

**COMPANY POLICY  
HUMAN RIGHTS POLICY**

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This policy, effective 1 November 2007, replaces all previous policies and correspondence in this regard.

## **1. PURPOSE**

The purpose of this policy is to document the Company's position and intent with regard to the protection of the Human Rights of its employees and people within the Company's sphere of influence in the communities in which it operates. This policy also sets out guidelines to regulate the management of all matters in relation to such protection of Human Rights.

## **2. COMMITMENT TO HUMAN RIGHTS PROTECTION**

- The Company respects all fundamental Human Rights and is committed to support and promote universally recognized Human Rights entrenched in the Universal Declaration of Human Rights adopted by the United Nations in 1948; the International Labour Organization's Declaration on Fundamental Principles and Rights at Work; the Voluntary Principles on Security and Human Rights; the Global Sullivan Principles; and the Constitution of South Africa and relevant legislation (collectively hereinafter referred to as "the Principles"). The Company is committed to ensure that systems are in place to observe, respect and promote the Human Rights articulated in the Principles throughout the Company's sphere of influence.
- The Company in particular expresses support for the universal Human Rights of its employees, the communities in which it operates and the parties with whom they do business and will strive to protect these rights which include, but are not limited to: the right to human dignity; the right to life; the right not to be unfairly discriminated against; the right to freedom and security of person; the right to privacy; the right to freedom of religion, belief and opinion; the right to freedom of expression; the right to freedom of association; the right to freedom of movement; the right to peacefully assemble; the right to make political choices; the right to fair labour practices; the right not to be arbitrarily deprived of property or possessions; and the right to freely participate in the cultural life of their choice.
- The Company will be guided in the conduct of its business by the provisions enshrined in the Principles and will ensure that fundamental Human Rights are entrenched throughout the group into all internal policies and practices regarding employment equity, non-discrimination and harassment, freedom of association and collective bargaining, industrial relations, training and development, SHE policies, grievance and disciplinary procedures, procurement policies and employment and remuneration policies.

### **3. MANAGEMENT INTENT**

#### **3.1 Human rights of employees**

The Company is committed to prohibit all forms of discrimination solely based on the basis of gender, age, sexual orientation, disability, race, colour, ethnicity, religion, marital status, language, nationality, union membership or political affiliation. The Company also prohibits physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation. The use of child, compulsory or forced labour in any of the Company's operations is forbidden and the Company will strive to ensure a safe and healthy work environment. The right of employees to compensation that at least meets basic needs is recognised.

#### **3.2 Human rights of people in communities**

The Company's commitment extends to persons and entities within communities in which the Company operates. In terms of this policy, the Company commits doing this through, *inter alia*, observing the laws of the land; respecting the cultural values of societies; seeking to identify and address indigenous people's interests; giving appropriate regard to the self-sufficiency, sustainability, health, safety, and the environment of communities within the Company's area of operation; and conducting business as a responsible member of society. With respect to its contractors and suppliers, the Company's commitment includes promoting ethical conduct and the protection of Human Rights throughout the value chain and providing preference to those who share and demonstrate the Company's values.

### **4. COMMUNICATION AND ENGAGEMENT**

#### **4.1 Internal stakeholder engagement and performance**

- The Company shall extensively consult all stakeholders on Human Rights issues.
- Where temporary personnel are required, the Company will implement systems to ensure that these persons are familiar with and operate in accordance with the Voluntary Principles on Security and Human Rights.

#### **4.2 External stakeholder engagement**

- The Company shall demonstrate respect for the rights of local communities and an understanding of:
  - The traditional rights and cultural heritage of people;
  - The sensitivities involved in addressing issues of social impact; and
  - The local laws and customs.

- Where involuntary resettlement cannot be avoided, plans consistent with globally accepted guidelines such as the World Bank Operational Directive on Involuntary Resettlement will be developed and implemented.
- The Company shall consult with local and indigenous communities to identify traditional and cultural heritage values that may potentially be affected by the Company's operations, and to reach consensus on strategies to address these concerns.
- The Company shall develop and implement procedures to engage and interact with relevant non governmental organisations, local authorities, labour unions and communities on Human Rights issues throughout a project's life-cycle using culturally appropriate means.

#### **4.3 Communication**

- The Company shall establish and maintain effective communication with all stakeholders in the area of its operations.
- The Company shall ensure that Human Rights strategies and implementation plans are accessible to local communities within the area in which it operates and, where necessary, that they are translated into the relevant local languages.
- The Company shall ensure that communication and consultation with governments, regulatory authorities and other relevant organisations shall be in place to jointly develop and improve respect for Human Rights.
- Systems shall be established to ensure that employees and contractors are familiar with the Company's Guide to Business Conduct and that they abide by these requirements.

#### **5. TRAINING AND AWARENESS**

- Where necessary, the Company shall ensure that employees and contractors receive training in Human Rights issues that are relevant to their activities.
- Where relevant, the Company will conduct Human Rights awareness campaigns.
- The Company shall ensure that where training on any issue is provided to local communities in the area of its operations that local cultures, traditions and other sensitive issues are considered.

#### **6. PRE- INVESTMENT RISK ANALYSIS**

The Company shall ensure that key community risks and opportunities are systematically identified and prioritised through Human Rights assessments in new areas of potential operation and mitigating strategies shall be implemented to reduce negative impacts.

## **7. DEFINITION OF HUMAN RIGHTS**

“Human Rights” in the context of this policy are defined as follows:

“Human Rights are the rights that belong to an individual or group of individuals as a consequence of being human.” The Company subscribes to this definition of human rights in accordance with the Universal Declaration of Human Rights. Please visit the website <http://www.un.org/Overview/rights.html> for a copy of the declaration.

## **8. ROLES AND RESPONSIBILITIES**

### **8.1 Management**

The most senior Human Resources official of the Company shall be responsible for monitoring the performance of the organisation in terms of:

- Adherence to fundamental Human Rights as laid out in this standard and other policies; and
- The development and implementation of procedures that lead to continuous improvement in the application the Company’s Human Rights standard.

### **8.2 Employees, contractors, suppliers**

All Company employees, contractors and suppliers are responsible to comply with this policy.

## **9. MONITORING, EVALUATION, AND REPORTING**

Human Rights monitoring, evaluation and reporting will be executed in accordance with the following:

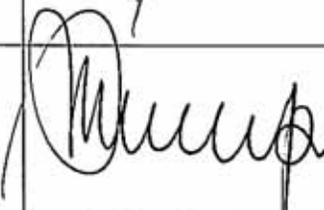
- All operations shall carry out internal Human Rights assessments every two years using appropriately trained internal / external assessors. Audit frequency may vary where best practice processes and performance have been validated over consecutive audits.
- Human Rights performance shall be regularly and consistently reported to the Company Board through a consistent and documented reporting process that will include:
  - Internal assessment results;
  - External assessment results; and
  - Human Rights objectives and targets.
- The Company’s management shall demonstrate visible and active leadership towards achieving Human Rights awareness through an annual letter of assurance to the Company’s Board.
- Employees, contractors, and community members are invited to report alleged Human Rights violations by the Company, its representatives, or suppliers and service providers to the relevant Company Human Resources departments. This must be done in writing and employees may make use of the Grievance procedure for this purpose.

**10. CORRECTIVE AND OR PUNITIVE ACTION**

- Any transgression of this policy by an employee will result in disciplinary action.
- Any transgression of this policy by a third party, who undertakes work for or provides services to the Company, will result in the raising of a non-conformance against the party. The relevant party will, within reasonable time, be required to take corrective action. The Company will withdraw from relationships where no commitment is made to work towards conforming to the Human Rights and Principles as set out in this policy.

**11. APPROVAL**

This policy is approved by the Head of Human Resources

	<b>NAME</b>	<b>TITLE</b>	<b>SIGNATURE</b>
<b>Recommended for approval by:</b>	<b>M. MATTHEE</b>	<b>HEAD OF INDUSTRIAL RELATIONS AND PROJECTS</b>	
<b>Approved by:</b>	<b>F. MARUPEN</b>	<b>HEAD OF HUMAN RESOURCES</b>	

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**ANNEXURE A: BUSINESS UNITS****BUSINESS UNITS:**

Sishen  
Thabazimbi

**ANNEXURE B: EMPLOYERS / SUBSIDIARIES****EMPLOYERS / SUBSIDIARIES OF THE KUMBA IRON ORE Ltd:**

Sishen Iron Ore Pty Ltd