



RICHARDS BAY COAL TERMINAL
PROPRIETARY LIMITED



2014 Sustainability Report

COMPANY PROFILE

Richards Bay Coal Terminal (RBCT) is a world class coal export terminal situated in the Port of Richards Bay. The coal terminal was opened in 1976 with an original capacity of 12 million tons per annum.

The terminal provides South Africa’s Coal Exporting Mining Companies (CEP’s) with a world class logistics service that facilitates the export of coal to Asia, Europe and other regions.

RBCT is positioned at one of the world’s deep sea ports, and handles large ships and large volumes of coal. The 276 hectare site currently boasts a quay that is 2, 2 kilometres long with six berths and four ship loaders, with a stockyard capacity of 8, 2 million tons. RBCT shares a strong co-operative relationship with South Africa’s national utility, Transnet, which provides the railway services linking the coal mines to the port, and the shipping coordination of more than 900 ships per annum.

All its operations and administrative functions are conducted in Richards Bay.

The History of the Terminal

1976	The Port of Richards Bay officially opened the Richards Bay Coal Terminal. Phase 1 of the terminal; with a capacity of 12 million tons per annum (Mt/a); started exporting coal.
1979	The terminal completed Phase II expanding its exporting capacity from 12 Mt/a to 24 Mt/a.
1984	The terminal further expanded its capacity to Phase III taking its export capacity to 44 Mt/a.
1991	Phase III was upgraded to an exporting capacity of 53 Mt/a.
1995	The terminal enhanced its capacity and increased its exporting capacity to 63 Mt/a.
1999	The Brownfield’s expansion project was completed, increasing exporting capacity to 72 Mt/a.
2008	The terminal increased its design capacity to 76 Mt/a.
2010	The terminal completed the Phase V Expansion reaching a design capacity of 91 Mt/a.

Our mission

Moving coal in a safe, cost effective and efficient manner, safeguarding the environment and stakeholders.

Our vision

Moving coal passionately through a world class Port Terminal

Our core values

- We will not engage in any unsafe activity
- We treat each other with respect and dignity
- We care for the wellbeing of employees
- We work to the best of our ability
- We are innovative and pro-active
- We care for the environment
-

Our slogan

Coal to the world, growth to the nation

FROM THE CEO'S DESK

Business growth at RBCT is directly linked to the long term sustainability of the business. This incorporates economic, environmental, social performance and safety practices.

RBCT has implemented the shared value principles and has taken Corporate Social Investment (CSI) and Corporate Social Responsibility (CSR) to the next level that ensures that it's not just fulfilling the licence to operate but rather creating social entrepreneurs with sustainable businesses in the areas where they reside.

The partnerships RBCT has formulated with the stakeholders including communities have been a great example of integrated business solutions and what can be achieved when working together.

Our people at RBCT are our assets and the Human Resource Strategies we adopt are linked to Company performance. We, therefore, ensure that our people are engaged, informed, developed and nurtured to get the results we aim for. For the first time in the history of RBCT our employees voted for the values that they want to live by and as a result our five values are a reflection of this process.

A good interactive and cooperative relationship has been established with Transnet SOC LTD who through its Transnet Freight Rail Division("TFR"), RBCT and the Transnet National Ports Authority ("TNPA") Division completes the coal export value chain. TFR provides the rail service from the mines to the port, and TNPA offers marine services for the vessel operations.

Through the improved Global Reporting Initiative (GRI) framework we adopted the reporting practices that promote transparency and enhance the credibility of our communication with our stakeholders. This also facilitates benchmarks across various organisations and address issues that stakeholders may raise as concerns.



The key people strategies that we implemented have yielded results and the employees felt them. RBCT broke the performance records against the set targets twice in two years. When I went undercover to work on shifts with the employees, I understood the challenges better, fulfilled every promise we made and created a better working environment for all of us. What stood out for me as a CEO was that people treat each other with dignity and respect and enhance diversity.

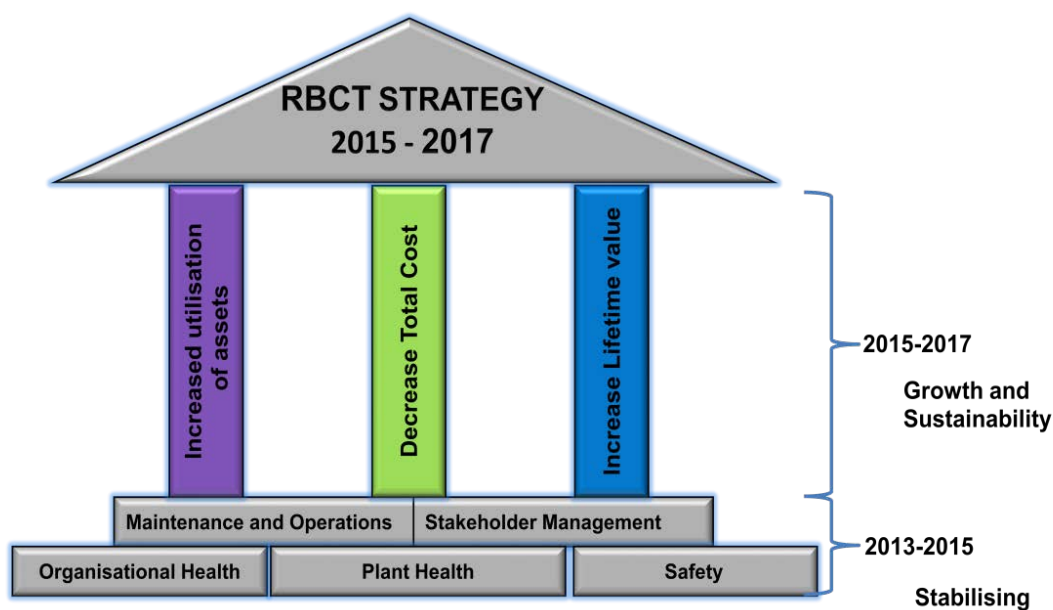
This is one of our key values at RBCT and it is a value that was voted for by our employees.

The 5 key pillars of our strategy for the last three years were the following:-

- Human Resource Strategy
- Operational Efficiencies
- Stakeholder Management
- Health, Safety and Environmental Strategy
- Maintenance and Plant Life Cycle Planning

For the next three years RBCT will be focussing on infrastructure development, plant health and cost optimisation strategies to create value for our shareholders who are also our customers.

This will not be achieved if RBCT regresses from the focus on people and safety, so the strategy is divided into two phase where the five pillars will be maintained to sustain the business and the three pillars will be the key focus for the next three years.



Framework of the RBCT strategy

SAFETY

- In 2014 RBCT focused on the safety of employees and contractors and declared the year as the year of safety. RBCT achieved a Lost Time Injury Frequency Rate (LTIFR) of 0.14 and incurred only two LTI's during the year. The Minor Injury Frequency Rate (MIFR) dropped to 0.56 from a rate of 1.02 which is below the target of 0.97 for the year under review. The strategy focused on safety awareness campaigns and visible leadership by management. The terminal achieved one million LTI free hours at the end of June 2014, a very good effort by the employees of RBCT and its contractors.
- RBCT achieved its re-certification on both ISO 14001 and OHSAS 18001 which means the terminal is compliant.
- The Wellness Management Programme focused on the overall wellness of employees and contractors. RBCT has an onsite Biokineticist working hand-in-hand with the Company Doctor and Clinic to improve the wellness of employees and contractors, to sustain a healthy and productive workforce.
- One of RBCT's key priorities is environmental legal compliance and RBCT did not incur any major environmental incidents during the year. RBCT is still in the process of attaining a Water Use License as it is one of the key outstanding priorities.

The agenda for diversity and women development in the hard core areas of the business is critical to RBCT's transformation agenda.

We get the opportunity to expose our employees to our shareholder businesses so that they gain experience and on the job training from global players in the coal industry.

We have reduced our absenteeism by 3.29% since 2012 and we developed and implemented a talent management process, a transparent process that allows employees the opportunities for proper career planning, succession and training.

Going forward our commitment to our shareholders is to continue to look for opportunities to improve our service and ensure that they retain their global competitiveness.

RBCT will be celebrating 40 years of facilitating the movement of coal exports from South Africa to the rest of the world in 2016.

This document is clear evidence of our commitment to the principles of sustainability and long term growth of our businesses and the communities around us.

NOSIPHO SIWISA-DAMASANE
CHIEF EXECUTIVE OFFICER – RBCT

OPERATIONAL PERFORMANCE

The principles of sustainability were at play in 2014 for RBCT when two incidents that challenged the business occurred.

- There was a 9 day power outage that was experienced in February 2014 which was as a result of the failure of both Municipal cables that connect power to RBCT. These cables were 38 years old and required continuous maintenance and ultimately to be replaced. Eskom built an emergency 8km overhead line which was installed and commissioned within 13 days. This was achieved through collective stakeholder discussions and interactions. During the 9 day power outage the coal value chain lost a volume of 2mt of coal railings and exports.
- In April 2014 the terminal had an oil spill from a decommissioned Engen pipe which burst and affected the ability of the terminal to turnaround vessels on time. Despite these incidents RBCT managed to break another record year in performance compared to the previous year.

Tonnages received by rail for 2014 financial year

Volumes

RBCT received a total tonnage of 72,43mt in 2014 which represents an increase of 2.3% from the 70,81mt in 2013. This performance was a great achievement by the coal supply chain given the events that took place and the subsequent volume loss described above.

Rail Performance

The Train System Time (time taken by train from hand over to RBCT to hand back to TFR) was 4 hours and 11 minutes which is better than the target of 4 hours and 18 minutes as per the signed Service Level Agreement between the terminal and TFR.

TFR improved its performance consistently and in a predictable manner in 2014 and is targeting to achieve 77mt in 2015. This target is achievable as TFR has already reached the 76mt mark for their financial year ended 31 March 2015.

Vessel Performance

RBCT exported 71,129mt in 2014, which is an improvement of 1,5% from the 70,23mt that was exported in 2013.

The turnaround time of the vessels is what the terminal uses to measure world class performance and RBCT achieved 37.49hrs turnaround time in 2014 compared to a target of 41.98hrs.

RBCT PLANT

The key maintenance performance measures for the plant are the availability and reliability of the machines. RBCT achieved plant availability of 94.5% which was achieved against a target of 90% and the plant reliability was 94.8% against a target of 95%. The plant downtime was worse than the target at 16.24 minutes per 10 000 tons. The annual target is 13.82 minutes per 10 000 tons, this is however a consistent improvement of 3% on the 2013 plant downtime of 16.76 minutes per 10 000 tons. Good progress has been made during the year and the focus is now on preventative maintenance to avoid breakdown management as a strategy. The terminal has stabilised conveyor belt incidents and has improved periodic inspections. The Engineering team managed to complete the majority of the planned plant outages through sound planning with Operations and ensuring priorities are adhered to. This is part of the life cycle planning that the terminal has undergone and completed.

The terminal will be replacing all of the four major pieces of equipment in Phase 1 which are the two stacker reclaimers and the two ship loaders. This is a big milestone and commitment for RBCT given the current economic conditions. It is confirmation that the coal industry is confident of the coal exports out of South Africa to the rest of the world.

Finance

RBCT has embarked on a cost optimisation exercise to reduce the cost per ton of coal moved out of RBCT per year. RBCT is committed to being a low cost operation and continues to research means of reducing the cost per ton of coal to the users. The operating cost per ton for 2014 increased by 4% from the prior year which was 1% lower than the budget.

The 2015 budget is a tough challenge for RBCT management but the terminal is determined to achieve the delivery of an efficient service at an optimised cost. RBCT is in the process of implementing six sigma and other business improvement projects; including resource optimisation and contract management to ensure that the budget is achieved.

TERMINAL HIGHLIGHTS AND ACHIEVEMENTS IN 2014

In summary, RBCT achieved the following accolades in the 2014 financial year when the terminal received 5 awards in various spheres of the industry and recognized for:

- Best Terminal/Port Operator – Transport Africa Awards
- Institute of people Management (IPM) CEO of The Year Award
- ZCCI Business Excellence Award: Best Employer
- ZCCI Business Excellence Award: SABCOHA Wellness
- ZCCI Business Excellence Award: Corporate Social Investment

IN DETAIL THE AWARDS COMPRISED OF:

BEST TERMINAL/PORT OPERATOR – TRANSPORT AFRICA AWARDS



RBCT demonstrated evidence of operational efficiencies and effectiveness implemented and provided a service that kept its customers competitive. RBCT also demonstrated best practice in the context of African Ports. The panel was humbled by the complexity of the operation in areas like stockpile capacity management given the number of grades the terminal handles, and performance statistics.

IPM CEO OF THE YEAR- 2014



It was a proud moment when RBCT's hard-working CEO Nosipho Siwisa-Damasane earned the industry accolades as the IPM CEO of the year 2014 award.

The IPM excellence awards recognise the candidates who have done something innovative in the areas of stakeholder management, change management, skills development and transformation.

The award looks at how CEO's exercises their ability to execute HR strategies and interact with others and engage with the employee and the impact thereof to their customer.

The award seeks to find a unique CEO who demonstrates exceptional leadership qualities and who goes beyond the call of duty to achieve the following:

- Leadership and ensuring that people issues are strategically managed.
- Champions specific HR or "Employer of Choice" initiatives and involve HR Director as a key member of the management team in designing business strategies.
- Shows personal leadership and integrity in driving diversity, transformation and flexibility.
- Supports employee surveys as a means to encourage feedback and effective performance measurement and improvement.

ZULULAND CHAMBER OF COMMERCE AND INDUSTRY BUSINESS EXCELLENCE AWARDS – 2014

RBCT Won the Awards in the following major categories during the Business Excellence Awards dinner in November 2014.

ZCCI BUSINESS EXCELLENCE AWARD: BEST EMPLOYER

RBCT was recognised as a best employer because they source the right skills at the right time which is critical for companies.

Winning with a people approach enabled RBCT to go to great lengths in engaging employees, listening to what and how they feel through an Organisational Health Survey. More than 80% of employees across all levels, participated in this CEO led and facilitated survey. Comments, suggestions and opinions made resulted in useful insights on how RBCT can build and enhance its brand as a leading employer. Results from the survey, continue to drive our people focused strategy to ensure RBCT remains a great place to work for. People initiatives are aimed at addressing, identifying gaps and proactively managing any future potential expectations to keep employees motivated.

ZCCI BUSINESS EXCELLENCE AWARD: CORPORATE SOCIAL INVESTMENT

RBCT was recognised by the ZCCI as the winner of this category as they demonstrated excellence in Corporate Social Responsibility. As part of RBCT's commitment to being a responsible corporate citizen, it is company policy to conduct business in a manner that is compatible with the economic, social and environmental needs of the communities in which we operate. RBCT's corporate social investment strategy plays a constructive role in enhancing the quality of life in the communities within which our people live.

Our aim is to promote the development of self-reliant communities and to facilitate sustainable community development programmes. Our initiatives primarily focus in early childhood development in education, health, HIV/AIDS, community skills development, welfare, environment, and community service and crime prevention.

ZCCI EXCELLENCE AWARD: SABCOHA WELLNESS

RBCT was recognised for a healthy and productive workforce and the wellbeing of our employees and contractors. The award recognised that RBCT focuses more on employee wellness than on illnesses. As a result, the company embarked on the Biggest Loser Competition for all employees.

RBCT saw a number of employees losing weight beyond expectations by participating and committing to this initiative.

These were achieved through:-

- Pilates and V-Box Classes on site;
- Dietician available twice a week to discuss dietary requirements for each employee;
- Diet meals made available at our canteen.
- RBCT partnership with Careways which ensured support to employees on:
 - Physical Wellness
 - Emotional Wellness
 - Legal Wellness
 - Financial Wellness

Our on sight clinic started operating on a 24hr basis in 2013 and it takes care of all the daily ailments that impact on employees' productivity.

RBCT had a huge improvement on employee chronic illnesses; incapacity cases; absenteeism and the morale in 2014. RBCT is in the process of a SANS 16001:2013 certification (Wellness & Disease Management Standard) which is a reconfirmation of continued commitment to employee wellness.

It is through this commitment on wellbeing of employees that RBCT created one of the values that "***We care for the wellbeing of our employees***".

GOVERNANCE AND ADMINISTRATION

The King Code of Corporate Practices and Conduct

In line with the new companies Act and King III recommendations, RBCT recognises the need to conduct its business with integrity and in accordance with the highest standards of corporate governance. During the year under review, in all material respects RBCT applied the Code of Corporate Practices and Conduct espoused in the King III Report.

Our report excludes any information on how BEE companies can get an allocation in the 4 million tons Quattro programme. The allocation of the 4 Million tons is carried out by the Coal Industry Task Team (CITT) of which RBCT is an observer with Transnet, Department of Mineral Resources (DMR) and Junior Miners represented. The process is administered by the DMR for independence.

RBCT produces a separate Annual Financial Report which does not form part of this report and is distributed to shareholders only.

Our website contains more details on RBCT operations, statistical data on our exports, our shareholder contact details, corporate social investment projects and RBCT contact details. You can access the details from – www.rbct.co.za.

RBCT FOCUSES ON DIVERSITY AND DEVELOPMENT OF WOMEN

The ladies of RBCT were treated to a ladies luncheon in celebration of Women's day in 2014. This event was a reminder of how special our women are and the importance of their role within our homes, our churches, our communities as well as our organisation.

Through the Matte Project (TMP), RBCT facilitates engagement with women engaged in multi-faceted conversation with other women through talks, and multimedia and with inner and outer beauty at its core. It provides women with information, inspiration, support and a bit of fun; getting them to share a bit more about their needs and challenges, allowing them to not only be more honest with each other, but with themselves in an enabling and supportive environment that allows their individual, holistic beauty to shine through.

Stakeholder Management

RBCT has implemented a strategic and proactive framework for developing and managing stakeholder relations. Identification of stakeholders that have a defined level of impact and synergy to our business have been categorised into the following:

- Core stakeholders that are essential to the survival of RBCT;
- Strategic stakeholders that are vital to the organisation and the threats and opportunities we face at RBCT; and
- Environmental stakeholders that are within our environment.

RBCT uses the guiding principles to manage stakeholder engagement:

- Engagement that is mutually beneficial (growth);
- Relevant and/or appropriate engagement (accountable, efficient);
- Integrity (reliability); and
- Valuing relationships (trust)

For a list of our current shareholders visit: www.rbct.co.za

ORGANISATIONAL PROFILE

THE BOARD

There are 11 directors, 7 non-executive directors, 3 independent non-executive directors, 1 executive director and 6 alternate directors. MS Teke is the chairman of the Board

DIRECTORS

MS Teke (Chairman)
ND Baloyi
C Botes (Ms)
Z Docrat
CM Ephron
JD Evans
IA Swanepoel
R Linares Morera
KT Nondumo (Ms)
AJ Rogan
N Siwisa-Damasane (Ms)

ALTERNATE DIRECTORS

GJ Marrian
A Gobisha (Ms)
RV Chetty
MJ Houston
RJ Langford
MR Walker

SENIOR MANAGEMENT

C Mbuyazi
J Mdaki
Z Mthiyane (Ms)
W Murphy
K Naidoo
J Nzimande (Ms)
AJ Waller

COMPANY SECRETARY

L Mtsweni

REGISTERED OFFICE

South Dunes
Richards Bay Harbour
P O Box 56
Richards Bay
3900

AUDITORS

Deloitte and Touche
P O Box 10167
Meerensee
3901

REGISTRATION NO.

1973/014256/07

Board purpose and function

The Board provides strategic direction to RBCT through its quarterly Board meetings and the delegation of authority to Board sub-committees and executive management. It reviews and directs the company's strategic objectives and annual budget. The Board reviews and provides guidance on the performance of the company, and ensures that RBCT adheres to triple bottom line reporting.

Board Committees

To enable the Board to properly carry out its responsibilities and duties, certain of the responsibilities have been delegated to the sub-committees as recommended by King III.

Our Committees are the following:

- Operations Committee (OPCO) – Chaired by the CEO
- Finance Committee (FINCO) – Chaired by one of the Shareholding members
- Remunerations Committee (REMCO) – Chaired by an Independent Board member
- Social and Ethic Committee – Chaired by an independent Board member
- Projects Committee (PROCOM) – Chaired by the CEO

These committees do not diminish the Board's overall responsibilities and the chairmen of each committee reports and make recommendations to the Board at each Board meeting. The minutes of all committee meetings are submitted to all directors prior to Board meetings and any issues of concern or progress are discussed by the Board.

OPERATIONS COMMITTEE

This committee operates in terms of its a mandate from the Board of Directors. The Committee deals with mutual matters relating to the operations of the Terminal in order to provide an effective and efficient service to all RBCT users.

The following members form part of the Operations Committee:

MEMBERS

N Siwisa-Damasane (Ms)

A Bernic

A Bezuidenhout

PJ Digby

P Masia

HL Mkatshana

E Theron

D Yiotopoulos

NS Burger (Ms)

B Dalton

KC McNeice

A Moepadira

M Steyn (Ms)

RV Chetty

GFT Warnasuriya

ALTERNATES

N Gooding (Ms)

H Viljoen (Ms)

SJ Ferreira

V Deeplaul

M Lamprecht

S Mely (Ms)

C Burns (Ms)

FINANCE COMMITTEE

The Finance Committee functions include matters relating to finance, the Shareholders' Agreement (governing relations between shareholders and the company), taxation and various administrative matters.

The audit committee functions of the Finance Committee include assisting the Board on issues of monitoring and control and the practice of good corporate governance. The committee also oversees the internal audit function. During 2013 it was approved that the Internal audit function is outsourced to the shareholders and Anglo Business Assurance Services ("ABAS") was the first, their mandate is to review the reliability and integrity of financial as well as operating information, systems of internal control and the safeguarding of RBCT's assets as well as financial information.

The following members form part of the Finance Committee:

MEMBERS

GA Heale (Chairman)

Z Bhorat (Ms)

JL Garrido

RJ Langford

PJ van Zyl

M Walker

R Lawson

R Linares Morera

P Mohan

G van den Heever

N Cebekhulu (Ms)

E Hanekom (Ms)

M Immelman

M Lamprecht

KT Nondumo (Ms)

N Siwisa-Damasane (Ms) (invited)

ALTERNATES

JC Fourie

NG Schneider

JAJ Loots

V Chaithram

DA Barnard

I Coetzee (Ms)

REMUNERATION COMMITTEE (“REMCO”)

RBCT’s philosophy is to set a REMCO that is able to attract and retain the executive directors and general management needed to run RBCT successfully. A portion of executive directors and general management’s remuneration is structured so as to link corporate and individual performance for a sustainable organisation.

In accordance with these objectives, the REMCO annually reviews and evaluates the contribution of the executive director and members of the general management and determines their annual salary adjustments. For this purpose, it considers salary surveys compiled by independent organisations. No executive director or general manager is involved in any decisions as to his/her own remuneration.

The committee also determines the annual and long term performance bonus of the executive director while it confirms that of the general management as determined by the executive director.

The following members form part of the Remuneration Committee:

AJ Rogan (Chairman)

MS Teke

Z Docrat

J Evans

C Ephron

M Mgojo

SOCIAL AND ETHICS COMMITTEE

The Social and Ethics committee was established on 19 April 2012 and the roles and responsibilities of the Committee were incorporated into those of the already established Remuneration Committee.

The responsibilities of the committee are as follows:

1. Monitoring the company's activities with regard to matters relating to:
 - social and economic development including RBCT's standing in terms of the goals and purposes of -
 - the 10 principles set out in the United Nations Global Compact Principles;
 - the recommendations of the Organisation for Economic Co-operation and Development, regarding corruption;
 - the Employment Equity Act; and
 - the Broad-Based Black Economic Empowerment Act;
 - good corporate citizenship, including the company's commitment to the promotion of equality, prevention of unfair discrimination, reduction of corruption, contribution to development of the communities in which its activities are predominantly conducted. the environment, health and public safety, including the impact of the company's activities and of its products or services like;
 - consumer relationships, including the company's advertising, public relations and compliance with consumer protection laws, and
 - Labour and employment.
2. Monitor the company's performance and interaction with its stakeholders and ensure that this interaction is guided by the Constitution and Bill of Rights;
3. Determine clearly articulated ethical standards and ensure that the RBCT takes measures to achieve adherence to these in all aspects of the business, thus achieving a sustainable ethical corporate culture within the company; and
4. Provide effective leadership based on an ethical foundation and ensure that the company is a responsible corporate citizen.

RBCT subscribes to the highest ethical standards and behaviour and requires total honesty and integrity from its employees at all times. A "Code of business conduct and ethics" has been approved by the Board of Directors and all employees are required to subscribe to the code.

PROJECTS COMMITTEE

In September 2014 the Board formally established the Projects Committee. The committee is required to meet 4 times per year.

The following members form part of the Projects Committee:

MEMBERS

N Siwisa-Damasane (Ms)

W Bezuidenhout

AE Conradie

R du Plooy

D de Waal

RP Hugo

BH Miles

GC Leibbrandt

J Lucini

L Turvey

ALTERNATES

B Murphy

Project Committee members deal with Major Projects and Engineering matters and other matters as may be referred to it by the Board from time to time and make recommendations to the Board for final decision.

OUR BOARD



RBCT Board Chairman – Mr Mike Teke



Standing from left: Ephron C, Rogan AJ, Evans JD, Swanepoel IA, Baloyi ND and Docrat Z

Seated from left: Siwisa-Damasane N, Teke MS and Botes C. Absent: Nondumo KT and Linares Morera R

RBCT SENIOR MANAGEMENT AS AT 31 DECEMBER 2014



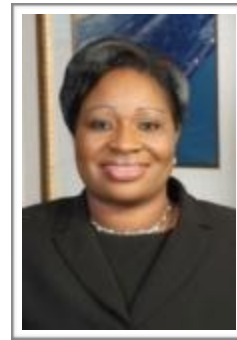
Nosipho Siwisa-Damasane – CEO



Alan Waller
GM: Finance



Jabu Mdaki
GM: Operations



Judith Nzimande
GM: Human Resources



Bill Murphy
GM: Projects



Kubendren Naidoo
GM: Asset Management



Zanele Mthiyane
GM: HSEC



Casper Mbuyazi
GM: Risk & Compliance

LEGAL/RISK AND COMPLIANCE

Internal Controls

The Directors are cognisant of their responsibility with internal controls and the monitoring of their effectiveness as a board. The ethical behavior, compliance with legislation and sound accounting practices, underpins the internal control process at RBCT. In the current year RBCT rolled out the Integrated Business Policy. This robust process included the engagement of the services of Anglo American Business Assurance Services (“ABAS”) to perform the internal audit and risk management function in a co-sourced arrangement with RBCT. The audit focuses not only on financial processes but also on operational processes to ensure that there are no gaps in the plant and that best practice is used at all times.

General management and Directors of RBCT consider that systems are properly designed to provide reasonable assurance that assets are safeguarded against material loss or unauthorized use and that the transactions are properly authorised and recorded. Nothing has come to the attention of the Directors to indicate a material breakdown in the functions of these systems during the year under review.

Risk Management

Internal Audit and Controls

The Board acknowledges their responsibility for the Internal Audit function as this ensures RBCT keeps up to date with the complexity and rapid changes of the business environment, organisational dynamics and regulatory frameworks.

The Internal Audit function plays an important role in the combined assurance framework by providing independent assurance over governance, systems of internal control and risk management, as well as over the combined assurance framework.

In 2014, we entered into the first of our three year co-sourced business relationship with Anglo Business Assurance Services “ABAS” who were approved by the FINCO to provide Internal Audit and Risk Management services. ABAS’s key focus areas during 2014, was to continue to assess the risks *that would prevent RBCT from moving coal* and to provide management with reasonable assurance that the system of internal controls implemented by management are effective.

The RBCT Internal Audit function with ABAS applied a risk-based approach to planning, assessing the needs and expectations of its key stakeholders and ensured a level of audit reporting was maintained to meet the needs of management and FINCO.

The assessment of RBCT's strategic, financial, IT, operational, human and environmental risks were conducted to ensure:

- Alignment of RBCT risk assessment process and an assessment of the effectiveness of the control environment.
- Addressing risks identified by management.
- Keeping up to date with emerging industry risks.

In 2014, we saw a strong working relationship develop between RBCT Risk Management & Internal Audit personnel, ABAS and the FINCO, who would meet quarterly to present reports on their audits conducted.

The Internal Audits covered in 2014 included the following:

- Overall Licence Use
- Major Events Risks
- Stockpile Accounting
- Fuel Management
- Business Integrity
- Competition Compliance

General Management and the Directors of RBCT consider the internal control systems in place are properly designed to provide reasonable assurance that assets are safeguarded, financial and operational information is reliable, operations are effective and efficient, laws, regulations and contracts are complied with and risks are managed to acceptable level.

While there has been no major breakdown in the internal controls in 2014 which could materially compromise the system of internal controls, control breakdowns and weaknesses were identified. Management has addressed those control breakdowns timeously.

Risk Management

At RBCT work is carried out daily to identify measure and manage risk. RBCT classifies its risks into two main categories:

- **Strategic risks** including a possible source of loss that might arise from the pursuit of an unsuccessful business plan. For example, strategic risk might arise from making poor business decisions, from the substandard execution of decisions, from inadequate resource allocation, or from a failure to respond well to changes in the business environment.
- **Operational risks** including a probability of loss occurring from internal inadequacies of a business or a breakdown in its controls, operations or procedures.

A detailed register of RBCT Strategic and Operational risks is available in the CURA system [RBCT Risk Assessment 2014](#). This register is updated annually.

The Board of Directors is ultimately responsible for the total process of Risk Management and sets the risk strategy, which is based on the need to identify, assess, manage and monitor all forms of known forms of risks, in liaison with the Chief Executive Officer and General Management.

The FINCO (through its audit Committee function) seeks to ensure that there are adequate systems of internal control in place to mitigate significant risks faced by the company to an acceptable level. Systems are designed to manage, rather than eliminate, the risk of failure or to maximize opportunities to achieve business objectives.

RBCT management team is inherently accountable to the Board for designing systems, implementing and monitoring the process of effective risk Management and integrating this process into a day- to- day activities at RBCT.

Integrated Business Policy

The Integrated Business Policy (IBP) is RBCT's mandatory, company-wide policy for appropriate business behaviour and responsibility towards our stakeholders. Its content is based on both national and international policies, including the United Nations Global Compact (UNGC).

The IBP applies to all employees and relevant stakeholders. The RBCT managers are responsible for communicating and demonstrating the content and spirit of the policy and for complying with its rules and objective.

The IBP includes the business ethics, human rights, social justice and environment principles to be applied in all our policies, decisions and activities and outline the RBCT's principles and minimum standards for conducting business in an appropriate, responsible and transparent manner.

It is complemented by around 20 other policies- relating to areas such as accounting and reporting, code of conduct, anti discrimination and environmental care,- that describe in more detail how to address the policy's minimal standards.

Our code is reviewed three yearly and continuously updated as and when required. It is publicly available on *RBCT SAP DMS*. During 2013, we rolled out the IBP to all employees through a group training program and we continue to train all new employees as part of the formal induction program.

Whistleblower Procedure

All employees are expected and encouraged to report suspected violations to our IBP to their superiors or risk management department. If reporting to superiors or risk management is not feasible or possible, the whistleblower procedure is available, which gives employees recourse to the Whistleblower Committee consisting of the CEO, GMSC, GM Finance and Risk Specialist. RBCT does not tolerate retaliation against a person for making complaints of suspected improper behaviour in good faith. All incidents are investigated and appropriate action taken.

In total, 3 cases were reported in 2014, 2 under risk management and 1 through the Whistleblower. One of these cases was dismissed following the investigation, as there were no grounds for the allegations.

In 2 cases we found grounds for the allegations and proceeded with appropriate actions. All cases were investigated and reported to the FINCO of the RBCT Board of Directors.

Business Ethics

For many sectors globally, business ethics was a hot topic in 2013, with various stakeholders demanding greater transparency from Corporations. Ethics is not just a policy statement at RBCT but a way of life in conducting the business with all relevant stakeholders.

As a globally recognised entity, we are aware that corruption is a high risks to any business. We have robust systems in place to ensure we respond and adapt our business practices and activities to address higher – risk areas.

Fair Competition

FINCO undertakes to ensure compliance with all legislation applicable to RBCT including but not limited to the Competitions Act 89 of 1998 as amended.

FINCO consists of representatives of RBCT's shareholders who may be competitors of each other.

RBCT ensures that the Shareholders are guided by the Competition Law principles, contained in the Terms of Reference from various Shareholders Committees, which applies to all RBCT Shareholders.

FINCO members take cognisance that engagements with competitors or potential competitors may contravene the competition laws if it is intended or is likely to have adverse effect on competition. FINCO Members have no intention and shall not collude with each other in any way, including by:

- Discussing, fixing, raising, lowering or stabilising prices for goods and services sold or purchased or fixing the pricing formulae for goods and services sold or purchased;
- Discussing of fixing other competitive terms such as discounts, margins, rebates, allowances, commissions, or credit terms;
- Limiting production, or agreeing to reduce or limit production capacity;
- Rigging or colluding in respect of a bid or otherwise illegally coordinating bidding or tendering activities or discussing actual or intended response to tender invitations and tenders awarded.
- Allocating markets, customers, suppliers, specific types of goods or services or geographic territories;
- Boycotting any customer or supplier.

In addition, RBCT uses a number of business tools in the management of risk:

- Declaration of interest annually or whenever there is a change in the conflict of interest status of the employee.
- A Code of Conduct booklet issued to employees annually.
- Monthly audits are conducted by management to identify risk areas.
- Through AON as an insurance broker, RBCT runs an insurance program which covers Assets and Liabilities.

In 2014, we have documented the Business Continuity Management (“BCM”) from the company’s 12 key risks. The next phase is to standardise the company -wide BCM’s.

RBCT has standing committees that are assigned to manage, monitor and guide the organisation in regard to good governance and ethical matters. These committees are tasked to discuss matters related to their respective mandate and make decisions in compliance with RBCT values and business strategy.

Tender Committee

Terms of reference of the committee is ensuring procurement activities are in compliance with RBCT procurement processes.

The Committee is comprises of:

- General Manager Engineering
- General Manager Finance
- General Manager Health, Safety, Environment and Compliance
- General Manager Human Resources
- General Manager Legal, Risk and Compliance
- General Manager Maintenance
- General Manager Operations

By Invitation:

- Supply Chain Manager
- Management Accountant

Risk Committee

As part of risk management strategy, RBCT uses the Risk Committee as the final gate keeper of risk within the company. This committee consists of the Chief Executive Officer, GM Finance, GM Strategy and Compliance, GM Health, Safety, Environment and Compliance, Risk Specialist and Senior Internal Auditor.

Executive Safety, Health and Environment (SHE) Committee

The executive SHE committee is the custodian of health, Safety and Environmental compliance in RBCT. The committee meets monthly to discuss, evaluate and make decisions pertaining to occupational health and safety. The committee comprises of 22 members, including the Chief Executive Officer and General Managers.

Corporate Social and Investment Committee

The committee is responsible for the executing of RBCT’s corporate social investment initiatives.

The 13 member’s strong committee is made up solely of RBCT employees

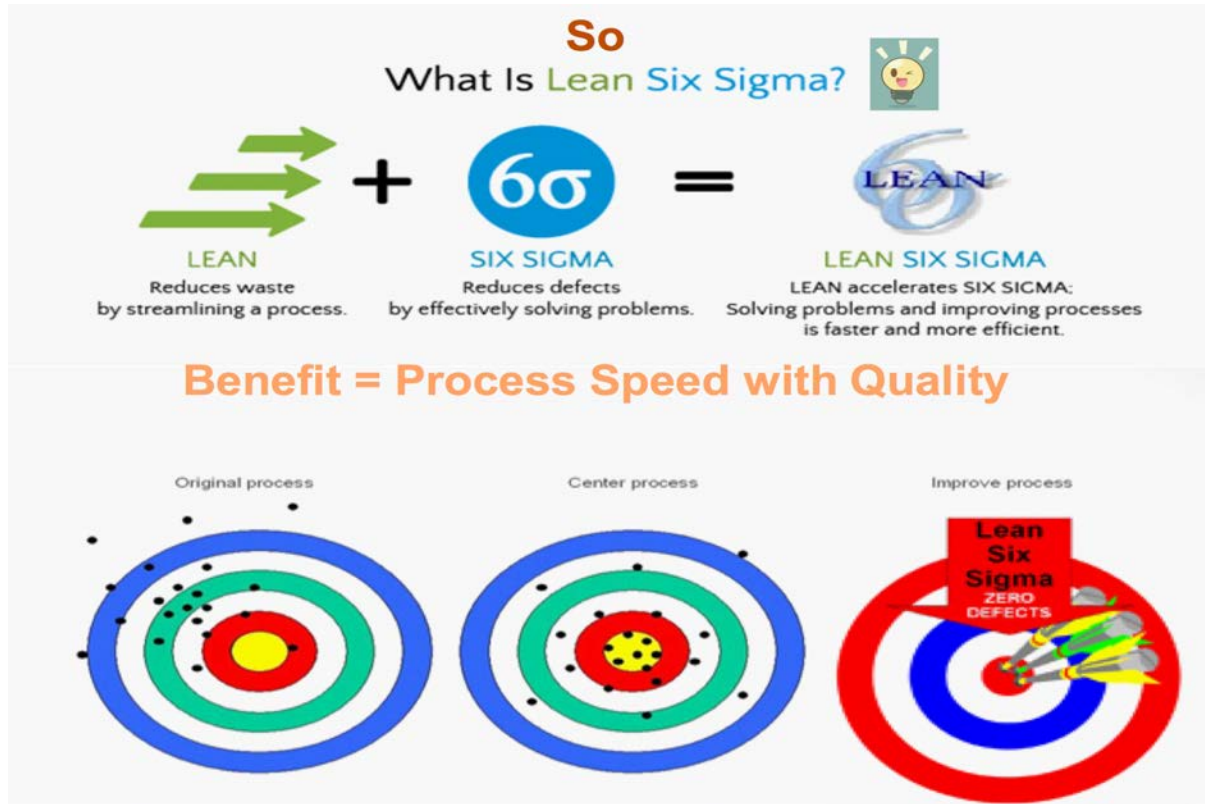
African		Coloured		Indian		White	
Male	Female	Male	Female	Male	Female	Male	Female
7	3	0	1	2	0	0	1

Business Improvement

Business Improvement is a division of the Strategy and Compliance Department. The focus of this division is on supporting Business Sustainability through improvement of business systems and people skills to continuously improve Efficiency, Cost Management and Employee Morale.

Lean Six Sigma is a Business Strategy tool that educates the Organisation on identifying inefficiencies in business process which are corrected by implementing sustainable improvements. Lean Six Sigma has 5 standing levels namely White Belt, Yellow Belt, Green Belt, Black Belt and Master Black Belt.

LEAN SIX SIGMA



RCBT's strategic approach to introduction of Lean Six Sigma in the Organisation was through the training of 10 Green Belts. Green Belts speak to the level of statistical and strategic tools an individual gets trained on and the type of a project that individual will then work on. The other consideration is the level of interaction within the departments which is required and the amount of statistical analysis that might be involved.

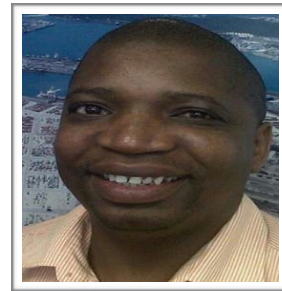
THE TEAM THAT HAS BEEN TRAINED ON SIX SIGMA GREEN BELTS



Shane Naidoo
Process Engineering Manager



Alvin Padayachee
Stockyard Section Manager



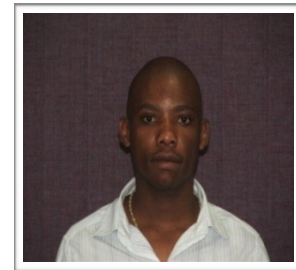
George Ngcobo
Shift 4 Operations Manager



Luis Meneon
Drawing office Manager



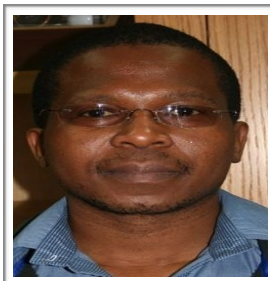
Tshiane Nethononda
Industrial Engineer Technician



Sihle Shezi
Environmental Specialist



Vassie Naidoo
Operations Services Manager



Nyameko Dudula
Maintenance Manager:
Technical Services



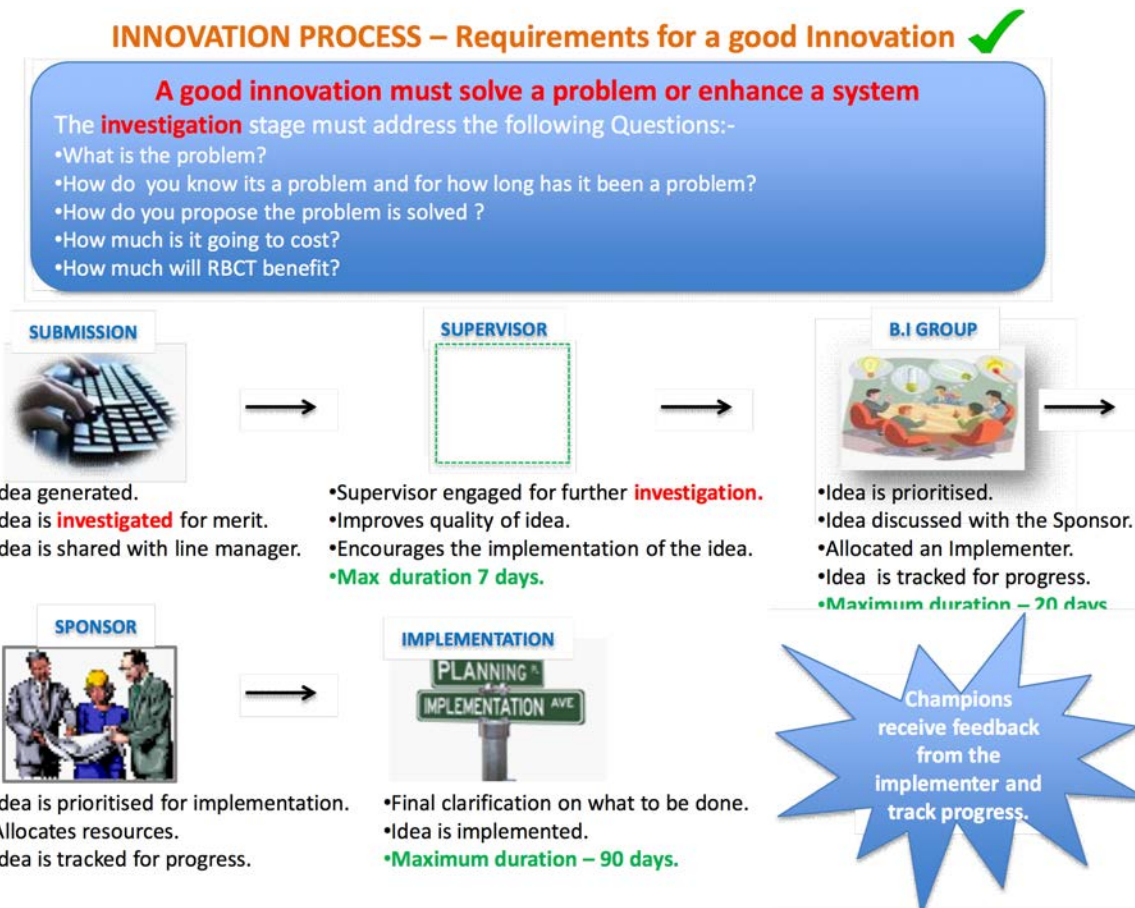
Anil Bhagirathi
Garage Section Manager



Silven Chetty
Shipping Co-ordinator

Innovations

The Innovation System at RBCT is a living tool where the whole Organisation gets an opportunity to take part in generating ideas that promote Safety, Efficiency and Cost Saving. The system is designed as one of the key considerations by management in ensuring buy-in from employees in terms of the company strategy. Ideas are logged on to the workflow system and follow the path depicted below to implementation.



The Innovation Process is facilitated currently by the Business Improvement team in conjunction with Innovation Champions from the different Departments.

Zilungile Duma below is a Custodian of the Innovation System from the Business Improvement Division; she is also an Improvement Specialist and an Accredited Black Belt

INNOVATION CHAMPIONS



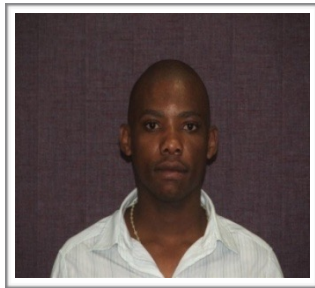
Lika Becker
Finance - Stores Clerk



Nontuthuko Mgabhi
HR - OD Manager



Roan Pillay
HR - HR Practitioner



Sihle Shezi
HSEC - Environmental Specialist



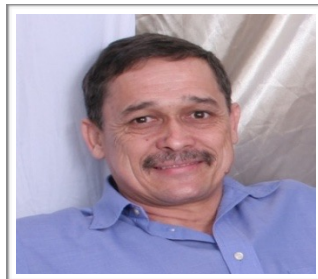
Bheki Ngcobo
HSEC - Safety Specialist



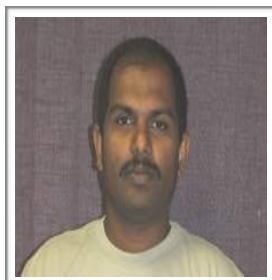
Warren Momple
Engineering – Structural Inspector



Khanya Nyathikazi
Maintenance Coordinator



Christopher Varney
Maintenance - Support Systems Specialist

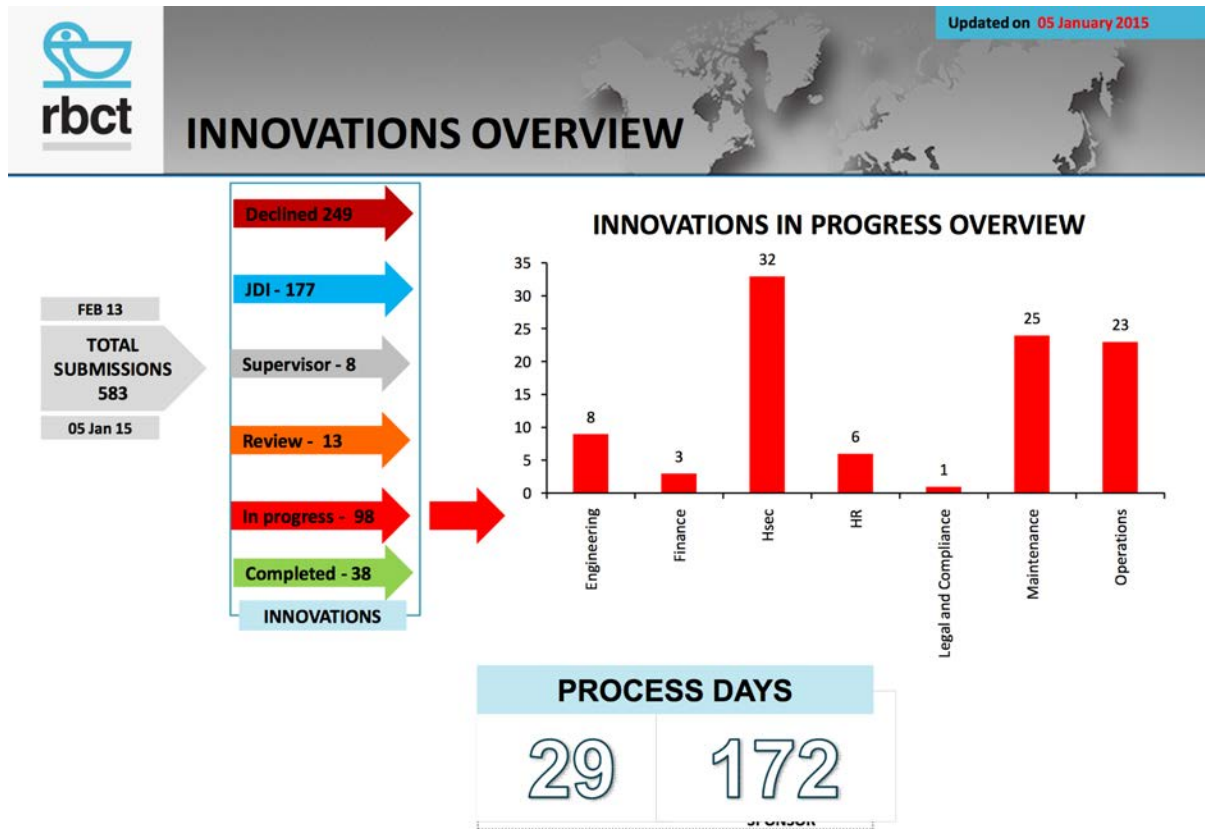


Vassie Naidoo
Operations – OPS Services Manager



Chantelle Lourens
Operations – Operations Coordinator

THE STATUS OF THE INNOVATION SYSTEM AS OF THE END OF DECEMBER 2014



OUR PEOPLE

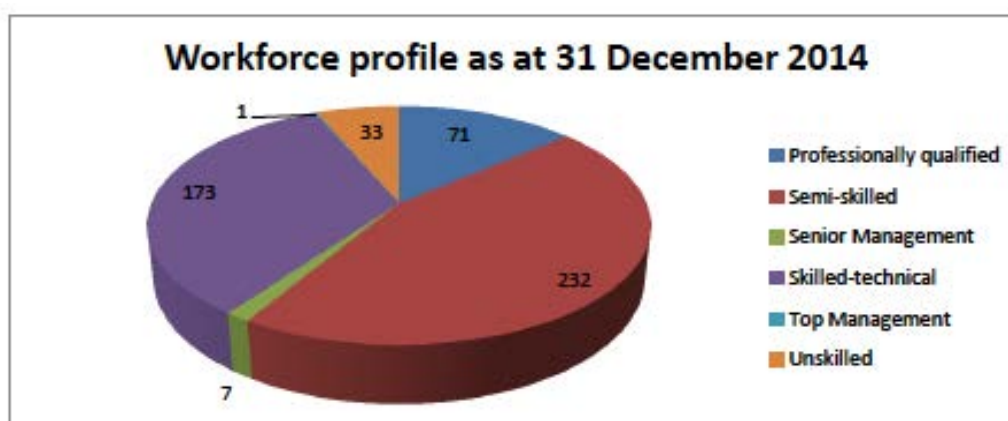
Recruitment and Retention

The role of human resource is to ensure that the business is resourced with the right number and the right kind of people at the right place and at the right time. Handling this role properly and efficiently will enable the business to be in a better position to increase its output. In our case, moving coal efficiently to the world, other than machinery and structure, depends on skills and competencies of personnel we need as a business. Our human resource planning strategy is exhaustive and it entails answering the following questions, inter alia:

- How many people we need?
- What skills, knowledge, competencies and culture we will require?
- Will the existing human resources meet the identified operational needs?
- What are training and development needs?
- Do we have capacity to meet human resources needs?

Our recruitment and selection strategy for 2014 was not executed in isolation. The successes and milestones that were achieved in 2013 had a direct impact and also influenced our recruitment and selection decisions in 2014. We remained steadfast in our recruitment and retention strategies considering challenges we have had, in relations to electricity supply and coal price in the international markets. The latter had somewhat threatened job security and dented our ability to attract and retain the right skills during these difficult times. We remained resolute in our endeavours to maintain focus on the bigger picture. The good story to tell includes but is not limited to:

- Low labour turnover in comparison to high rate in the market.
- Increased employee morale measured on the basis of number exits and absenteeism rate.
- Low vacancy rate in key positions.



Remuneration Philosophy

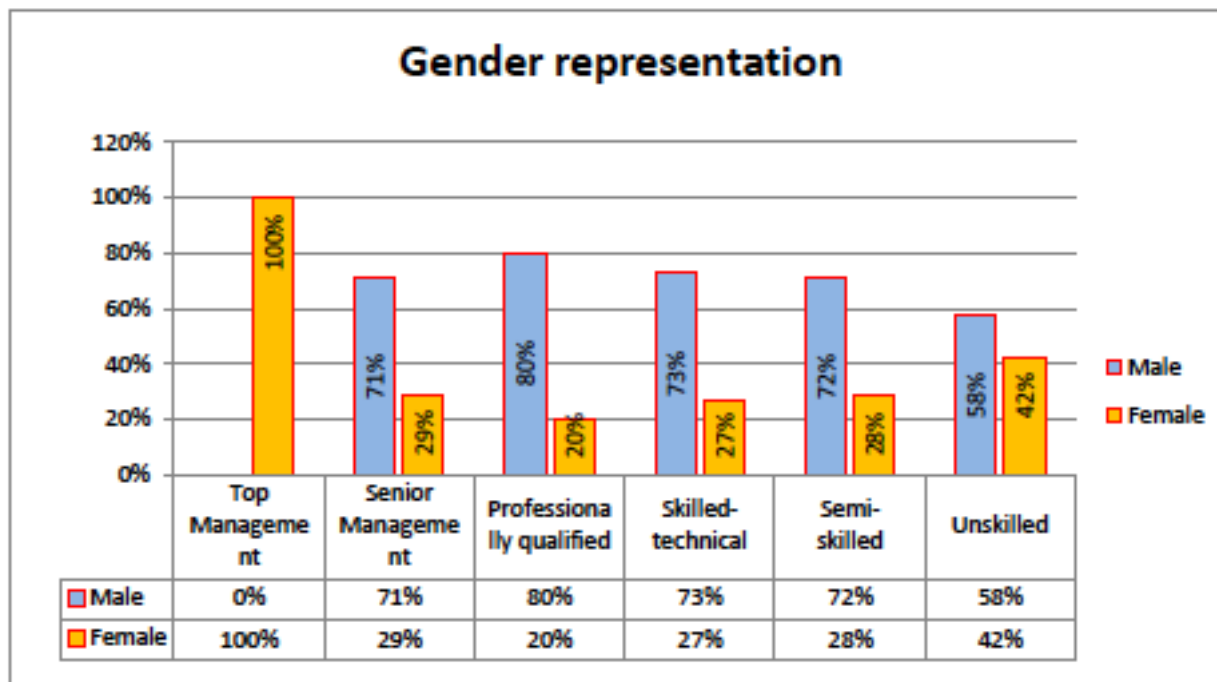
The company retained continuity in respect of offering competitive intrinsic and extrinsic rewards. This is achieved by participating in local and national salary and benefits benchmarks. We continued to benchmark our remuneration strategy against major corporates at local and national level. The benchmark and surveys provide us with insightful data that is key in setting up competitive and attractive remuneration structures. The RBCT remuneration philosophy is based on skills, competencies, job content, seniority and internal equities. Race, gender and age are irrelevant attributes in deciding applicable rates of pay for employees.

Employment Equity

RBCT's transformation agenda is well on track and our workforce profile is indicative of our effort to respond to the imbalances of the past and to actively implement the mandate espoused in the Employment Equity Act. The table below depicts our EEA2 layout as at 31 December 2014.

Occupational Level	AF	AM	CF	CM	IF	IM	WF	WM	Total
Senior Management	2	2				1		2	7
Top Management	1								1
Professionally qualified	10	26		3	2	14	2	14	71
Skilled-technical	27	72	2	6	6	18	11	31	173
Semi-skilled	36	122	8	6	5	11	17	27	232
Unskilled	13	14		1		1	1	3	33
Total	89	236	10	16	13	45	31	77	517

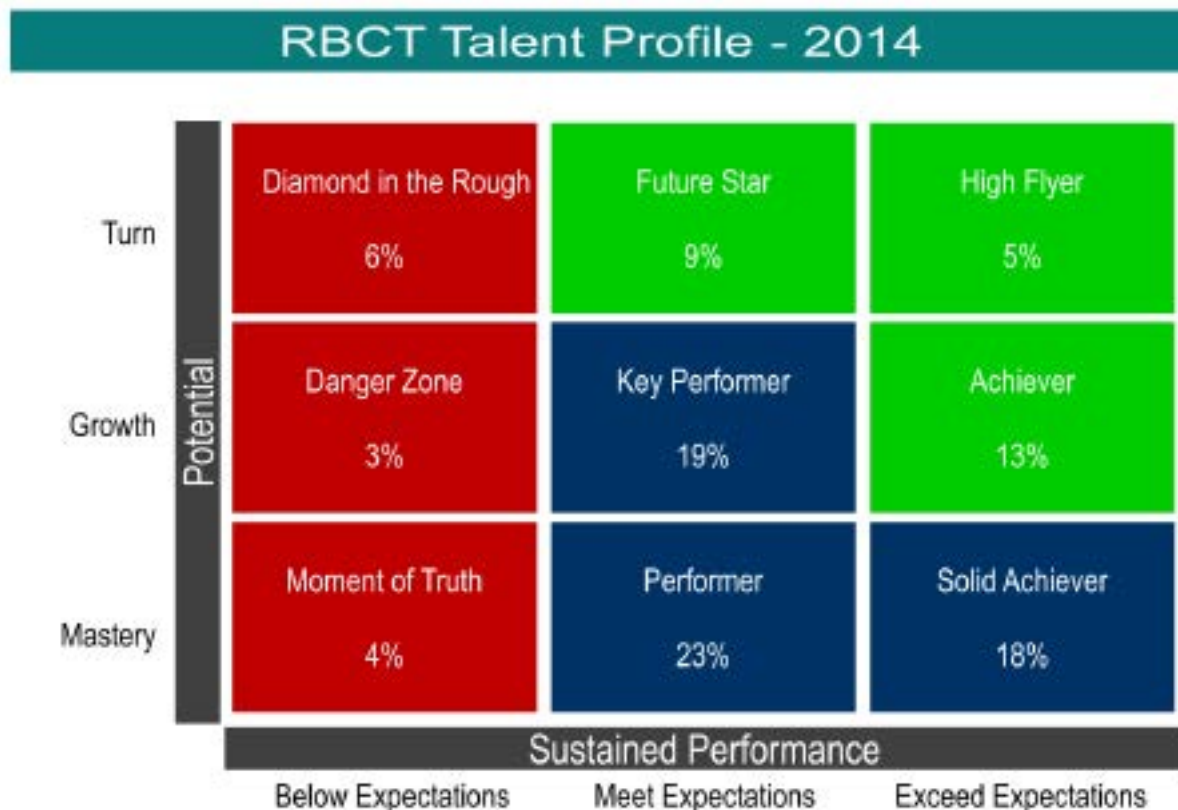
RBCT Employment Equity Plan is well on track and the company has attained remarkable progress in applying its Employment Equity Plan. Representation at management level continues to improve. See below:



1. Talent Management Forums

Talent Management Assessment and Review Forum remains the essential foundation for talent acquisition and talent management within RBCT. The talent management matrix (9 Box Grid) was embedded in 2014, having been introduced in year 2013 after the business had observed a sharp increase in employee turnover levels compared to the previous two years. The focus was more on performance management and less focus on talent management and retention. All employees in the C Upper to D Upper were ‘assessed’ and fair comparison made by the employee line manager, General Management and customers of the employee to elicit a holistic assessment of the employee.

The RBCT 2014 Company Talent Profile is shown below:



This transparent process is in line with our core values of building trust. Management and employees are fostering a relationship built on trust and courageous feedback. The introduction of the Nine Box matrix was in response to employees’ feedback about a need for a more open and transparent system where employees can be trusted with critical information that relates to their development and participate in decision making on their future, based on concrete data discussed and understood by both parties. Each of the Nine Boxes has a set of actions associated with it. The line manager is then trusted with partnering with the employee to follow up on all actions listed against the employee name. The employee is encouraged to drive his or her own development, supported by line manager and Human Resources.

This process is now in year three, it will continue to be embedded and refined to ensure a standardised approach and common understanding. This process has proved to provide an integrated talent management process that links employee performance to development and retention.

No concerns were reported or recorded about this process in year 2014. Individual Development Plans that were discussed and agreed with are being followed to completion. Employees and management are embracing the level of elevated objectivity and the benefits of being appraised by the general management and their customers whom they provide service to.

Some of the internal talent in 2014 movements have been shaped by this process and this process will continue to be used as a map in plotting employee development and organisational planned changes.

2. Culture Initiatives

RBCT's corporate culture values diversity and forums such as Employment equity – aim to guide the Business in promoting diversity in the terminal. RBCT celebrates the Heritage Day as we recognise and value our uniqueness that when brought together is a rainbow.

Diversity is a company-wide strategic project, providing numerous benefits to both RBCT and its customers. In South Africa, a diverse organisation is more than a necessity – it provides a competitive advantage in the form of a wealth of ideas, skills, experience, knowledge and innovation.

The wonderful diverse RBCT team strives to appreciate and utilise every individual skill to help the individual, teams and company reach its full potential.

On Tuesday, 23 September – RBCT employees cheerfully gave 67 minutes of their time to RBCT through painting RBCT roads and signage. This initiative was a true culture shift; instead of spending our heritage Day, employees gave back to RBCT with the culture of ownership and teamwork. This was truly in line with our values which were embedded in year 2014 and on Heritage Month that were translated into four languages: Zulu, Xhosa, Sesotho and Afrikaans.

WHAT THE TEAM ACHIEVED ON THE DAY



The before Picture



After Picture

3. Employment Equity Analysis

National Stats of people living with disability is 0.8%. The Sector Target is 2%. RBCT has met and exceeded the sector target as the Department of Labour. The Sector target is 2%, the RBCT achievement is 3%. This is commendable.

RBCT personal target was above the Sector Target of N =17. The actual number achieved is sixteen (N= 16). Over a period of two years the Business has accelerated inclusion of people living with disability and strengthened their retention. There has been a healthy incorporation of people living with disability from traineeship to permanent positions.

Representation of African Female at all levels is a key area of development, for RBCT both at management and semi-skilled levels. At semi-skilled level, this gap is being addressed through the female traineeship programme and at professional/management level, this gap is being addressed by special focus in developing women through formal and informal methods.

Below is the list of barriers identified and provides an indication of categories of employment policy or practice barriers to employment equity were identified. With indication of whether or not there are affirmative action measures developed and the time-frames to overcome them.

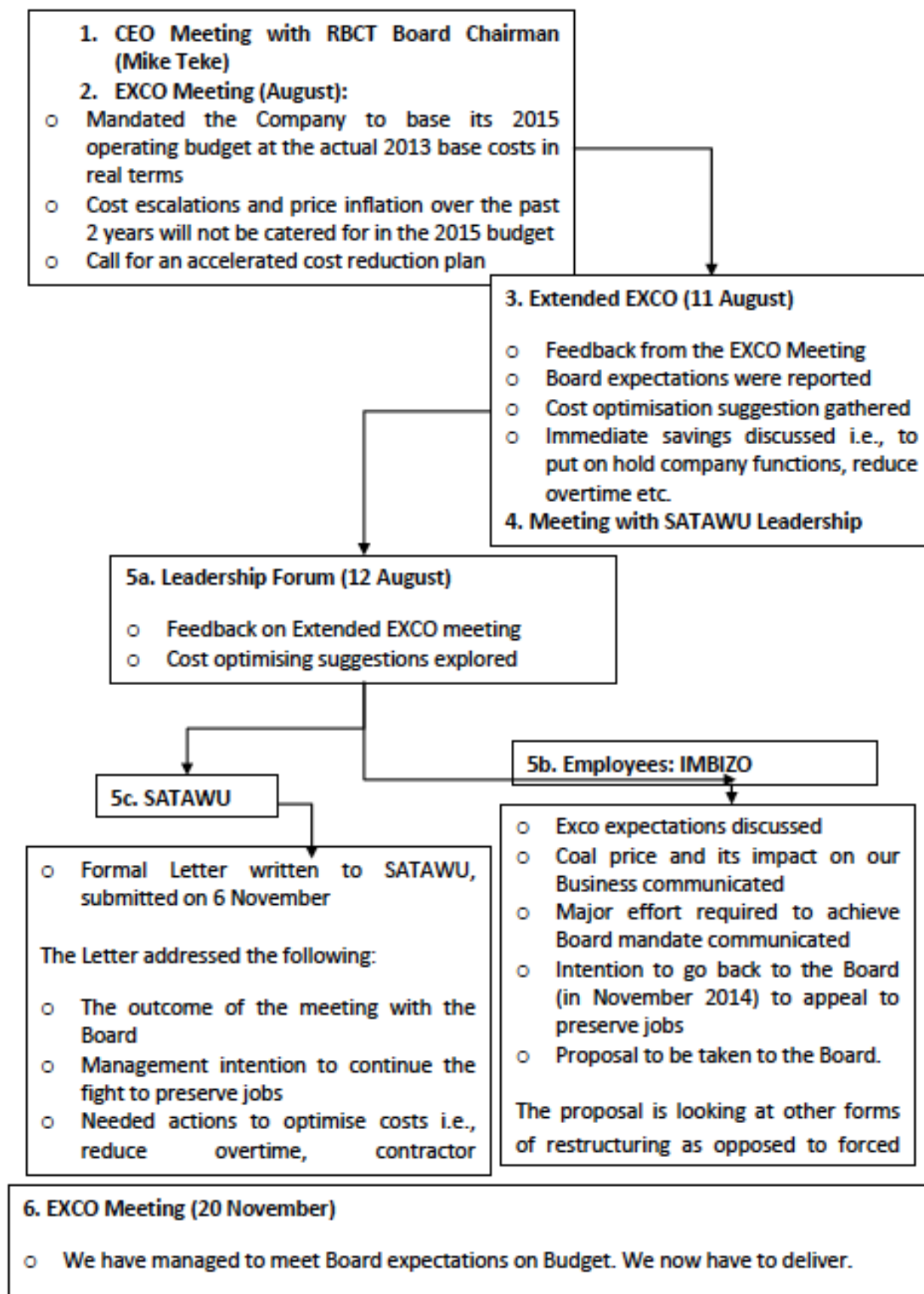
The below barriers and measures focus on means to advance equitable representation of designated groups in all occupational categories and levels focus on; measures to advance diversity, sensitivity and understanding; and to provide for reasonable accommodation of persons from designated groups.

Categories of identified barriers to Employment Equity
Recruitment procedures
Work environment and facilities
Succession & experience planning
Reasonable accommodation

4. Companywide Forums

The focus on transparent and open lines of communication with all our stakeholders was another key culture enhancement for year 2014. This is evident through all communication channels, Executive and Extended Executive, Leadership Forum, SATAWU and employees (through IMBIZO). This year, we have seen openness in communicating both the good news and the less desirable news. IMBIZO was effectively used to brainstorm cost saving opportunities and measures to enhance safety performance.

Information was communicated swiftly and in an open and honest manner. The following forums took place:-



Pillar 7: Performance and Talent Management

During 2014 the RBCT Talent Management and Performance Management systems continued to operate, with no real changes, the Nine Box System was conducted for senior managers, middle managers and supervisory staff. This was underpinned by the Performance Management comprising of Individual Performance Management, the company scorecard – linked to the Monthly and Annual Performance Bonus, Individual (at manager level), Team and Departmental scorecards.

Pillar 8: Training and Development

The overall goal of training and development at RBCT is to ensure that RBCT permanent staff have the correct skills, knowledge, motivation and alignment to perform optimally in support of the company's vision, mission, values and strategic/operational objectives.

Training and Development is primarily carried out to meet the business needs of RBCT while, where necessary and possible, also addressing the wider skills development needs of the country.

Our focus is to facilitate continuous operational improvement through the development of intellectual capacity. Therefore it is our aim to provide everyone in RBCT with an environment in which they can flourish based on well-defined and developed competencies.

Our process offers employees clear purpose and roles that will develop knowledge, skills and attributes in a focused manner while providing clear objectives that are linked to the concept of reward for performance.

Training and development will be pursued on the basis of the following guidelines:

- All training and development will be based on the needs of the company, as well as wider stakeholder engagement, especially, at strategic levels, as established through a needs analysis.
- Managers are responsible for the competency levels of their staff in order to ensure adequate succession management in their departments.
- All activities will aim at optimally satisfying the long and short term needs of various competencies required by RBCT.

Training and development at RBCT is delivered through the most appropriate medium for the organisation in line with national requirements.

In order to maximise investment in our staff and training development programs, managers and staff who have attended training or development programs may be requested to provide mentorship and coaching where necessary.

Specific policies and programmes for skills management or for lifelong learning are designed to empower employees who aspire to be in management positions.

To achieve Operational Excellence, Superior People Performance becomes key to succeeding in a challenging business environment. As part of RBCT's company-wide commitment to attract, develop and retain valuable talent, skills management programmes are in place in all divisions.

Average Hours of Training for 2014

The average hours of training per year per employee by Occupational Category of employee as at the 31st December 2014 were:

Occ. Category	Occ. Cat. Text	Total Hours per level	Number of Staff Trained	Average Hours per person per level
1000	Legislators, senior officials and managers	2723	204	13
2000	Professionals	1056	80	13
3000	Technicians and associate professionals	7906	519	15
4000	Clerks	3453	293	12
7000	Craft and related trades workers	15770	506	31
8000	Plant and machine operators and assemblers	9126	981	9
9000	Elementary occupations	8407	344	24
	Grand Total	48441	2927	

Staff Development

RBCT's career development strategies continued to focus on management development, supervisory and leadership development, the Employee Development Programme (EDP), operator training, technical and general skills development of employees. The implementation of the coaching and mentoring processes are on-going.

Management Development

During 2014 the focus was on following up on the MAP assessments and leadership training done in 2013, with individual follow-ups on IDP's put in place through this process. Map Assessments and 360 degree session follow-up by training where completed for the DL and CU employees. The standard Programs such as CORE, BMS, MDP and FMP were also continued.

Management Development Programme (MDP)

RBCT continues to develop Management and Supervisory skills, through an intense Management Development Programme aimed at creating critical management capacity amongst our employees. The main aim is to bridge gaps in previous qualifications and to address those who do not have any formal qualification, in particular in management science. The Formal Programmes being the UNISA MDP and FMP programs, while Foundational Skills are laid through more hands-on SAQA accredited skills programs at the Supervisory (CORE) and Management (BMS) levels.

Employee Development Programme (EDP)

Having begun as a programme for staff from previously disadvantaged groups, this programme has developed into a company-wide program, taking employment equity requirements into account. The aim of the program is to develop the core competencies required by employees making the transition to management or supervisory positions. The key focus is on managing yourself and a project is identified, investigated and where possible completed. After completion of this programme, delegates present their projects to the General Managers those requiring further work or capex and deemed suitable are then further developed via the bright ideas system.

Bursaries

RBCT grants bursaries in various forms, Open Bursary Scheme, Closed Bursary Scheme (Study Grants) and Staff Education Assistance.

Open Bursary Scheme

RBCT grants bursaries to assist with sourcing and developing bright young talent in anticipation of meeting our future skills requirements and in key areas of the community. We sponsor learners, in fields such as Engineering, Industrial Psychology, Finance, Education and Nursing. Employment equity targets require at least 80% of bursaries to be awarded to previously disadvantaged persons; during 2014 RBCT achieved 98.31% in this area. To ensure that bursars succeed in their studies, individual progress is monitored and assistance is provided where required. During holidays, bursars work at RBCT where they are helped to grow their knowledge through practical application. This approach helps each bursar bridge the gap between education and the world of business.

Closed Bursary Scheme

As an extension of the bursary system, each year RBCT offers 20 study grants to employees' children who are registered to study at a recognised tertiary institution, 50% of which should be focused on continued education.

Education Assistance Program

Employees have access to funding for part-time education through our Education Assistance Programme (EAP) where RBCT pays for tuition and employees are only required to repay should they not pass the courses. This encourages employees to improve their knowledge and work-related skills and to prepare them for the next step in their careers; 91 staff members participated in this scheme during 2014.

Apprenticeships and Traineeships

At RBCT we have an apprenticeship system registered with TETA (Transport Education and Training Authority); apprentices are registered with the MERSETA (Manufacturing, Engineering and Related SETA) via a Memorandum of Agreement (MOU) between the SETA's. Bursars who have completed their Degrees and Diplomas are often given opportunities to gain the experience required.

In 2013, RBCT's commitment was as follows:

Trainee Type	Number	Comment	Bursar
Apprentices	18	Millwright Apprentices	
Electronic Technician	2	Automation and Control	
Mechanical Engineer	2	Graduate Engineer	Y
Electrical Engineer	1	Diploma Technician	Y
ART/AIT Trainees	9	Current maintenance assistants identified for artisan development	
Electrical Technician	1	Diploma Technician doing p1 and P2	Y
IT Trainee	1	Bsc. Computer Science	N

Artisan Recognition Training/Artisan in Training (ART/AIT)

The Artisan Recognition and Artisan in Training program was introduced with potential Maintenance Assistants being selected for Artisan Training. These candidates were sent on the Apprenticeship modules with the aim to write Section 28 Trade tests in 2015/16, depending on the individuals pace of learning and application of the skills

Technical Training Infrastructure

With RBCT technical training being outsourced, it was identified that staff have difficulty transferring the knowledge learnt into plant specific equipment. Taking this into consideration, RBCT created a Technical Training Workshop During 2013, a mini substation, PLC racks and small conveyor system were completed to assist with Electrical Fault Finding and a larger number of RBCT specific technical training programmes were run with the aim to improve the quality of artisans and reduce down time, based on s skills set identified by line managers. During 2014 this was further developed to include backstops training and basic Hydraulics Training. During 2015 we will investigate the possibility of MERSETA accreditation, the intention is that over the next two years 2016 – 2017 to move the Maintenance Assistant training on-site reducing costs and disruption to the sections. The long term aim is to do the apprentice institutional training on site.

The centre is also used as an artisan assessment centre to test new artisans during the recruitment phase ensuring they have the appropriate minimum skills.

Plant Operator Traineeships

RBCT also has a one year training program for plant operators to ensure succession is in place and operations are therefore not interrupted in the event of a resignation. RBCT has reviewed and implemented Key Operations Training Programs as part of our ongoing continuous improvement program.

Training Accreditation

In addition to being accredited with the MERSETA for on-site training of Millwrights and Boilermaker Apprentices, RBCT is also a fully accredited training provider with the TETA for Operations Training courses that include courses in Ship-loading, Bulldozing, Tipping, Stacking and Reclaiming, Shunting and Loco Operating. All trainees who undergo this training can have their credits registered on the National Learner Record Database.

Assessments on the programs above are done by accredited line assessors with a training assessor in attendance. The assessments are then internally moderated and are further moderated by the TETA on an annual basis. Each year RBCT's assessments have been approved by the TETA with minor recommendations for improvement.

Industrial Relations

The Industrial Relations climate of 2014 was stable without any labour disputes, stayaways from work, or industrial action impacting on the operational requirements of the Company.

Matters referred to the CCMA, such as disciplinary-related individual disputes were all procedurally fair and were concluded without jeopardizing or setting precedents in relation to any fundamental business principles. As part of the ongoing revision of collective agreements between RBCT and SATAWU, more documents, including the Recognition Agreement, were re-signed between the parties.

The Company's 12 hour shift work system conditions are exempted by the Department of Labour until November 2015, when a renewed application will have to be submitted for a further exemption certificate.

Corporate social investment

We at Richards Bay Coal Terminal recognise that we have an important role to play in developing our communities, and we fully understand that the needs of our communities are vast, and the "finish line" is far from sight for many deserving community organisations, as they strive to meet these needs. Our social and economic development initiatives are aligned with the company's overall growth strategy. We fully understand that we are operating within our communities and thus we always strive to ensure growth through our community development initiatives. We pride ourselves with the long-standing relationships with our communities within the uThungulu District. Our employees also play a significant role through our SCD Committee, consisting of volunteers from all levels within the company, as well as union and employee representatives.

Our SCD efforts predominantly focus on:

- Education
- Early Childhood Development
- Skills Development
- Community welfare
- Sport Development

Criteria for funding of projects

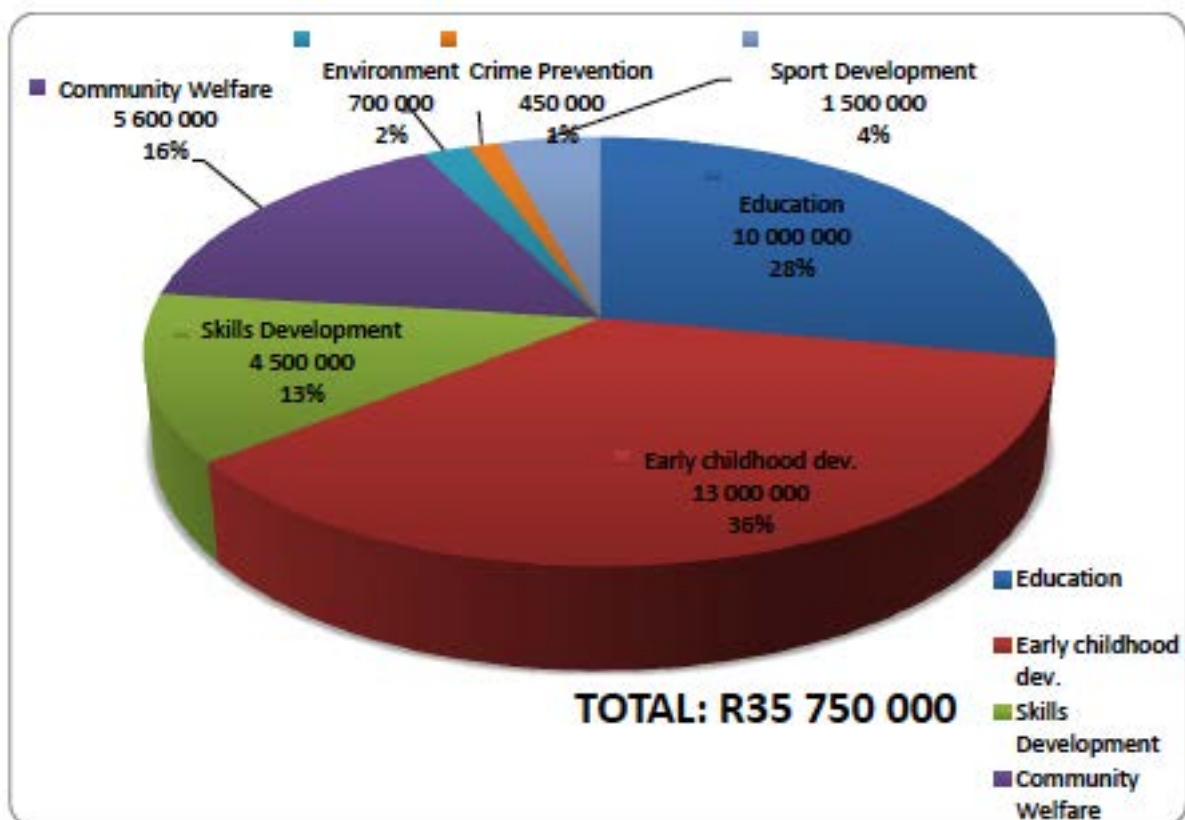
- It must be sustainable.
- It must be developmental in nature.
- It must benefit a wider community.

Our Commitment

Our slogan, **“Coal to the world, growth to the nation”** depicts our sustainable commitment to community development over the years. Our aim is to build global citizens who can build a better South Africa. We also recognise the need for businesses to make efforts to address the skills shortage, which has become a global concern, more so in South Africa and particularly in Zululand.

Our communities matter to us

Over the last six years RBCT committed the following amounts to our communities:



Our approach to Socio-Economic Development (SED) has moved towards a philosophy that is fully accountable and geared towards providing sustainable solutions to real needs identified in the community. The success of this philosophy hinges on the recognition that any social involvement should make a meaningful improvement to the lives of the people and communities that it is designed to benefit. Our employees also play a significant role through our SCD Committee, consisting of volunteers from all levels within the company, as well as union and employee representatives.

Ntabeni Primary School – The Tree Story

The school started in 2000 with 79 learners, lessons were conducted under a tree. It became clear to us as RBCT, a responsible corporate citizen that there was a real need for the school and that the community, government and parents would support it. There were no resources, no other primary school nearby and children had to walk extra long distance just to find a school. The community rallied around Mrs Thandi Magubane, who had started the school under the tree. They gave her all the support and it became evident to RBCT that a fully fledged primary school was something that the community needed but could not make it happen on their own without financial support.

We again renewed our commitment to Ntabeni Primary School by providing funds for the renovations for the whole school. Last year RBCT spent R500 000 on renovations at the school. The school has developed from lessons being conducted under a tree by a single teacher to a fully fledged primary school sporting 12 classrooms, electricity, an ablution block, walk ways, an admin block, concrete quad area and office equipment with 14 full-time staff members.

Shared Value Principles

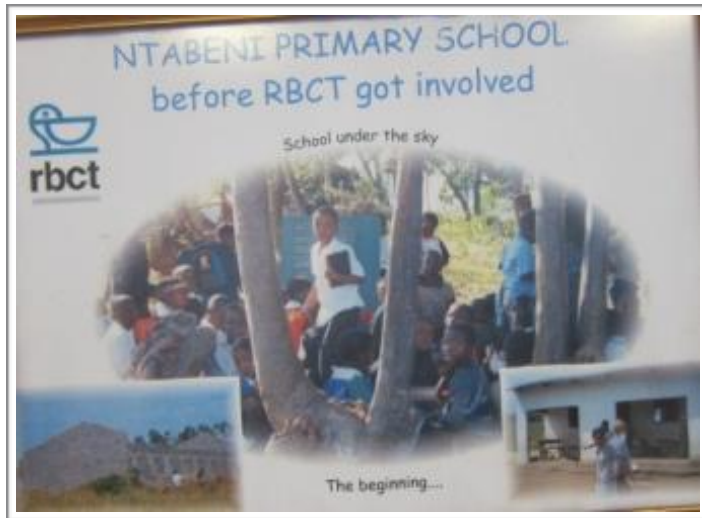
Social Entrepreneurs Project: Entabeni, Wildlands & Ndindima Community

The concept of shared value which focuses on the connections between societal and economic progress has the power to unleash the next wave of global growth as demonstrated by RBCT's collaboration with multi-stakeholders.

Through our partnership with Entabeni and Wildlands Conservation Trust we built a partnership on clear principles and sound governance, RBCT invests R300 000 towards Wildlands Conservation Trust on an annual basis towards this self sustainable scheme in conjunction with the Ndindima community and learners from Entabeni Primary School.

Each year RBCT is a catalyst to many Trepreneurs to be able to feed their families, buy school uniforms; receive bicycles, and basic building materials for their homes. This is achieved by the Trepreneurs growing more indigenous trees and exchanging these for items that they need. The project also teaches communities about environment. The young Trepreneurs receive basic training and the initial resources required to grow indigenous trees. They then collect seeds from their local areas and propagate them, nurturing the trees until they are large enough to be sold. Wildlands Conservation Trust buys the trees back from the learners and sells them to various greening projects around the province. The young entrepreneurs barter the trees for a variety of goods while fostering the environmental issues among the children at a young age.

THE EARLIER DAYS OF ENTABENI PRIMARY SCHOOL



ENTABENI PRIMARY SCHOOL AFTER RBCT INVOLVEMENT



RBCT DONATION TO WILDLANDS CONSERVATION TRUST



WILDLANDS TREES FOR LIFE PROJECT



PUPILS RECEIVING SHOES FROM THE TREES PROJECTS



COMMUNITY BOUGHT THEMSELVES WATER JOJO TANKS FROM PROCEEDS OF TREES SOLD



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RBCT Ubhejane 100m Swim 4Rhinos

Richards Bay Coal Terminal in partnership with Fish Eagle Swimming Club hosted the RBCT Ubhejane 100m Swim 4 Rhinos to raise funds for the fight against rhino poaching. The threat to South Africa's rhino poaching is a call to action for all those who treasure our heritage. Since its inception, RBCT has been committed to the environment as our logo is a pelican and we are proud of our contribution to protecting our environment.

Fantocy Creche

From 2 crowded classrooms to a fully fledged crèche with 4 classrooms, a kitchen and an office. The community of Mandlanzini near Richards Bay Airport was overwhelmed by the confirmation that RBCT is funding the crèche with more than R500 000 to build four new classrooms and the administration block. The community came together and built two classrooms after identifying the need for a crèche in the area. It was difficult for them to continue with building as most parents are unemployed and rely on child support grants, until RBCT got involved in 2013. Today the crèche accommodates more than 65 children of which 50% don't pay crèche fees, it has 178 registered children with proper classrooms and a kitchen.

RBCT Charity Relay Run – 2014

On 26 July 2014; for the first time in history of this event, seventeen charity organisations made their way to RBCT's annual Charity Relay Run to receive their cheques from RBCT. An amount of R524, 000.000 was ploughed back to the community. The charities were:

- Empangeni Child and Family Care
- Empangeni SPCA
- Life Line Zululand
- Sea Rescue
- Richards Bay Family Care
- Richards Bay SPCA
- SANCA Zululand
- Siyabonga Shelter
- SA Red Cross
- Thuthukani Special School
- Unizul Science Centre
- Zululand Hospice Association
- Zululand Mental Health Society
- UThungulu Community Foundation
- Pathway School for Autism
- Reaching Out (Against Women & Child abuse)
- Business Against Crime (BAC)

Inkanyezi Academy Saturday Classes

Through Inkanyezi Academy Saturday Classes, which is a project that is spear-headed and fully funded by Richards Bay Coal Terminal, dedicated RBCT as well as other local corporate employees volunteer their Saturday mornings tutoring Grade 12 students at Khula Senior Secondary School (Esikhawini). The main purpose for this project is to supplement and upgrade the pass rate for Maths, Science and Accounting in among students at Khula Senior Secondary School. In 2013 the school obtained 79% with one learner achieving 100% in both Maths and Science.

This project focuses on problem areas which would have been identified in the classroom during the week but due to time constraints not fully discussed. This learning opportunity affords learners a chance to interact with tutors who also share knowledge and insights on these subjects.

Department of Education Awards – Uthungulu District

Richards Bay Coal Terminal in partnership with the provincial department of education staged UThungulu District Awards to celebrate the education excellence for the class of 2013. RBCT first donated 12 laptops to 12 top students in the province and then 10 laptops to 10 top students in the UThungulu District Municipality. Representing RBCT at the awards were SCD committee members. “we are here today to celebrate and reward the education excellence, We are proud to announce that our project in partnership with Khula High School produced a student that obtained 100% in mathematics” said RBCT GM HR, Judith Nzimande.

OPERATIONAL PERFORMANCE

Sustainable Development Performance

Richards Bay Coal Terminal is a world class Port Terminal. As the vital link in the coal export chain, we work closely with our key partners Transnet Freight Rail (TFR), Transnet National Ports Authority (TNPA) and Coal Exporting Parties (CEPs). RBCT coal is railed by TFR, the only national rail operator. TNPA provides the marine services to berth and un-berth the vessels.

RBCT prides itself on being an efficient and reliable export terminal. RBCT's efficiency is dependent on the different RBCT business functions and external partners working together. The joint effort of RBCT and our partners ensured that the performance targets are exceeded.

Railings

Tonnage received increased from 70.81 Mt in 2013 to 72.44Mt in 2014, the first time coal deliveries exceeded the 72 million mark.

The key performance indicators were also exceeded as Train Turnaround Time (TTT) reached a record of 3:20. An improved TTT contributes to reducing the cycle time of the trains and indirectly contributes to the rail capacity by making the wagons available to reload.

RBCT will continue working with Transnet Freight Rail (TFR) to improving rail efficiencies.

Exports

2014 exports improved from 70.23 to 71.29 Mt, which is the first time in the Terminal's history that we reached and exceeded 71 million mark. Exports have continued to improve year on year.

The improved shipping is attributed to a corresponding effort from TFR through sustained railings to the terminal. The key performance indicator on the water side is Port Load Rate (PLR) and we achieved 2169 tons per hour against a target of 1 748 tons per hour.

Our Customers

RBCT's customers are its terminal users, which includes shareholders, Quattro participants, and other commercial users. Engaging with them, through the Operations Committee, helps us to better understand their needs.

Customer information and confidentiality

RBCT takes appropriate steps to preserve confidential or market-sensitive information. Where deficiencies are identified within our systems or processes, actions are taken to remedy the situation.

RBCT Plant-

Long term plant health is being ensured both at operational and strategic levels, by focusing on periodic inspection programs and refurbishment outages (Plant Life Extension Strategy).

Health, Safety, Environment and Compliance (“HSEC”)

Safety, health and the wellbeing of employees is a priority for RBCT, and continued to be the area of focus during 2014. In order to ensure ongoing compliance with the Occupational Health and Safety Act 85 of 1993, RBCT put some necessary structures in place. Employees and contractors are continuously informed of key safety issues, policies and procedures that affect their day-to-day jobs and other stakeholders in general. Health and safety training is provided on an ongoing basis. Environmental management is in accordance with ISO 14001 and the legislation which RBCT subscribes to.

RBCT’s HSEC Management systems are assessed against the requirements of OHSAS 18001:2007 and ISO 14001:2004. RBCT’s ongoing compliance with ISO 14001:2004 and OHSAS 18001:2007 and its effectiveness was confirmed during the surveillance audit conducted in May 2014, with 6 minor environmental and 3 minor health and safety findings being recorded. This is in-line with our continued commitment to maintaining excellence in HSEC management systems.

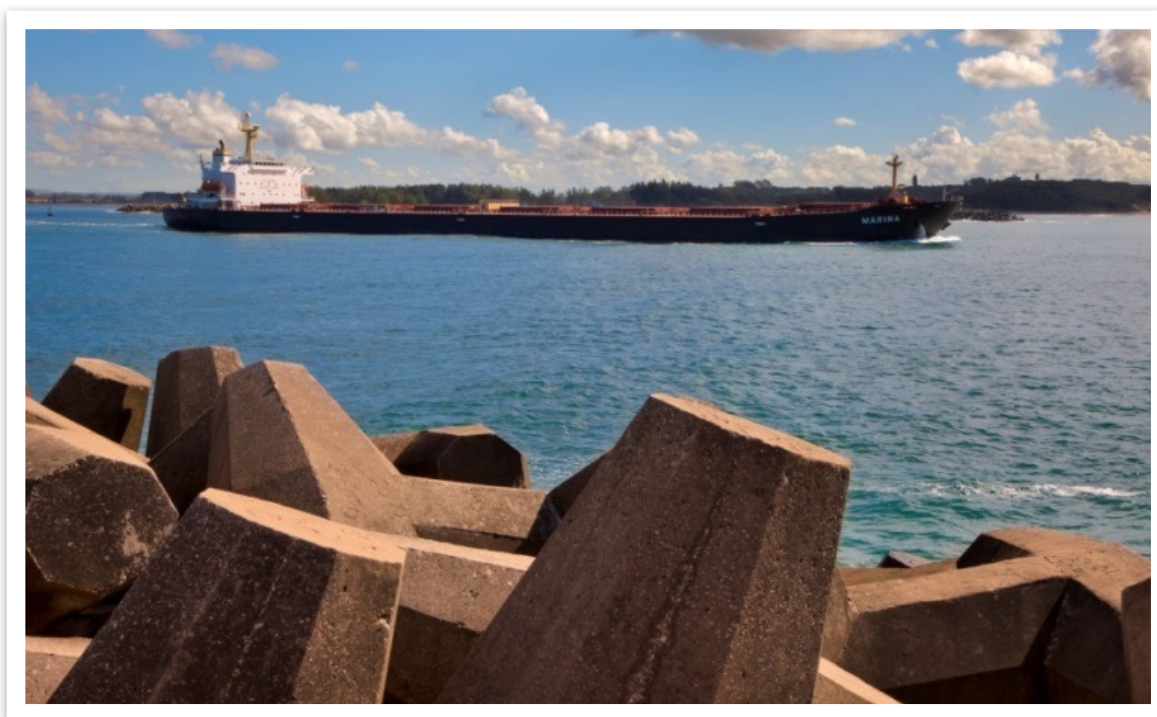
Tracking Our Performance

Goal	Measure/ Target	Status	Comment
SAFETY			
Maintain OHSAS 18001:2007	OHSAS 18001 certified	Achieved	Achieved
LTI free and fatality free year	No fatality	Achieved	
LTIFR=0.21	LTIFR=0	Not Achieved	LTIFR @ 0.07
MIFR</=0.97	MIFR</=0.97	Achieved	MIFR@ 0.56
>97% on SHE audits	>97%	Achieved	@ 98%
ENVIRONMENT			
Maintain ISO 14001:2004 Certificate	ISO 14001:2004 Certified	Achieved	Achieved
Zero environmental public complaints	No public complaints received	Achieved	No environmental complaints

Our Economic Value Add

RBCT as a terminal generates a range of direct and indirect economic benefits for its employees, communities, suppliers and other key stakeholders and forms part of a value chain which is key in the development of South Africa's mining and energy resources.

The collective industry including RBCT plays a significant role in the country's socio-economic development. The terminal's focus is on the sustainability of initiatives within the communities in which our employees reside with a strong focus on education, social welfare, job creation and sports development.



Preferential Procurement – BBBEE

RBCT's procurement policy is aligned with the Department of Trade and Industry's Broad-based Black Economic Empowerment (BBBEE) Codes of Best Practice. The focus remains on encouraging suppliers to embrace the codes thereby assisting in the empowerment of our business partners.

Where possible, preference is given to local suppliers, with a number of suppliers in the small, medium enterprise category.

RBCT has actively driven BBBEE spend over the past 11 years with pleasing results. Ensuring compliance with the Codes, RBCT insists on suppliers providing approved verification certificates. An extensive data base has been developed and SAP is customised to provide up to date and reliable statistics; the database also tracks the number of black women-controlled businesses that are suppliers and potential suppliers to RBCT.

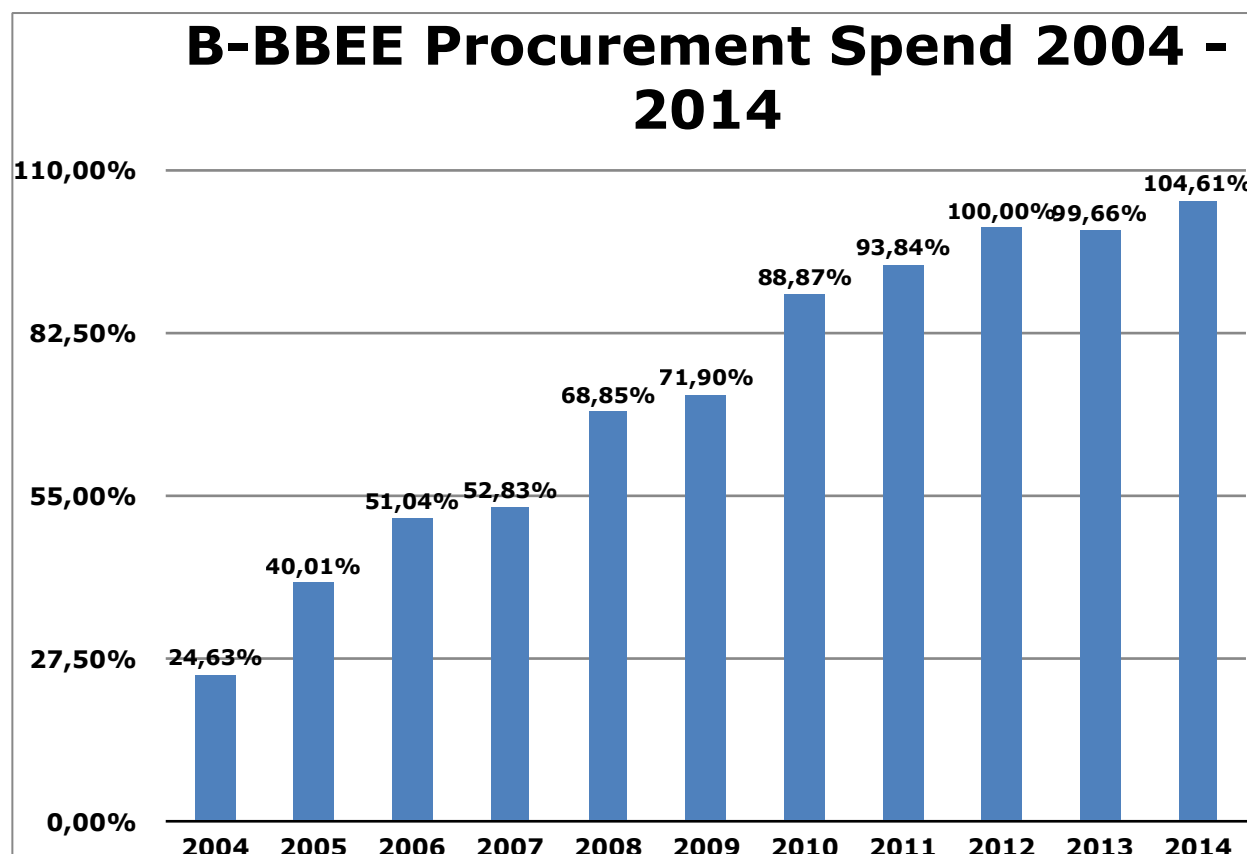
RBCT’s preference is to transact with business partners who are accredited at level 4 or above so that 100% of procurement spend from these entities counts towards RBCT’s empowerment performance. RBCT encourages all non-compliant suppliers to strive to achieve a minimum of a level 4 certification.

Where commercial criteria are the same, preference is always given to the higher BBEE rated supplier. RBCT does not pay a premium to empowered companies, as commercial competitiveness is a key determinant in decision making. RBCT may require long-term suppliers to demonstrate their plans on how they maintain and improve their empowerment ratings within agreed timeframes.

Standard procurement criteria

- RBCT quality requirements must be adhered to at all times
- All goods and services must be at competitive prices
- All contractors are required to have a verified scorecard
- Service is a given
- All service providers are required to comply with the terminal’s health, safety, and environmental standards

The graph below affirms RBCT’s commitment to procuring from empowered suppliers, thus contributing to economic transformation.



Nurturing the future through enterprise development

Enterprise development is one of the key focus areas for RBCT. Through RBCT, our shareholders have made four million tons of export capacity available to junior miners at a commercially attractive rate. This allocation is managed by the Department of Mineral Resources.

The significance of this is that junior miners can now access the export market through RBCT, making their operations more profitable and in many cases significantly more commercially viable. The four million tons that is made available is in an environment where export allocation throughout all South African based facilities is significantly constrained through infrastructural challenges; this opportunity afforded to junior miners by RBCT's shareholders is therefore a direct enterprise development initiative.

RBCT continues to strive to develop self-sufficient business partners, however this is an ongoing challenge because of the nature of the terminal's operational and maintenance spend which is predominantly on specialised high quality engineering items.

HEALTH, SAFETY, ENVIRONMENT AND COMPLIANCE

Management and compliance

RBCT recognizes that by its very nature, the movement of coal can and will have an impact on the environment. RBCT's coal logistics activities are conducted within the framework of ISO 14001:2004 and a site specific Environmental Management Program. Compliance with ISO 14001:2004 is audited annually and recertified every 3 years. Protection of the environment and compliance to environmental legislation remains paramount to RBCT. In 2014, the ISO 14001 surveillance audit was a success, with 6 minor findings. This is in line with RBCT's commitment to maintaining excellence in environmental management systems. RBCT seeks to comply with, and remains committed to environmental legislation, regulations and permits that govern its operation. RBCT has prevention strategies which, together with ongoing mitigation measures, are aimed at reducing and mitigating the impact of its activities on the environment.

Responsibility for environmental management at RBCT rests with Senior Management, supported by the Environmental Specialist and HSEC Officer. Operations and Maintenance departments also play a vital role in the management of our environment.

Monthly Executive HSEC meetings address and discuss issues relating to environment, safety and health risks within RBCT and external affected parties.

During the year, no major environmental incidents and no environmental complaints were reported. Stringent environmental monitoring and site cleaning services can be attributed to the good environmental performance during the year. The Environmental Systems Upgrade project to harness all process water to prevent pollution of the harbor and to recycle water was commissioned in 2009. An analysis carried out in 2014 shows that potable water consumption has been reduced by approximately 37.2% compared to 2013. A serious drive towards conservation of energy was also maintained during the year. Significant savings have been realised. Energy saving programmes continue, the goal being to achieve the site's objective for reducing energy consumption by up to 15% by 2015.

RBCT is firmly committed to protecting the environment and resource conservation. RBCT has assessed the environmental impacts of our operation and has an Environmental Aspects and Impacts Register in place. Controls have been put in place to reduce the negative impact of our business onto the environment. Currently, our primary environmental focus areas are:

- Air quality management,
- Reducing the impact of coal transport on the environment,
- Controlling the water quality of our storm water and process water discharges into Richards Bay Harbour and surrounding waterways,
- Reducing our fresh water usage.
- Energy efficiency

Compliance and permits

RBCT has its Waste Licence received in 2013. Progress towards getting the Water Use Licence in terms of the National Water Act 36 of 1998 is at an advanced stage; our Environmental Consultants are consolidating the last outstanding information.

RBCT's contractors and suppliers are required to comply with RBCT's HSEC Policy, copies of which are conspicuously displayed onsite. The HSEC induction process highlights key environmental aspects that all stakeholders should consider and work towards mitigation or total elimination of the impacts thereof.

Primary impacts

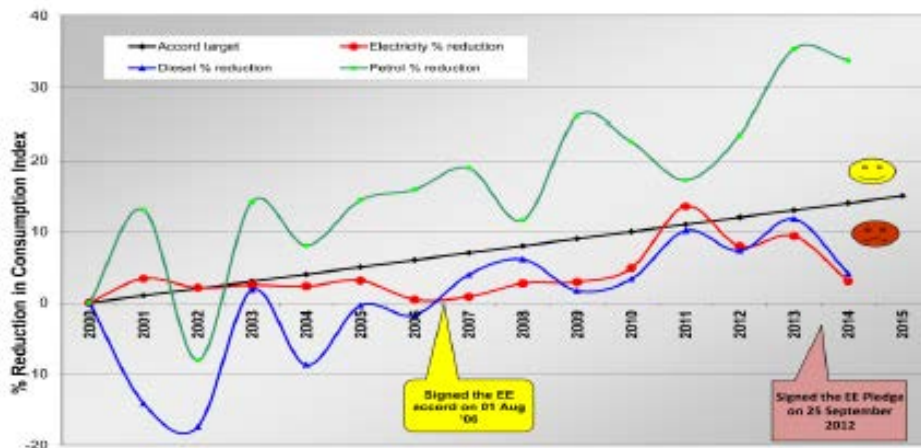
RBCT's primary environmental concerns are:

- Resource and energy use
- Water usage and management
- Dust (air pollution)
- Waste Management

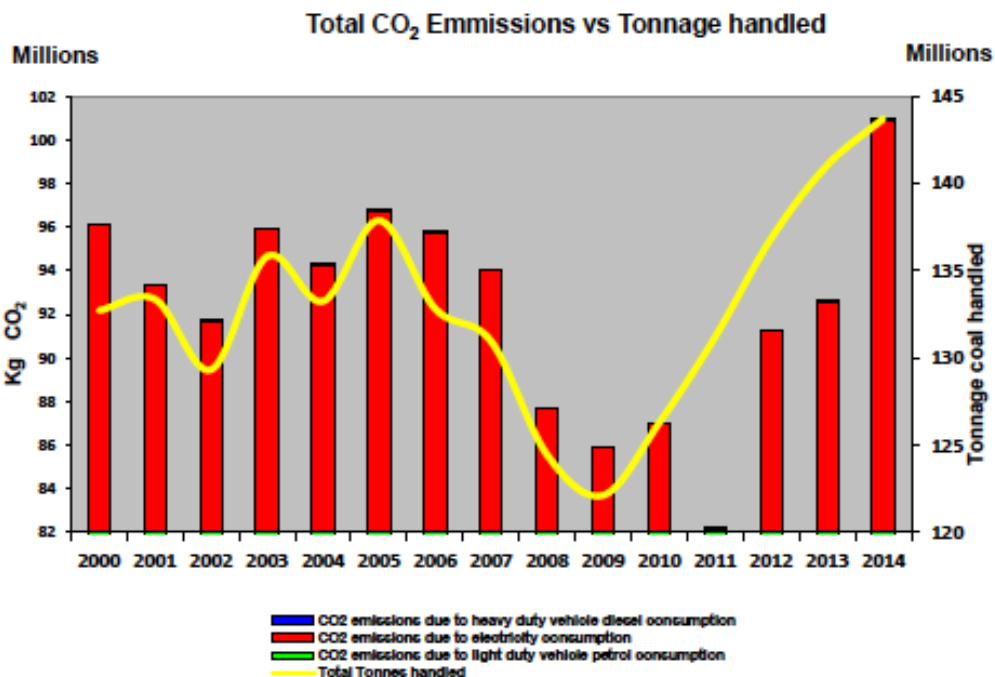
Resource and energy use

RBCT’s energy is sourced from electricity, diesel and petrol. Electrical energy is supplied by Eskom through the uMhlatuze Municipality. Moving conveyor belts, stackers & stacker reclaimers, shiploaders, locomotives, dozers and vehicles are main consumers of electricity, diesel and petrol. During 2014, there was improvement in energy consumption compared to 2013. The focus in 2014 will be in finding sustainable ways to improve on diesel and electricity consumption.

RBCT signed the Energy Accord in 2006, and agreed to reduce energy levels by 15% by 2015. RBCT has thus far performed excellently with petrol, but still below target with diesel and electricity. RBCT’s focus is therefore on improving efficiencies in the use of diesel and electricity. Year on year improvement on energy efficiency is being realised.



RBCT’s carbon footprint improved over the years, and there have not been any financial implications for RBCT due to our activities.



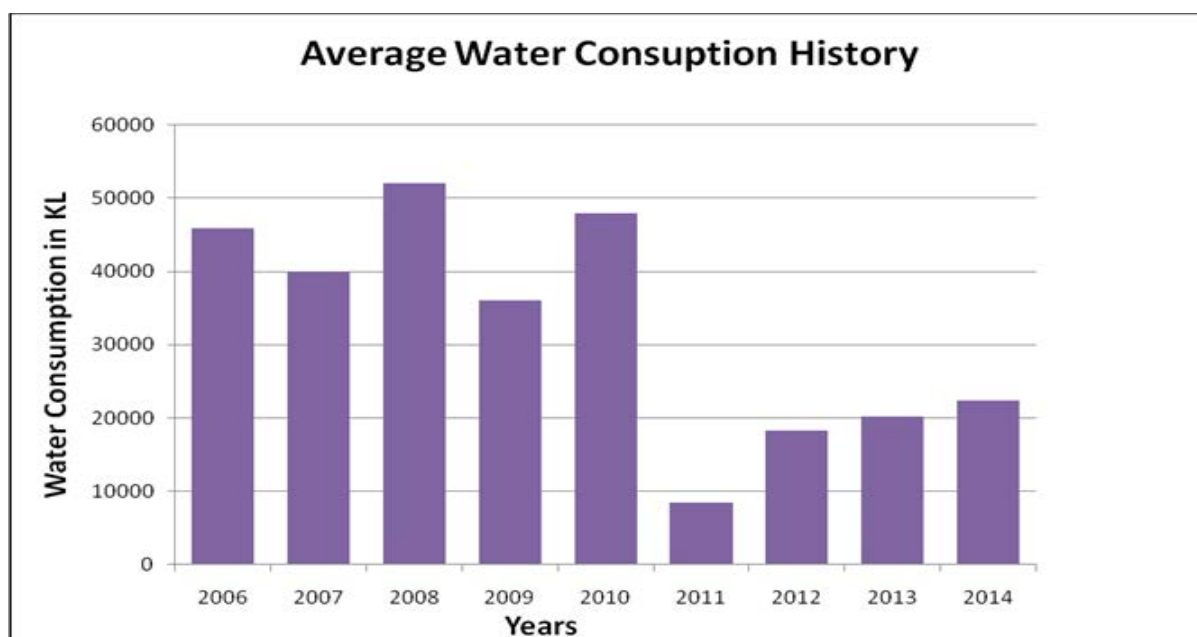
Water usage and management

The Integrated Waste and Water Management Plan (IWWMP) is central to the application process for a Water Use Licence with the Department of Water Affairs. The main objectives of the IWWMP are to:

- Provide technical and management related information to underpin the application for water use licence.
- Update RBCT's water balance;
- Identify (qualify and quantify) water and waste related impacts from RBCT's activities;
- Comply with Regulation 704 of the National Water Act 36 of 1998

Storm water and water collected from the coal stockpiles does not go directly into the marine environment, instead it is drained into settling ponds, where contaminants are separated from the water before it can be pumped into the ESUP dam. RBCT uses this recycled water for suppression of dust, mostly from coal stockpiles. As a result of use of this recycled water, the overall consumption of potable water over the past 3 years decreased significantly by more than 75% since the commissioning of the ESUP dams in 2009. Potable water is now only used for domestic purposes.

136.41 megaliters were used in 2014 compared to 217.22 used in 2013.



RBCT currently uses RDC20 as dust suppressant on dirt roads around the stockpiles. Dust-aside is a water-based binding agent that forms a layer on the road surface to suppress dust. The stockpiles are sprinkled with water through rain guns located around the stockpiles to further reduce dust.

The two PM10 monitoring stations installed on the south and north perimeters of RBCT to further improve dust monitoring on our site have shown that RBCT complies with NEM: AQA.

Waste Management

The management of waste remains one of RBCT's most important environmental challenges. In 2014 RBCT obtained Waste License 59 of 2008, RBCT improved its waste management programmes by improving its waste audits and implementing sustainable plans. The implementation of a comprehensive waste management strategy aims to reduce the amount of waste being consigned to local dumpsites. A greater awareness for the need for recycling practices is being achieved.

RBCT's waste streams are, but not limited to the following:

- Used oil
- Oil contaminated waste
- Clinic waste
- Sewerage effluent
- Settling pond effluent
- Electronic waste
- Paper
- Rubber

The generated waste is measured on a monthly basis and targets have been set to reduce the quantities. Some waste is recycled and some disposed of in environmentally responsible manner.

Biodiversity

RBCT facility is situated within the Port of Richards Bay in the uMhlatuze Local Municipality which has a warm to hot and humid subtropical climate, with warm moist summers. The 276ha facility is completely transformed from its once natural state; however, maintained vegetated and landscaped areas do exist within the site boundary.

Eight specimens of *Hibiscus tiliaceus* (Lagoon Hibiscus) are available at RBCT on the South of Phase 3. These trees are listed as protected indigenous plants in terms of The KwaZulu-Natal Nature Conservation Management Amendment Act, 1999 (No. 5 of 1999). These species were planted for landscaping purposes. 2750 *Casuarina equisetifolia* (Coastal Beefwood) exist in the eastern parts of this Phase 3, planted for wind diversion. Three specimen of *Bersama lucens* (Glossy White Ash) are available onsite. This tree is listed as a protected indigenous plant in terms of the KwaZulu-Natal Nature Conservation Management Amendment Act, 1999 (No. 5 of 1999). Included in the landscaped gardens are species that are protected by Provincial and/or National legislation which include 2 specimens of *Podocarpus falcatus* (Outeniqua Yellowwood) to the north of the control tower, *Aloe*, *Encephalartos* (Cycads), *Hibiscus tiliaceus* (Lagoon Hibiscus) and *Eugenia capensis* (Dune Myrtle).

In the northern side of RBCT, there occurs a species-rich wetland dominated by relatively short herbs reflecting the variation of species. Amongst the many interesting components of this assemblage is tropical sedge, *Pycreus uniolooides*, possibly the best standing in this region nowadays. White and black mangroves are also found on this wetland where water is fresher and plenty. The black mangroves are >17m in height, making these amongst the taller to be found along the KZN Coasts.

Dolphins are regularly seen alongside the coal quay and a flourishing marine reserve exists on RBCT's doorstep – home to pelicans, flamingos, fish eagles, waders, crabs and a host of other bird and marine life. An area within this reserve has been identified as a possible National Heritage Site, bearing testimony to the health of the surrounding natural environment.

On annual basis, RBCT partners with Department of Agriculture and Environmental Affairs to commemorate specific days such as environmental week and water week. Employees and their families are always encouraged to participate in our annual coastal clean-up programme which is very popular with employees.

RBCT's activities have not impacted the biodiversity within RBCT and surrounding areas. In order to manage and mitigate impacts on diversity, the following plans were implemented:

- Alien Invasive Vegetation Management Plan
- Indigenous Planting Plan

Sustainable health and safety performance

RBCT's HSEC policy sets out our commitment to eliminating illnesses, injuries and fatalities from our business. RBCT maintains comprehensive HSEC management system which is fully aligned to OHSAS 18001:2007.

Ensuring the safety of our employees and contractors in the workplace is of paramount importance. We aim to conduct our operations with 'zero injuries' to our employees and contractors, and believe that all work-related illnesses and injuries are preventable.

In accordance with our commitment to preventing accidents, occupational illnesses and environmental pollution, we aim to:

- Appropriately identify risks and manage hazards;
- Comply with applicable national, provincial and local safety, health laws;
- Apply internationally recognized standards, codes and other requirements applicable to RBCT;
- Set, monitor and continuously review safety and health objectives and targets at every level of the organization;
- Effectively communicate with, and involve, all our key stakeholders on our safety, and health policy;
- Effectively report, investigate and respond to incidents, ensuring appropriate emergency response and crisis management;
- Continuously striving to improve our safety, health and environmental performance;
- Provide adequate resources for the achievement of the SHE policy objectives and targets.

SAFETY

The safety of employees remained a priority for RBCT during 2014. RBCT falls under the jurisdiction of the Occupational Health and Safety Act 85 (1993). The necessary structures and practices are in place to ensure compliance to this legal framework. Employees and contractors are well informed of the safety issues, policies and procedures that affect their jobs and those of other employees and contractors, as well as the community in general. All employees on site receive regular safety and health training and are issued with protective equipment where hazards cannot be totally eliminated.

Health and Safety training conducted during the year:

- Behaviour Based Safety (COBRA)
- Occupational Health and Safety Act 85 of 1993
- Risk and impact assessment
- Basic Fire
- Basic First Aid
- OHSAS 18001
- ICAM investigation methodology
- General Health and Safety Training
- SHE Representatives training

We ensure that every hazardous task undertaken in our workplace has a safe system of work identified and that our employees and contractors have tools and equipment that are fit for purpose and well maintained.

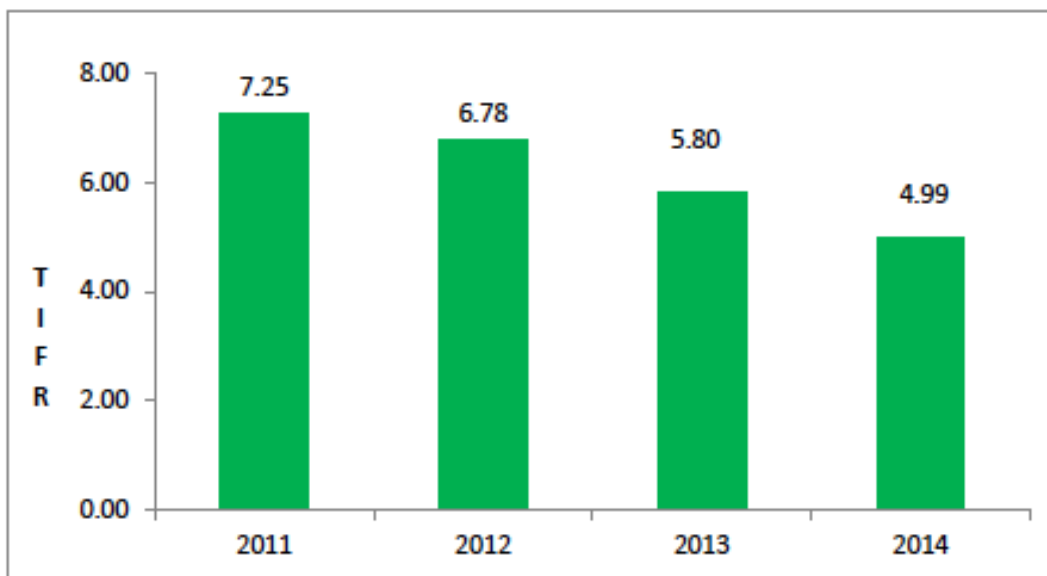
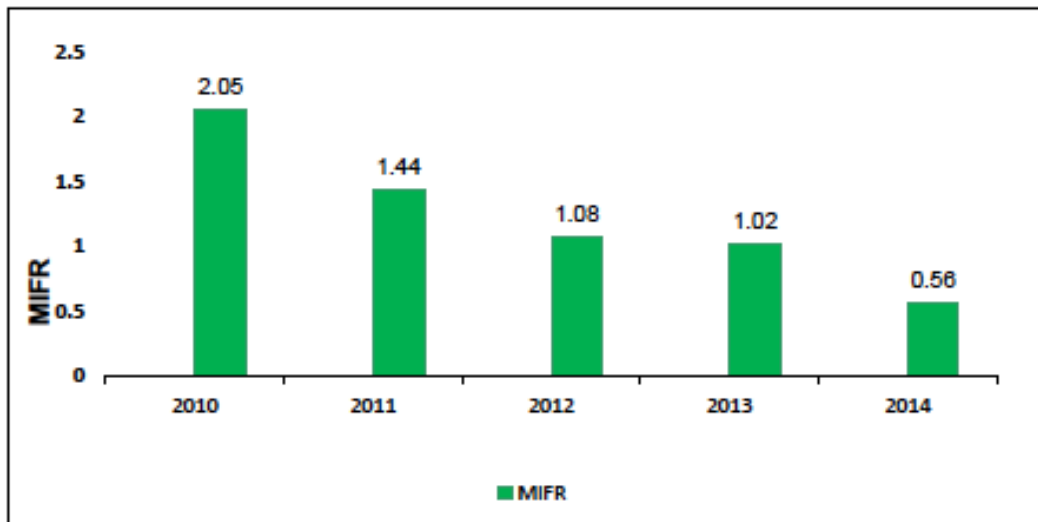
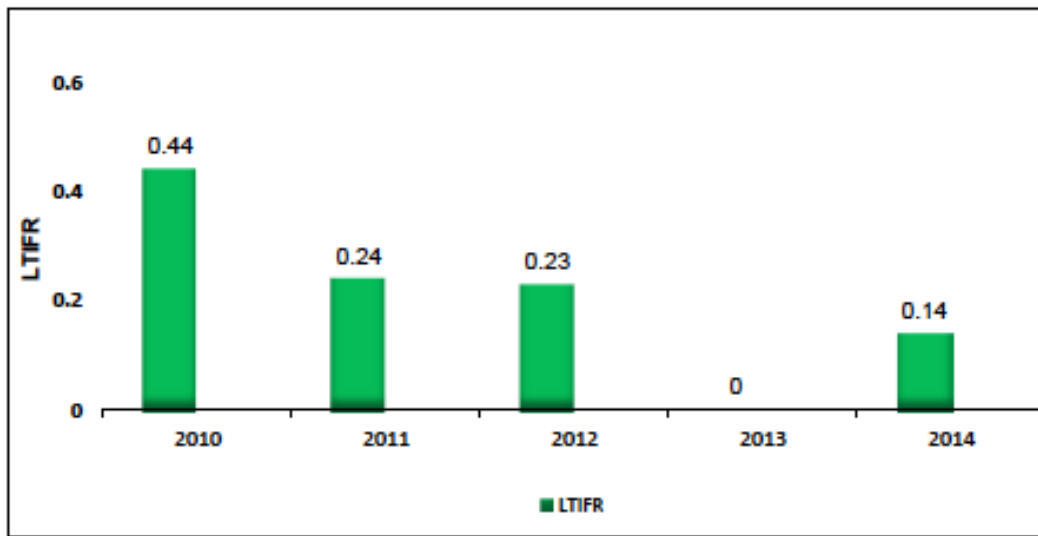
RBCT uses a risk-management system to identify, assess and eliminate or control safety risks. When an unsafe condition is identified or when a safety incident occurs, it is investigated immediately and action is taken to eliminate the risks involved. Safety auditing occurs regularly across our business to improve safety standards and practices. In addition, safety performance, initiatives and issues are regularly communicated to all of our stakeholders.

Safety Performance

RBCT is proud to report that we continued to make a significant improvement in safety. Our quest to create and sustain injury-free work environments for our employees and contractors continued during 2014.

Safety performance improved considerably over the previous year. There were no fatalities at RBCT during the year and the lost time injury frequency rate (LTIFR) for the year was at 0.14 per million man-hours worked. This is a marginal decline on 2013. The minor injury frequency rate for the year was 0.56 per million man-hours worked. The primary causes of injuries remain those associated with hand injuries. Risk assessments and behaviour based safety form part of RBCT's efforts to reduce these and other incidents.

We continued to make progress on our safety culture, and engagement of all stakeholders has been identified as key to achieving HSEC excellence. Formal joint health and safety committees, comprising management, the workforce, contractors and unions meet regularly ensuring consultation with all relevant stakeholders concerning all matters relating to occupational health and safety in the workplace.



In 2015, we will redouble our safety efforts with a goal to achieve to maintain the LTIFR at zero, and further minimise MIFR by at least 5%.

We focused our safety efforts on Behaviour Based Safety process, uniquely named Change of Behaviour Reduces Accidents (COBRA) at RBCT, which has delivered some good results in improving our safety performance. With all 514 employees and 600 contractors trained on COBRA and being active observers, the effort going forward is to embed COBRA to ensure quality observations are submitted and that the identified barriers contributing to at-risk behaviours are removed. A great deal of time was spent training contractors on COBRA, risk assessments and reviewing the adequacy of their safety programmes. The result has been great improvement of our contractors in HSEC compliance.

Occupational Health and Hygiene

The wellbeing of our employees and contractors in the workplace and the community is critical to the success of our business. RBCT is committed to achieving zero work-related illnesses through identifying, assessing and controlling occupational health hazards.

An Occupational Health Medical Practitioner works on a part-time basis visiting our site twice a week; and four full-time Occupational Health Nurses are available to cover two shifts. Comprehensive health risk assessment is done every two years to help us improve on our medical surveillance programme.

During 2014, RBCT has put a number of occupational health strategies in place, including:

- Biggest loser competition – all employees are encouraged to adopt a healthy lifestyle by exercising, eating healthy. A healthy workforce is a happy workforce.
- A continuing occupational hygiene program for monitoring stressors in the workplace i.e. noise, gravimetric dust and silica, ergonomic, illumination, vibration, diesel, Belt splicing and welding fumes , thermal stress.
- Development of a plan to reduce the above based on recommendations from the occupational hygienist;
- Hearing conservation programme.
- Dust and Silica programme.
- Medical surveillance programme.
- Back care programme.
- Continuous health and hygiene awareness training conducted during the annual HSEC induction and monthly health topics.

Serious injuries/illnesses are referred to the local hospitals. Medical surveillance medicals are conducted on-site.

Wellness Week has become an annual event in RBCT. It is always held during the last week of August. An ongoing extensive in-house Wellness and disease management programme is given at the Health Care Centre which includes:

- HIV Counselling and Testing (HCT)
- Integrated Health and Wellness services with a 24 hour psychological counselling. The service provider concentrates mainly of four pillars of wellness popular known as 'four pack' i.e. Emotional, Legal, Physical and Financial.
- Biokineticist – He addresses all the ergonomic related issues in RBCT. The Biokineticist runs the rehabilitation program of employees recovering from different conditions i.e. stroke, muscular skeletal injuries etc.

The Careways group consults employees with different issues ranging from emotional, financial and physical wellness.

Primary Healthcare

- Chronic disease monitoring (diabetes, hypertension, gout, high cholesterol etc.)
- Treatment of minor ailments 24 hours (colds, diarrhoea, headaches etc.)
- We have a visiting Dietician who manages our employees who are on the Biggest Loser programme and chronic disease monitoring.

HIV Counselling and Testing

HIV& AIDS remains a significant risk to South Africa. RBCT recognises that the management of HIV & Aids is an integral part of its approach to ensuring the well-being of its employees. The company aims to maintain and continually improve its HIV&AIDS Management programmes. In 2014, the company's drive was on ensuring that employees know their HIV status by undergoing HCT (HIV counselling and testing). We are happy to report that as at the end of December 2014, 85 % of RBCT employees had undergone HCT and know their status. This was made possible through:

- Ongoing awareness campaigns at team levels;
- Annual testing campaigns through wellness week and World Aids day;
- Promotion of a stigma-free culture in which testing is 'normal';
- Guaranteed confidentiality by the Clinic personnel;
- Offering of routine testing during any medical consultations at RBCT Clinic.

RBCT is targeting 100% of employees to know their status by the end of 2015.

Coal Dust and Silica

Coal dust and silica levels at RBCT are kept at a minimal. RBCT has taken reasonable steps to ensure dust and silica exposures to employees and contractors are kept at a minimum. Dust and silica monitoring takes place biannually, and where dust levels are found to be high, measures to minimize dust are applied.

Noise

Hearing loss may result from long-term exposure to high noise levels. RBCT conducts baseline, periodic, transfer and exit audiometric examinations. Noise is generally treated at source, and where noise cannot be eliminated, signage is posted to remind employees and contractors to wear their hearing protection. All personnel working in noisy areas are provided with hearing protection equipment.