

## 3.3 Stakeholder engagement

### 3.3.1 Approach

Proactive and frank stakeholder engagement sits at the heart of our efforts to maintain the sustainability of our business. This is carried out in line with the AA 1000 principles of:

- Inclusivity
- Materiality
- Responsiveness<sup>1</sup>

Our engagement activities fall into two types:

- Direct engagement, including organised dialogues, roundtable discussions, one-on-one meetings, internal surveys and regular engagement with local communities at each operation and project
- Indirect engagement, including the use of external benchmarks and standards that are designed to reflect and address societal expectations (p59)

At an operational level, all our mines identify, prioritise and directly engage stakeholder groups that have the potential to affect their operational, sustainability or financial performance.

At a strategic level, our corporate and regional management teams implement an ongoing programme of direct and indirect engagement.

Relevant outcomes from our operational and strategic stakeholder engagement are logged and communicated through our Enterprise Risk Management (ERM) process – and so form a vital part of the Group's risk management programme (p48).

[+ Online information: 2012 full tables on stakeholder engagement and stakeholder issues.](#)

Chucapaca community member, Peru

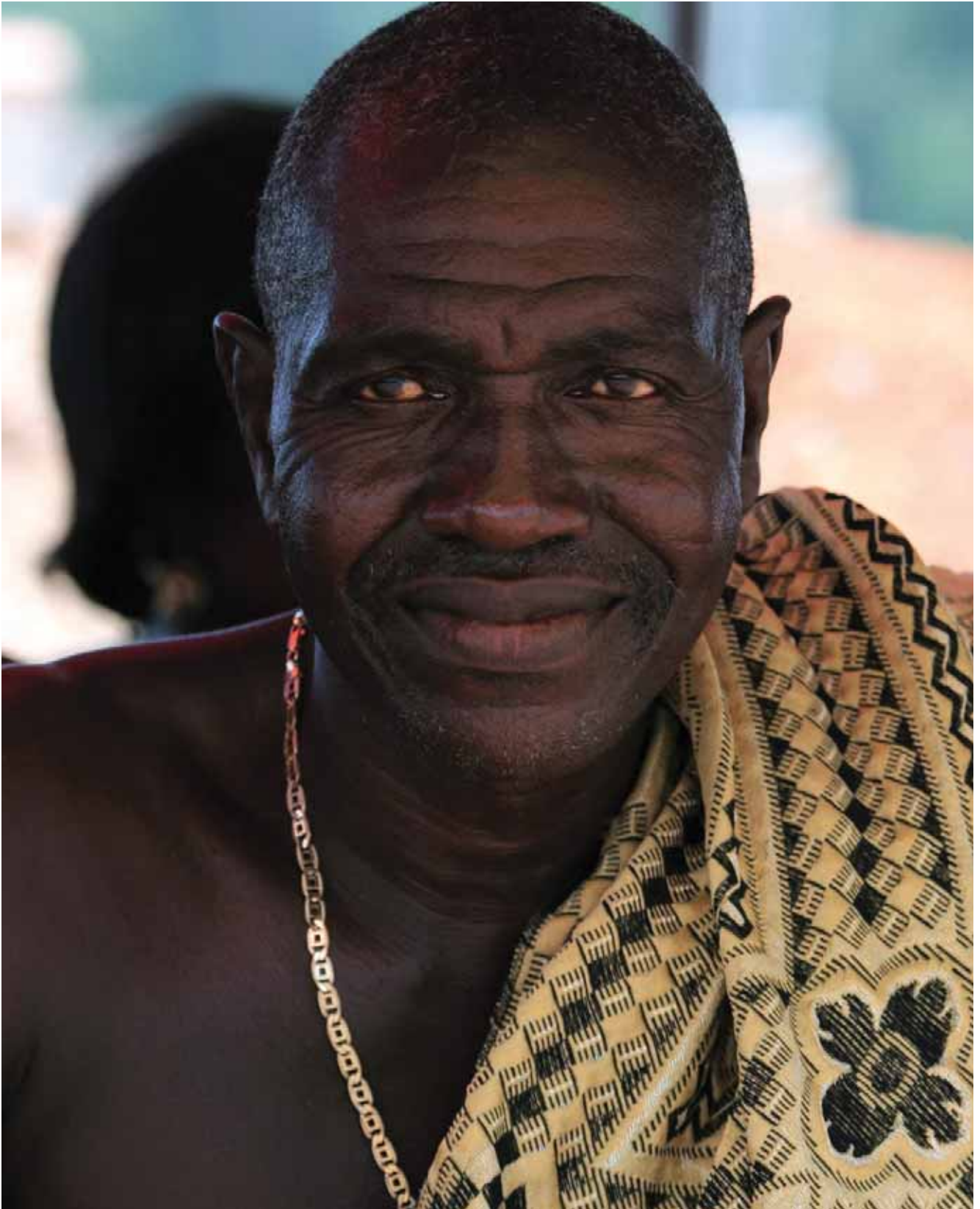


Figure 3.8: Stakeholder categories

<b>Investors</b>	<ul style="list-style-type: none"> <li>• Current shareholders</li> <li>• Potential shareholders</li> <li>• Investment analysts</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>• Employees</li> <li>• Contractors</li> <li>• Employee and contractor dependants</li> <li>• Organised labour</li> </ul>
<b>Society</b>	<ul style="list-style-type: none"> <li>• Government</li> <li>• Regulatory authorities</li> <li>• Local and labour-sending communities</li> <li>• Media, NGOs and other opinion formers</li> <li>• Potential business partners</li> <li>• Gold consumers</li> </ul>

<sup>1</sup> AA 1000 AccountAbility Principles Standard 2008

Traditional leader during negotiations with mine management at Tarkwa, Ghana



## 3.3 Stakeholder engagement continued

### 3.3.2 Strategic performance dashboard

Figure 3.9: Group strategic performance dashboard

Strategic requirement	Key stakeholders	Stakeholder risk/opportunity	What we measure
<b>A winning, safe, healthy and productive team</b>	Employees/trade unions/ Regulators	<ul style="list-style-type: none"> <li>Moral imperative to protect those who work for us</li> <li>Protection of reputation</li> <li>Avoidance of operational disruption</li> <li>Potential for regulatory sanctions – including safety-related stoppages</li> <li>Potential for future legal liabilities</li> <li>Maintenance of a safe, healthy, motivated and productive workforce</li> <li>Attraction and retention of the best talent in a competitive global labour market</li> <li>Maintenance of a sustainable skills pipeline</li> <li>Maintenance of constructive labour relations to avoid operational disruptions</li> </ul>	Lost Time Injury Frequency Rate (LTIFR)
	Investors		Culture and Climate ratings <sup>3</sup>
<b>The most trusted and valued mining partner</b>	Local communities	<ul style="list-style-type: none"> <li>Ability to secure new mining licences</li> <li>Ability to meet legal and regulatory requirements</li> <li>Ability to secure and maintain social licence to operate</li> <li>Ability to access financing to grow the operational base</li> <li>Access to high-potential, higher-risk growth opportunities</li> <li>Maintenance of stable production at established operations</li> <li>Ability to maintain our energy and carbon emission reduction programme</li> </ul>	Local Economic Contribution (US\$ billion)
	Host governments		Healthy drinking and productive water to employees and affected communities
	Civil society		Energy (GJ) per ounce of gold produced
<b>A quality portfolio of productive mines and assets under exploration and development</b>	Employees	<ul style="list-style-type: none"> <li>Creation and maintenance of employment positions</li> <li>Generation of socio-economic development contributions to local communities</li> <li>Generation of public revenue contributions</li> <li>Delivery of leverage against the price of gold to investors</li> <li>Delivery of growth on a per share basis to investors</li> </ul>	NCE per ounce
	Local communities		Years of reserves at current rate of production
	Host governments		Acquisition and development costs (net of disposals)/ounce of resources added (US\$/oz)
	Investors		
<b>The best return on gold</b>	Investors	<ul style="list-style-type: none"> <li>Delivery of attractive returns relative to our peers</li> <li>Ability to maintain and grow share value</li> <li>Ability to finance operations and capital projects</li> <li>Ability to sustain the reserve ounce base and infrastructure to underpin future production</li> </ul>	Free cash flow per share (R)
	Employees		Total Shareholder Return (TSR) relative to gold price appreciation over 3 years (%)  Performance against peer group

<sup>1</sup> The CEO bonus performance is based on 65% Group objectives and 35% Personal objectives

<sup>2</sup> Including restricted work cases for Australasia; 4.66 if Australasia restricted work cases are excluded

<sup>3</sup> Assessment of organisational culture and climate

	Performance in 2011	Performance in 2012 (incl. Sibanye Gold)	Planning in 2013 (excl. Sibanye Gold)	Impact on CEO remuneration <sup>1</sup>
	4.69	5.16 <sup>2</sup>	<ul style="list-style-type: none"> <li>• Engineering-out of safety risks and health risks (p89)</li> <li>• Enhanced safety enforcement measures, including increased resourcing (p87)</li> </ul>	
	n/a	Implementation starting 2013	<ul style="list-style-type: none"> <li>• Cultural/behavioural change (p88)</li> <li>• Preparation for potential silicosis litigation in South Africa (p137)</li> <li>• Maintenance of OHSAS 18001 certification</li> <li>• Development of a new Employee Charter</li> <li>• Ongoing competitive remuneration and benefits strategy (p70, 130)</li> <li>• Proactive leadership development and talent management programme (p132 – 133)</li> <li>• Delivery of world-class training (p133)</li> <li>• Ongoing, proactive engagement with unions and employees (p139)</li> </ul>	<ul style="list-style-type: none"> <li>• % of Group Objectives: 30%</li> <li>• % of Personal Objectives: 27%</li> </ul>
	Implementation started 2012	5.30	<ul style="list-style-type: none"> <li>• Development of a new Society Charter</li> <li>• Ongoing and constructive engagement with governments and communities</li> </ul>	
	n/a	Implementation starting 2013	<ul style="list-style-type: none"> <li>• Maintenance of ISO 14001 certification</li> <li>• Delivery of shared value through our new Community Promises (p145)</li> <li>• Development of new Community Handbook (p148)</li> <li>• Review of the UN Ruggie Framework to analyse human rights performance and ensure best practice</li> </ul>	<ul style="list-style-type: none"> <li>• % of Personal Objectives: 18%</li> </ul>
	6.97	7.56	<ul style="list-style-type: none"> <li>• Roll-out of our new Water Strategy (p91)</li> <li>• Ongoing minimisation of negative environmental impacts (p91)</li> </ul>	
	5	7	<ul style="list-style-type: none"> <li>• Sustained focus on the integrated Energy and Carbon Management Strategy (p93)</li> </ul>	
	1,173	1,376	<ul style="list-style-type: none"> <li>• Geographical diversification to broaden operational base and reduce overall risk (p96)</li> <li>• Strict application of stage-gate process to growth projects (p98 – 100)</li> <li>• Acceleration of distress mining at South Deep (p79 – p82)</li> </ul>	<ul style="list-style-type: none"> <li>• % of Group Objectives: 70%</li> <li>• % of Personal Objectives: 35%</li> </ul>
	23	20	<ul style="list-style-type: none"> <li>• Roll-out of new, high-impact operating model at South Deep (p79 – 82)</li> </ul>	
	46	32	<ul style="list-style-type: none"> <li>• Continuous Business Process Re-engineering to maximise efficiency (p43) and continuous focus on cost leadership</li> <li>• Focus on technology and innovation, where appropriate</li> </ul>	
	5.55	-2.00		
	1.39	0.08	<ul style="list-style-type: none"> <li>• Development of a new Investor Charter</li> <li>• Prioritisation of cash generation with respect to current and future production (p14 – 15, 17, 30)</li> </ul>	<ul style="list-style-type: none"> <li>• % of Personal Objectives: 20%</li> </ul>
	n/a	Implementation starting 2013	<ul style="list-style-type: none"> <li>• Ongoing operational and strategic Portfolio Review (p34 – 35, 43)</li> </ul>	