with its stakeholders appear on page 96 of the 2013 Integrated Annual Report.
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organisation has responded to those key topics and concerns, including through its reporting.	Topics and concerns raised through stakeholder engagement appear on pages 96 to 97 of the 2013 Integrated Annual Report.
5. Disclosures on Management approach		
DMA EC	Disclosure on Management Approach Economic	<p>Pan African Resources is committed to providing shareholders with profitable and sustainable growth from responsible and safe gold mining and PGM 6E in South Africa. The Group's core strategic focus in achieving this goal is to maintain a low cash cost base while mining high grade yielding ore from long life productive assets.</p> <p>Key indicators of the Group's economic performance are profitability growth, cash costs; gross margin; return on shareholders' equity; dividends paid; and share price performance. Another key long-term financial sustainability indicator is the Group's management and growth in its access to mineral reserves.</p> <p>Indirect economic indicators include expenditure incurred in terms of the Group's Social and Labour plans; environmental expenditure and rehabilitation provisions; payroll costs expended predominantly in rural areas; and direct and indirect taxes.</p>
DMA EN	Disclosure on management Approach Environmental	<p>The Group's operations are directed by an integrated Safety, Health, Environment, Quality and Communities (SHEQC) Charter.</p> <p>In particular, the Environmental Policy commits Pan African Resources to: continual improvement in the assessment of its environmental performance and the prevention of pollution; the integration of environmental management practices throughout the Group; minimising the use of consumptive resources and promoting the reduction and recycling of waste; rehabilitating disturbed land and protecting biodiversity; exercising prudence with critical ecological resources; managing environmental risk in the workplace; complying with applicable legal requirements; and training and educating its employees in environmental responsibilities.</p> <p>All operations have Environmental Management Programmes (EMP) approved by the DMR. In 2010 Barberton Mines submitted an amended EMP for the Bramber Tailings dam extension and is awaiting its approval.</p>
DMA LA	Disclosure on Management Approach Labour	<p>South African labour relations are highly regulated and the Group complies with the Labour Relations Act, the Basic Conditions of Employment Act, the Employment Equity Act and the Skills Development Act.</p> <p>The operation's Social and Labour plans in terms of the DMR requirements and the Health and Safety policy included in the Group's integrated SHEQC Charter also guide our activities.</p>

Indicator	Description	Response/Reference
DMA HR	Disclosure on Management Approach Human Rights	Pan African Resources is committed to the Bill of Rights contained in the South African constitution and strives to ensure that such rights are not impinged upon by the Group's operations. In particular, the Group's engagement with its employees and compliance with labour and health and safety legislation ensure that the Group operates in an environment in which human rights are protected and respected.
DMA SO	Disclosure on Management Approach Society	The Communities Policy included with the SHEQC Charter commits the Group to minimising its potential negative social impacts while promoting opportunities and benefits for host communities. The operation's Social and Labour plans promote local economic development activities within the local communities.
DMA PR	Disclosure on Management Approach Product Responsibility	Pan African Resources' final products are gold, and to a lesser extent PGM 6E. Other than for in the case of Barberton, which has a refinery licence, gold is sold in unwrought form to refineries and therefore final product responsibility does not lie with the Group.

6. Performance indicators

Economic		
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation and other community investments, retained earnings and payments to capital providers and governments.	Refer to notes: 4, 5, 8, 12 and 27 of the 2013 Integrated Annual Report.
EC2	Financial implications and other risks and opportunities for the organisation's activities due to climate change.	<p>Potential risks to the Group's operations arising from climate change relate to extreme weather events, in particular heavy rainfall, which could impact on the stability of tailings dams, safe underground operations and electricity supply interruptions. Waste dump design and management are critical features of the day-to-day activities on the mines, as is the pumping of underground water. Neither of these risks is expected to have significant financial implications on the results of the Group.</p> <p>Reduced availability of water and increased operating temperatures also pose risks to the Group's ability to operate safely.</p>
EC3	Coverage of the organisation's defined benefit plan obligations.	The Group provides defined contribution plans to all full time employees, and as such there is no actuarial shortfall.
EC4	Significant financial assistance received from government.	None.
EC5	Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation.	Not reported on. Action plan will be put in place.
EC6	Policy, practices and proportion of spending on locally-based suppliers at significant locations of operation.	Targets are set for the procurement of capital goods, services and consumables from historically disadvantaged individuals in terms of the DMR's Mining Charter. The Group's operations strive to achieve these targets and for the 12 months ended 31 December 2012 both Barberton Mines and Evander Mines had achieved the 2012 targets.

Indicator	Description	Response/Reference
EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.	The Group's various Social and Labour plans dictate that the operations should recruit locally whenever possible. Community and Local Economic Development spend is targeted at the communities from which employees are recruited. The incapacity policy with the National Union of Mineworkers requires the Group to offer a position to a family member in the event of incapacity arising from an occupational disease or a fatal accident.
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind or pro bono engagement.	Details of the Groups community and local economic development expenditure are provided on page 130 of the 2013 Integrated Annual Report.
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.	Details of the Group's indirect economic impacts are summarised in its value added statement appearing on note 8, 12 and 37 of the 2013 Integrated Annual Report. Indirect economic impacts include remuneration paid to employees, royalties and taxes paid to government, the sourcing of goods and services from local providers wherever possible, the social and local economic development expenditure targeted at neighbouring communities.

Environmental

EN1 Materials used by weight or volume. Details provided below:

Material	Barberton Mines	Evander Mines ¹	Phoenix Platinum	Totals
Waste rock (tonnes)	91,849	23,234	–	115,083
Underground sources milled (tonnes)	274,398	127,957	–	402,355
Surface sources milled (tonnes)	36,086	74,428	274,190	384,704
Timber (tonnes)	41,976	1,526	–	43,502
Explosives (tonnes)	324.8	130.6	–	455.4
Cyanide (tonnes)	595.4	261	–	856.4
Lubricating oil (litres)	80,220	53,105	5	133,330
Hydraulic oil (litres)	1,720	6,510	–	8,230
Petrol (litres)	120,180	15,544	–	135,724
Diesel (litres)	2,134,602	143,348	49,598	2,327,548

Note 1. Evander Mines' 2013 statistics are for the four-month period ended 30 June 2013.

Indicator	Description	Response/Reference
EN2	Percentage of materials used that are recycled input materials.	In terms of the Group's environmental policy all of Pan African Resources' operations have initiatives to minimise and recycle waste. At Evander Mines waste rock is sold as aggregate, 1,265 tonnes of steel, 82 tonnes of timber and 145 tonnes of plastic and PVC were recycled. At Barberton Mines 95% of waste rock is reused for waste packing underground and the rest is hoisted to surface and used for aggregate. Barberton Mines recycled 336 tonnes of steel.

Indicator	Description	Response/Reference															
EN3	Direct energy consumption by primary energy source.	Details provided below															
	<table border="1"> <thead> <tr> <th>Energy source</th> <th>Barberton Mines</th> <th>Evander Mines¹</th> <th>Phoenix Platinum</th> <th>Totals</th> </tr> </thead> <tbody> <tr> <td>Petrol (GJ)</td> <td>3,959</td> <td>512</td> <td>–</td> <td>4,471</td> </tr> <tr> <td>Diesel (GJ)</td> <td>77,657</td> <td>5,215</td> <td>1,804</td> <td>84,676</td> </tr> </tbody> </table>	Energy source	Barberton Mines	Evander Mines ¹	Phoenix Platinum	Totals	Petrol (GJ)	3,959	512	–	4,471	Diesel (GJ)	77,657	5,215	1,804	84,676	
Energy source	Barberton Mines	Evander Mines ¹	Phoenix Platinum	Totals													
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	<i>Note 1. Evander's 2013 statistics are for the four-month period ended 30 June 2013.</i>																

Indicator	Description	Response/Reference										
EN4	Indirect energy consumption by primary source.	Details provided below. (GJ)										
	<table border="1"> <thead> <tr> <th>Energy source</th> <th>Barberton Mines</th> <th>Evander Mines¹</th> <th>Phoenix Platinum</th> <th>Totals</th> </tr> </thead> <tbody> <tr> <td>Electricity</td> <td>338,270</td> <td>327,475</td> <td>22,855</td> <td>688,600</td> </tr> </tbody> </table>	Energy source	Barberton Mines	Evander Mines ¹	Phoenix Platinum	Totals	Electricity	338,270	327,475	22,855	688,600	
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	<i>Note 1. Evander Mines' 2013 statistics are for the four-month period ended 30 June 2013.</i>											

Indicator	Description	Response/Reference																									
EN5	Energy saved due to conservation and efficiency improvements.	Investments in energy conservation and efficiency improvements are decided upon based on the potential savings and the theoretical simple payback.																									
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	Not relevant to the products produced.																									
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	Energy efficiency initiatives are wide-ranging and are aimed at increasing energy efficiency, or shifting or clipping peak electricity demand. Details of energy efficiency initiatives at the various operations are provided on page 11 of the Sustainability Review on our website www.panafricanresources.com . Energy management techniques are applied to all equipment that draws significant quantities of electricity.																									
EN8	Total water withdrawal by source.	Details provided below: (000m ³)																									
	<table border="1"> <thead> <tr> <th>Water source</th> <th>Barberton Mines</th> <th>Evander Mines¹</th> <th>Phoenix Platinum²</th> <th>Totals</th> </tr> </thead> <tbody> <tr> <td>Ground</td> <td>1,579</td> <td>1,142</td> <td>–</td> <td>2,721</td> </tr> <tr> <td>Rainwater</td> <td>224</td> <td>1,409</td> <td>–</td> <td>1,633</td> </tr> <tr> <td>Purchased (municipality)</td> <td>–</td> <td>430</td> <td>21</td> <td>451</td> </tr> <tr> <td>Total water used for primary activity</td> <td>1,943</td> <td>2,981</td> <td>21</td> <td>4,945</td> </tr> </tbody> </table>	Water source	Barberton Mines	Evander Mines ¹	Phoenix Platinum ²	Totals	Ground	1,579	1,142	–	2,721	Rainwater	224	1,409	–	1,633	Purchased (municipality)	–	430	21	451	Total water used for primary activity	1,943	2,981	21	4,945	
Water source	Barberton Mines	Evander Mines ¹	Phoenix Platinum ²	Totals																							
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	<i>Note 2: The purchased water consumed at Phoenix is solely used for domestic uses. All other water consumed at Phoenix Platinum is obtained from IFM recycling processing activities</i>																										

Indicator Description	Response/Reference
EN9 Water sources significantly affected by withdrawal of water.	<p>Ground water at both mining operations is created by the drilling and blasting of underground cavities which contain water fissures from time to time. As part of the mining process this water is required to be pumped to surface where it is either evaporated in approved ponds or recycled for use in the mining or metallurgical process. At Barberton Mines additional water is abstracted from boreholes for potable water.</p> <p>Rain water collected on tailing and pollution control dams is considered as part of the mine water system. This water is contained and used in the process.</p>
EN10 Percentage and total volume of water recycled and reused.	<p>Evander Mines re-used 782,491m³, approximately 26% of its water consumption.</p> <p>Barberton Mines re-used 433,255m³, approximately 22% for the process and recycled (water that is treated and then reused as per the Department of Water Affairs requirements/definitions) approximately 164,000m³, or 8% of its water consumption.</p> <p>At Phoenix Platinum 100% of water is recycled water from IFM.</p>
EN11 Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	<p>Evander Mines is not within, or adjacent to, protected areas and areas of high biodiversity.</p> <p>Barberton Mines, totalling 7,259 hectares in area, is situated within a conservation area of importance. This is not a declared reserve but has been identified as a conservation area of importance, managed by the Mpumalanga Parks Board. This conservation area is considered to be an area of high biodiversity.</p>
EN12 Description of significant impacts of activities, products and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	<p>The majority of the Group's activities are conducted underground. Biodiversity assessments have been conducted at all operations, identifying the tailing and pollution control dams as having the highest potential to impact on biodiversity.</p> <p>No significant impacts on biodiversity resulting from Pan African Resources' operations were identified during the reporting period.</p> <p>Information regarding the Group's efforts to preserve biodiversity appears on page 13 of the Sustainability Review on our website www.panafricanresources.com.</p>
EN13 Habitats protected or restored.	<p>At Barberton Mines two tailings dams, measuring 151 hectares, are currently being rehabilitated and a total of 370 hectares have been cleared of alien vegetation.</p> <p>Refer to indicator MMI for more information.</p> <p>At Evander Mines the three tailings dams namely Kinross, Winkelhaak and Leslie/Bracken, measure a total of 742 hectares. All three tailings dams are currently being rehabilitated.</p> <p>Evander Mines cleared a total of 7.2 hectares of alien vegetation in the 2012 financial year.</p>
EN14 Strategies, current actions and future plans for managing impacts on biodiversity.	<p>All environmental management strategies, closure and rehabilitation plans, have been designed after careful consideration of the effects and impacts on the various biodiversity areas. The remaining and retreatment of tailings from tailings dams assist in reducing environmental impacts by consolidation onto a single large tailings dam. Alien plant control management systems are implemented at both Evander and Barberton Mines.</p>

Indicator	Description	Response/Reference
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	None.

EN16	Total direct and indirect greenhouse gas emissions by weight.	Using the GHG Protocol and emissions factors published by Eskom, the Group's energy and explosives consumption has been used in establishing its direct and indirect emissions. A full survey of all emissions-generating activities has not been undertaken in the current year. Consideration is to extend the Group's emissions monitoring to accurately determine its emissions. Details provided below:
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Energy source	Barberton Mines	Evander Mines ¹	Phoenix Platinum	Totals
Direct (tCO ₂ e)	6,957	423	134	7,514
Indirect (tCO ₂ e)	103,740	94,117	6,157	204,014

Note 1. Evander Mine's 2013 statistics are for the four-month period ended 30 June 2013.

Indicator	Description	Response/Reference
EN17	Other relevant indirect greenhouse gas emissions by weight.	Not reported.
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	GHG reduction initiatives are limited to those directed at reducing direct and indirect energy consumption. At Barberton Mines 1,500 cork trees, known for absorbing large quantities of CO ₂ have been planted.
EN19	Emissions of ozone-depleting substances by weight.	Not reported.
EN20	NO _x , SO _x and other significant air emissions by type and weight.	Not reported. A 2012 investigation at the Barberton Mines indicated that levels of these emissions were below the trigger point required for an air pollution licence.
EN21	Total water discharge by quality and destination.	The Evander Mines, Barberton Mines and Phoenix Platinum management controls are in place ensuring that no water is discharged from any operations into the surrounding environment. All contaminated excess water is pumped to pollution control dams from where it evaporates. Evander Mines operates under an approved water use licence. After the three mining sections at Barberton Mines, the Fairview and Consort sections of Barberton Mines have approved water use licences and the company is awaiting the approval of the Sheba mining section water use licence.

Indicator Description	Response/Reference
EN22 Total weight of waste by type and disposal method.	<p>All waste is disposed of in a responsible manner and sent for recycling where applicable. Waste disposal suppliers are appropriately certified.</p> <p>At Evander Mines, all waste from mining operations is blended with the mining ore and supplied to the metallurgical plant as run of mine (RoM). After treatment, the waste, together with the ore, is discarded in the form of tailings onto the approved tailings dams. These tailings dams are included in the mines' rehabilitation plan.</p> <p>The majority of waste rock produced at Barberton Mines is used as backfill in the underground mining area and only 5% of waste rock is brought to the surface where it is crushed and used as aggregate.</p> <p>Refer to EN1 for quantities of waste rock.</p> <p>Cyanide is used in the processing plants at both of the Group's gold mining operations. Waste cyanide is disposed of in terms of the South African code for cyanide management and to the satisfaction of the supplier.</p> <p>At Phoenix Platinum, tailings are deposited onto an approved tailings storage facility at IFM.</p>
EN23 Total number and volume of significant spills.	<p>At Evander Mines a major environmental episode occurred when unknown persons broke the slimes outgoing pipeline discharging tailings from the metallurgical plant to the tailings storage facility, in order to steal the pipes, nuts and bolts. The cost of the cleanup was approximately ZAR1 million.</p> <p>No reportable incidents occurred at Barberton Mines or Phoenix Platinum.</p>
EN24 Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III and VIII, and percentage of transported waste shipped internationally.	None.
EN25 Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organisation's discharges of water and run-off.	<p>The Group monitors the quality of both underground and surface water that could potentially be contaminated by run-off from the mining operations. No significant adverse quality indications were recorded during the reporting period.</p> <p>Discharges from neighbouring towns, including untreated sewerage, impact the quality of the surface water.</p>
EN26 Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	Gold is a benign product which has no significant environmental impacts.
EN27 Percentage of products sold and their packaging materials that are reclaimed by category.	Not relevant as gold is sold in its unwrought form.
EN28 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	None.
EN29 Significant environmental impact of transporting products and other goods and materials used for the organisation's operations, and transporting members of the workforce.	<p>Environmental risk assessment associated with the transport of goods and materials concluded that there were no significant environmental impacts from these activities.</p> <p>Cyanide transported to the Barberton Mines and Evander Mines is transported by a supplier-approved transporter and a hazmat trailer is stationed on site in case of a spill.</p>

Indicator	Description	Response/Reference
EN30	Total environmental protection expenditures and investments by type.	<p>The Group's environmental spend during the year comprised:</p> <p>Barberton Mines</p> <ul style="list-style-type: none"> • pollution control and prevention: ZAR780,591; • rehabilitation expenditure: ZAR913,085; and • environmental operational expenditure: ZAR26,774. <p>Evander Mines¹</p> <ul style="list-style-type: none"> • pollution control and prevention: ZAR165,537; • rehabilitation expenditure ZAR35,408; and • environmental operational expenditure: ZAR786,490. <p>Phoenix Platinum</p> <ul style="list-style-type: none"> • pollution control and prevention: ZAR217,856; • rehabilitation expenditure: ZARNil; and • environmental operational expenditure: ZAR1,497,039.

Note 1. Evander's 2013 statistics are for the four-month period ended 30 June 2013.

Social: Labour practices and decent work

LA1 Total workforce by employment type, employment contract, and region. Details provided below, as at 30 June 2013.

Employment contract type	Barberton Mines	Evander Mines	Phoenix Platinum	Corporate office	Totals
Permanent	1,810	2,524	3	14	4,351
Fixed term	27	6	1	–	34
Total	1,837	2,530	4	14	4,385
% of workforce that is South African	100	74,6	100	100	85,3
Contractors	754	608	58	–	1,420

Indicator	Description	Response/Reference
LA2	Total number and rate of employee turnover by age group, gender and region.	Details provided below, as at 30 June 2013.

Employee age group	Barberton Mines	Evander Mines	Phoenix Platinum	Corporate office	Totals
20 – 30 years	572	130	1	4	707
30 – 40 years	530	477	2	6	1,015
40 – 50 years	428	987	–	2	1,417
50 – 63 years	307	936	1	2	1,246
Total	1,837	2,530	4	14	4,385
Employee turnover	5,9%	7,1%	–	16,0%	

Indicator	Description	Response/Reference
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	Medical aid membership and contributions, provident fund membership and contributions, death benefit insurance and accommodation assistance. The Group does not employ temporary or part-time employees.

Indicator Description	Response/Reference
LA4 Percentage of employees covered by collective bargaining agreements.	National Union of Mineworkers (NUM) and the United Association of South Africa (UASA) bargaining units together cover 100% of the workforce at both the Barberton Mines and the Evander Mines operations. NUM membership at Barberton Mines is 83%, and at Evander Mines it is 96%. UASA membership at Barberton Mines is 66%, while at Evander Mines it is 34%. Group employees at Phoenix Platinum are not unionised.
LA5 Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	Reasonable notice periods are either prescribed by legislation or written into collective bargaining agreements.
LA6 Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programmes.	Health and Safety Committees exist at all of the Group's operations and cover 100% of the workforce. At Barberton Mines there are four full-time, elected safety and health stewards and 99 safety representatives and at Evander Mines there are three full-time, elected safety and health stewards and 284 safety representatives.
LA7 Rates of injury, occupational diseases, lost days and absenteeism, and number of work-related fatalities by region.	Details provided below.

Indicator	Barberton		Evander ¹		Phoenix	
	2013	2012	2013	2012	2013	2012 ²
Lost Time Injuries	17	19	19	26	–	–
Lost Time Injury Frequency Rate (LTIFR)	2.57	3.26	2.90	4.0	–	–
Reportable Injuries	10	4	13	20	–	–
Reportable Injury Frequency Rate (RIFR)	1.51	0.74	1.70	3.07	–	–
Total Recordable Injuries	127	136	53	52	3	3
Total Recordable Injury Frequency Rate (TRIFR)	19.22	25.10	7.70	7.99	0.3	1.1
Fatalities	2	1	1	5	–	–
Fatality Injury Frequency Rate (FIFR)	0.30	0.18	0.15	0.77	–	–
Incidents of tuberculosis	28	27	54	72	–	–
Incidents of silicosis	1	0	1	18	–	–
Incidents of noise induced hearing loss	–	3	–	24	–	–

Note 1. Evander Mine's safety statistics are provided for the full twelve-month period 1 July 2012 to 30 June 2013. The operation's 2012 safety statistics have been extracted from Harmony's 2012 integrated annual report.

Note 2. Phoenix Platinum's 2012 statistics are for the eleven-month period ended 30 June 2012.

Indicator	Description	Response/Reference
LA8	Education, training, counselling, prevention and risk-control programmes in place to assist workforce members, their families or community members regarding serious diseases.	At both Evander Mines and Barberton Mines a range of awareness programmes and preventative interventions have been implemented to address HIV/Aids, Silicosis, hearing impairment and Tuberculosis. Employees are provided counselling and access to social workers, free testing, free anti-retroviral drugs, free vitamins and condoms. In cases of infection, counselling services are extended to family members. Local communities participate in certain health and wellness road shows. All employees and contractors undergo annual medical examinations to ensure that they are fit to work.
LA9	Health and safety topics covered in formal agreements with trade unions.	The Health and Safety Collective agreements at the operating units govern the committee's structure, mandate, responsibilities and remuneration of full-time safety representatives. The committee is proactive in identifying health and safety topics and meetings follow a clear and fixed agenda.
LA10	Average hours of training per year per employee by employee category.	On average, employees and contractors received between 36 (Barberton Mines) and 48 (Evander Mines) hours of training during the reporting period.
LA11	Programmes for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	Both the Barberton Mine and Evander Mines have approved Social and Labour plans (SLP) against which they report annually. Both mines have submitted revised social and labour plans to the DMR for approval. These SLPs include wide ranging initiatives to provide employees with appropriate skills development, education, mentorship and experiential training. Throughout the Group, 169 employees participated in ABET learning during the year. The Group employed 10 employees under learnership contracts and awarded 10 full-time bursaries.
LA12	Percentage of employees receiving regular performance and career development reviews.	Management employees received regular performance appraisals. Junior employees are appraised as when they are considered for promotion.
LA13	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership and other indicators of diversity.	Details of the Board of Directors are available on page 14 of the 2013 Integrated Annual Report. Details regarding the representation of Historically Disadvantaged Individuals at management level and women in mining appear in the tables below.

Representation of HDSAs at management levels (%)	Barberton Mines		Evander Mines		Phoenix Platinum	
	2013	2012	2013	2012	2013	2012
Senior management	33	20	33	N/a	100	100
Middle management	36	29	50	N/a	50	100
Junior management	45	34	44	N/a	100	100
Women in mining						
Women employed at the mine	86	80	216	N/a	1	1
Women in mining (core business)	81	72	57	N/a	1	1
Percentage of women in mining	4.4	4.0	2.3	N/a	25	33

Indicator	Description	Response/Reference
LA14	Ratio of basic salary of men to women by employee category.	There is no differentiation within the Group between male and female remuneration. Employees are remunerated based on their job grade, irrespective of gender.
LA15	Return to work and retention rates after parental leave, by gender.	100%.
Social: Human rights		
HR1	Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening.	None.
HR2	Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken.	None. Wherever possible, the Group promotes responsible and ethical management to its supply chain, encouraging suppliers to support local economic development.
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including percentage of employees trained.	Not reported, information is unavailable.
HR4	Total number of incidents of discrimination and actions taken.	No incidents of discrimination were reported during the reporting period.
HR5	Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights.	No operations have been identified as having a high risk of impacting on the right to exercise freedom of association and collective bargaining.
HR6	Operations identified as having significant risk for incidents of child labour; measures taken to contribute to the elimination of child labour.	No operations have been identified as having a high risk of incidents of child labour.
HR7	Operations identified as having significant risk for incidents of forced or compulsory labour; and measures to contribute to the elimination of forced or compulsory labour.	No operations have been identified as having a high risk of incidents of forced or compulsory labour.
HR8	Percentage of security personnel trained in the organisation's policies or procedures concerning aspects of human rights that are relevant to operations.	100%.
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken.	None.
HR10	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.	None.
HR11	Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms.	None.

Indicator Description	Response/Reference
Social: Society	
SO1 Nature, scope and effectiveness of any programmes and practices that assess and manage the impacts of operations on communities, including entering, operating and exiting.	<p>In preparing the Group's approved SLPs and those pending approval, extensive assessments have been performed regarding the potential impact that its operations could have on local communities. In terms of the MPRDA mining companies are required to develop and implement comprehensive Human Resources Development Programmes, a Mine Community Development Plan, a Housing and Living Conditions Plan, Employment Equity Plan, and Processes to save jobs and manage downscaling and/or closure.</p> <p>Progress in achieving the above goals is reported annually to the DMR.</p> <p>Similarly, Environmental Management Programmes, Rehabilitation and Closure plans are designed to minimise the lasting environmental impact of the operations.</p>
SO2 Percentage and total number of business units analysed-for-risks related to corruption.	Theft, both by employees and illegal miners is the most significant corruption-related risk at the Group's operations. Mechanisms are in place to deal with these risks. None of the operations have been assessed for other risks related to corruption.
SO3 Percentage of employees trained in organisation's anti-corruption policies and procedures.	Not reported, information not available.
SO4 Actions taken in response to incidents of corruption.	Theft of free gold is a common problem on South Africa's mines. Various procedures have been adopted to identify offenders who, once identified, are subjected to the Group's disciplinary code. All instances of theft, once proved, result in the dismissal of the individual. In total 45 employees were dismissed for theft during the period.
SO5 Public policy positions and participation in public policy development and lobbying.	None.
SO6 Total value of financial and in-kind contributions to political parties, politicians, and related instructions by country.	None.
SO7 Total number of legal actions for anti-competitive behaviour, anti-trust, and monopoly practices and their outcome.	None.
SO8 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	None.
SO9 Operations with significant potential or actual negative impacts on local communities.	The single most significant potential negative impact that the Group's mining operations could have on local communities is the possible contamination of local water sources.
SO10 Prevention and mitigation measures implemented in operations with significant potential or actual; negative impacts on local communities.	The management of water resources and discharges is a key component of each of the operations' Environmental Management Programmes (EMPs). Water quality in the areas surrounding the operations is monitored and reported on.

Indicator	Description	Response/Reference												
Social: Product responsibility														
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	Gold is sold directly to the refineries for processing and on-selling. Gold is a benign product which has no significant health or safety impacts.												
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.	Not relevant to product produced.												
PR3	Type of product and service information required by procedures and percentage of significant products and services subject to such information requirements.	Not relevant to product produced.												
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling, by type of outcomes.	Not relevant as gold is sold in its unwrought form, with no packaging or labelling.												
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	Not relevant as gold is sold in its unwrought form as a commodity.												
PR6	Programmes for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion and sponsorship.	Not relevant as the Group does not market its final product.												
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotions, and sponsorship by type of outcomes.	Not relevant as the Group does not market its final product.												
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	Not relevant as the Group does not market its final product.												
PR9	Monetary value of significant fines for non-compliance with law and regulations concerning the provision and use of products and services.	None. Not relevant.												
Social: Mining and metals sector supplement indicators														
MM1	Amount of land (owned or leased, and managed for production activities or extractive use) disturbed or rehabilitated.	See details below.												
		<table border="1"> <thead> <tr> <th></th> <th>Barberton Mines</th> <th>Evander Mines</th> <th>Phoenix Platinum</th> </tr> </thead> <tbody> <tr> <td>Total area disturbed (owned) (km²)</td> <td>72.6</td> <td>42.0</td> <td>Phoenix operates on IFM property and its footprint is limited. Details of the tailings storage facilities appear in the response to MM3.</td> </tr> <tr> <td>Area rehabilitated (km²)</td> <td>1.5</td> <td>0.4</td> <td></td> </tr> </tbody> </table>		Barberton Mines	Evander Mines	Phoenix Platinum	Total area disturbed (owned) (km ²)	72.6	42.0	Phoenix operates on IFM property and its footprint is limited. Details of the tailings storage facilities appear in the response to MM3.	Area rehabilitated (km ²)	1.5	0.4	
	Barberton Mines	Evander Mines	Phoenix Platinum											
Total area disturbed (owned) (km ²)	72.6	42.0	Phoenix operates on IFM property and its footprint is limited. Details of the tailings storage facilities appear in the response to MM3.											
Area rehabilitated (km ²)	1.5	0.4												

Indicator Description	Response/Reference
MM2 The number and percentage of total sites identified as requiring biodiversity management plans according to stated criteria, and the number (percentage) of those sites with plans.	Biodiversity assessments have been undertaken at both Barberton Mines and Evander Mines. There was no evidence that the Barberton operation required a biodiversity management plan. The Evander Mines operation does have a biodiversity plan.
MM3 Total amounts of overburden, rock, tailings, and sludges and their associated risks.	Tailings (tonnes): Barberton Mines: 310,484 Evander Mines: 202,385 Phoenix Platinum: 275,054
MM4 Number of strikes and lock-outs exceeding one week's duration, by country.	Nil.
MM5 Total number of operations taking place in or adjacent to Indigenous Peoples' territories, and number and percentage of operations or sites where there are formal agreements with Indigenous Peoples' communities.	N/A.
MM6 Number and description of significant disputes relating to land use, customary rights of local communities and Indigenous Peoples.	There were no disputes relating to land use or breaches of customary rights.
MM7 The extent to which grievance mechanisms were used to resolve disputes relating to land use customary rights of local communities and Indigenous Peoples, and the outcomes.	N/A.
MM8 Number (and percentage) of company operating sites where artisanal and small-scale mining (ASM) takes place on, or adjacent to, the site; the associated risks and the actions taken to manage and mitigate these risks.	Illegal mining and free gold theft require ongoing vigilance and management. Increased security patrols and intelligence gathering have significantly reduced the incidents of illegal mining at the Barberton Mines operation. Illegal mining does not occur at Evander Mines.
MM9 Sites where resettlements took place, the number of households resettled in each, and how their livelihoods were affected in the process.	None.
MM10 Number and percentage of operations with closure plans.	The Group's three core operating units all have closure plans.
MM11 Programmes and progress relating to materials stewardship.	<p>Cyanide represents the potentially most hazardous substance at both Barberton Mines and Evander Mines. Waste cyanide is disposed of in terms of the South African code for cyanide management and to the satisfaction of the supplier.</p> <p>All three of the Group's operations have tailings management plans in place. Tailings Storage Facilities (TSF) are subjected to physical modelling and engineering to minimise their potential impacts on the environment.</p> <p>Waste rock at Barberton Mines is minimised by back-filling underground. Rock waste at Evander Mines is stored in the TSF together with the tailings.</p> <p>The Group uses Material Safety Data Sheets to identify and manage potentially hazardous materials and waste.</p>



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