



Message from the Managing Director:



2014 so far has been an interesting year on many levels. Our Region has grown to include the Northern Cape which historically has been run by Thorburn Southern Region, and encompasses the greater Kathu area. This new structure has brought with it an opportunistic challenge that we endeavour to rise to despite the challenging economic climate. We have also added new products and services to our basket of offerings as we continue to strive towards meeting the requirements of an ever-changing security environment and maintain the standard of excellence that you have come to expect from Thorburn.

The constructive Thorburn approach to Broad Based BEE (BBBEE) once again resulted in the company achieving an above average result in terms of BBBEE and we have retained our **Level 2 BBBEE contributor status**. Recently our holding company, Thorburn Holdings, was reaccredited as a **Level 1 contributor** and we are proud to have come so far in creating sustainability in our business.

“BBBEE in our organisation constantly develops as a desire to achieve sustainable development through our initiatives rather than through enforced legislation”.

We are proud to welcome another Board member into the group, Mapuleng Moropa, who now serves on Thorburn Holdings and all subsidiary Boards. As an organisation which leads by example and strives to comply with the Codes of Good Practice on Broad Based Black Economic Empowerment, having Mapuleng on our Board will further improve on our 2013 percentile of **37,44% Black Woman Shareholding**.

Dolf Scheepers

- In March 2014 the Private Security Independent Regulation Amendment Bill was passed by Parliament, awaiting the signature of the State President to sign it into law. This new law will prohibit foreign ownership of South African Registered Security companies to a maximum of 49 percent. Currently between 30 000 and 40 000 Security Officers are employed by foreign owned Companies such as ADT and G4S.
- The growth of the industry has been an avenue for job creation. What goes without saying is that violent crime has been the largest precursor in the growth of this industry. While S.A's murder rate has decreased, almost 16,000 murders took place within the last year.
- A broadening of the security market has taken place, in which the means to counteract risks or threats to security constantly progresses and becomes more specialized.
- September 2014 will see the implementation of annual increases for security personnel (as high as 8% on lower levels), as the last phase of the current 3 year agreement. Negotiations for the 2015 and onwards period, will get underway later this year through the Bargaining Council.

NEWS AND STORIES

We give the Thorburn brand a facelift:

This year the Thorburn corporate brand is being refreshed, as more subsidiaries are added to our group and we seek to increase our visual footprint. The transformation will be phased in over a period of time. Below is the newly adopted corporate identity:



MARKET UPDATE

The private security industry in South Africa is the largest in the world, with nearly 9,000 registered companies and 400,000 registered active private security guards, more than the South African police and army combined.

Northern Region's area grows

The Northern Cape, which has historically been part of Thorburn Southern Region, was reassigned to us in the Northern Region earlier this year. The area, which includes **Kathu, Kuruman, Bokpoort & Posmasburg** is predominantly a mining one and we take this opportunity to bid our NC customers a welcome.

We don't just develop our people, we empower them at all levels.

With a strong emphasis on talent identification Thorburn has promoted many Security Officers in our region so far this year! A great big "Well done!" to everyone involved, on their well-deserved promotion.

To mention a few:

- ✓ **Kingsley Lessesa**, promoted to Security Manager in Kathu
- ✓ **Libya Monyela** from Special Operation Leader to Security Manager
- ✓ **Mike Mothupi** transferred to a more senior position at Tshipi Borwa Mine
- ✓ **Florrie Modise** from Receptionist to Easy Roster Clerk
- ✓ **Cynthia Rabela** from Grade C S/O to Admin Assistant in Kathu
- ✓ **E. Sindane** from Security Officer to HR Assistant
- ✓ **R. Maepa** from Security Officer to driver
- ✓ **Daisy Khoza** from Willow Acres Estate was appointed as Manager in Training

Daisy Khoza was an absolute gem at our Willow Acres contract and estate management & residents alike were sorry to see her go, but she has moved on to better prospects as our first Trainee Manager.



In 2014 we will continue to focus on identifying potential in our employees and developing that potential in order to provide more opportunities for growth within the company.

Success seems to be connected with action.
Successful people keep moving.
They make mistakes, but they don't quit.

As part of the focus on empowering our people, we have continued with staff development through various initiatives introduced:

- In *Kathu*, Thorburn MD Dolf Scheepers lectured a group of managers and senior security staff in **Leadership skills and Leadership roles in Quality Assurance**
- A group of *Pretoria and Jhb* based Thorburn employees attended a 5 day **Business Writing Skills Course**
- To encourage effective supervision and development of staff in the workplace, two

groups of senior supervisors & potential future leaders in Thorburn were subject to **Coaching and Mentoring** training presented by Callie Roos & Associates

- **English language** training is an on-going initiative
- A training course on the **Content of OHS & Mine Health and Safety Act** was presented to managers in the *Steelport* area as part of our obligation to improve safety and encourage ownership for safety amongst managers on all levels
- **Business Management Course** was presented to Managers & Senior Supervisors in *Steelport* by Unigrad in Nelspruit
- Outsourced **computer training** was provided to six employees from *Pretoria* & *Jhb*

Service Recognition Award from Palaborwa Copper

In April 2014 our customer Palaborwa Copper, awarded Thorburn (Northern Region) with a special "copper" trophy for service excellence portrayed over the past 3 years. Recognition was received for our ongoing on-site and management support efforts towards making the mine a safer workplace. It makes us proud!



Thorburn Innovation at Sishen Mine

As part of a collaborative effort to assist Kumba Iron Ore Sishen Mine, Thorburn came up with an innovative means to secure employees & assets. In addition to installing 100 cameras in strategic positions on the mine, we provided Kumba with the first of five new sophisticated "surveillance trailers". Completely mobile, these units can be deployed instantly to crime hot spot areas.



Special Operations

Thorburn Northern Region has a very successful Special Operations Team (Special Ops), which adds great value to our customers and operations. Special Ops are conducted with the primary goal being crime prevention blitzes or safety (including road safety) enforcement. These operations are carried out covertly initially, in order to take advantage of the element of surprise, are well planned and professionally executed. Our Special Ops unit performs these services with a team of highly trained personnel that are able to operate in all environments, are self-reliant and proactive. The team recently underwent Crowd Facilitation training in the Steelpoort area.



A second team has been deployed at Kathu in the Northern Cape.



Security personnel were also thanked by Thorburn Manager, Adam Molefe for the positive work they have done. There were zero short-postings throughout the festive season! Well done Sasol team, and thank you for your commitment to maintaining the standard and ensuring that the Shondoni Project is well-protected.

Groblershoop in the Northern Cape enjoys the Thorburn experience

In May 2014 Security Manager Moses Sehoma deployed with staff to an area called Bokpoort, 40 km from the small town of Groblershoop in the Northern Cape. We provide security services to a consortium building a solar energy plant there.

Currently the Thorburn Mobile Command Unit is also deployed at Bokpoort to provide assistance to our officers.



Thorburn Cares for the Community

“What counts in life is not the mere fact that we have lived. It is what difference we have made to the lives of others that will determine the significance of the life we lead.”

— **Nelson Mandela**

In April 2014 Thorburn Northern Region donated cross country running kit to a team from the Trichardtfontein Combined school on the outskirts of Trichardt in Mpumalanga. The donated kit, presented by a Thorburn team comprising of Regional Manager Reinardt Rall, Operations Manager Menno Mare, Training Officer, Khomotso Johannes Chashi and Managers from Sasol sites in the area, Benford Thobejane and Adam Molefe, was welcomed by the team coach, Patrick Marengwa.



OTHER NOTEWORTHY NEWS

Kicking off 2014 at Sasol

At Sasol Sekunda, Thorburn kicked off 2014 with a positive attitude when Benford Thobejane (Security Manager) arranged a braai to show appreciation for all the officers that worked day shift on New Years Day. The main motive behind the idea was to start the new year on a positive note by enhancing team spirit.



Kathu “Ice-breaker” Winter Warmer Project

As a company renowned for supporting local communities and reaching out a helping hand to communities in need during the harsh winter months, it was fitting that our first Thorburn “Ice Breaker” community project for the 2014 winter kicked off in Kathu in the Northern Cape. The first of its kind in the Northern Cape area, saw 120 blankets and food being donated to people in need, amongst them a large number of orphans at the **Tsholofelo Home Care Based Centre in the Mapoteng Township** in Kathu. Thorburn MD Dolf Scheepers and security managers Quinten Williams and Kingsley Lesessa handed over the blankets and food supplies to the staff at Tsholofelo. Various similar projects have been launched in Palabora, Venda, Badplaas, Steelpoort and Mamelodi near Pretoria.



Thorburn Supports the Dilokong Youth Development Empowerment Project

Thorburn operation in Steelpoort, and Eastern Chrome Mines (ECM) reached out to a group of children at the **Dilokong Youth Development and Empowerment Project (DYDEP)**. As part of the **Thorburn Ice Breaker** project, generous contributions of much needed blankets, thermal mugs and a supply of food (maize, rice, beans, samp, soya, soup etc.) were donated to the children & care-givers at the facility.



With the participation of ECM, a substantial amount of food and blankets were provided.



HR MATTERS



HR Manager, Ellence Monyela visits with Security Manager Obed Nonyana, after he was involved in a car accident.

Management also paid a hospital visit to the staff injured in a vehicle accident in Witbank and presented them with food and hygiene parcels to comfort them in hospital.



Thorburn Cares for our Biggest Asset (our employees)

This year again we placed emphasis on the wellbeing of our employees with the implementation of the 2014 **Thorburn Ice Breaker** winter warmer initiative by which we sought to improve conditions for our employees during the brutal winter. All personnel were provided with thermal underwear and gloves to brace against the icy cold.

Wellness Awareness Program

The Thorburn Wellness Awareness program aimed at promoting healthy living and lifestyles amongst employees, changed direction in the 1st quarter this year with the focus being on sexual harassment. The program aims to inform and educate our employees about the aspects which constitute sexual harassment and has been extended IN June 2014 to cover the Northern Cape as well.

World Aids Day Initiative

World Aids Day was commemorated with the distribution of water bottles to employees & food parcels to underprivileged communities. Below are members of the Tubatse security team who received their water bottles.



We embrace the Thorburn culture

This is our DNA, the essence of our company, what we stand for. It is a culture that we have developed over the years, which is embedded like DNA – something that we are proud of and that we live up to. Our employees are encouraged to embrace it and live it, as this is what differentiates us from our competitors.



EVERYDAY HEROES

"We give security a GOOD name!"

There are many, many success stories of which we are proud and would like to share a few with you to demonstrate the endeavours of our personnel towards combatting crime.

Prevention of diesel theft

The vigilance and initiative of these two Officers, when spotting suspicious behaviour in an area at TAU Mine repeatedly targeted by diesel thieves, resulted in an arrest of a suspect and a certificate of appreciation from the Kumba Mine Protection Services Manager at South Mine.

**Security Officers
Motlhaping & Peo
displaying their certificates**



Searching success at EHSV



**Officer Lindiwe
Violet Mtsweni**

During routine searching at Evraz Highveld Steel, Security Officer Mtsweni discovered an individual attempting to leave the premises in the possession of Mine property. The value of the items was not significant, however the vigilance of the Officer is paramount, as she prevented attempted theft of EHSV property.

Significant Copper Recoveries

The dedication and commitment of the security personnel and Special Ops team at Palaborwa has resulted in the **recovery of R1,142 million** over the past 15 months. This is a huge achievement and we are very proud of the Thorburn employees who had a part to play in this recovery.

Alert Officers Success at Nkomati Mine

The vigilance of Protection Officer Mduduzi Nkosi lead to the recovery of four brand new tyres which had been removed from site and thrown over the perimeter fence to be collected by a taxi. After observation and surveillance of the taxi, the driver was arrested, while the other 2 suspects escaped. The other suspects were later arrested.

Palabora Copper Theft Recovery

16 X bags containing scrap copper product were found thanks to the swift action by CCTV Operators Andy & Lessie, assisted by our Special Ops team.

The loot weighed a Whopping 885KG, with an **estimated value of R80,000.00**



Recovery of welding rods at Aveng

At Aveng Solar Plant near Kathu, Security Officer R. Diergaardt recovered a box of welding rods through proper searching of a contractors employees. Earlier this year S.O Diergaardt was also involved in the recovery of stolen solar panels.

Health and Safety Matters



Safety Initiative

Our new safety initiatives to empower and entrust our safety appointees have taken off. Thorburn staff at Tshipi Borwa Mine in the Northern Cape were the first to receive their new badges – the identification as a **Safety Representative** and **Bus Captain** respectively.



Thorburn staff, client employees and contractors can now easily identify the Thorburn safety representative with the distinctive blue badge displayed on the uniform. The “Bus Captain” is an internal Thorburn safety appointment focusing on our staff safety during transportation to and from work.



The Thorburn Safety Representative and Bus Captain at Tshipi Mine in the Northern Cape

Safety Improvements

We have progressed in leaps and bounds when it comes to health & safety, and are proud to report the following safety improvements:

- ✓ Thorburn became a member of the SA Institute of Occupational Safety & Health (SAIOSH)
- ✓ The controversial but dangerous fatigue concept is addressed with a Fatigue Management Policy and individual site specific plans
- ✓ The MD conducts an annual Safety Review highlighting safety risks and practices for Thorburn and fatigue monitors are deployed in certain areas
- ✓ Fatigue awareness includes a project where the correct diet is promoted as a measure to minimize fatigue. Participation in sports events add to encouraging a healthy and balance lifestyle
- ✓ Our uniform is designed with various safety features which include reflective tape in shirts, jackets & trousers. Safety boots are top of the range & reflective jackets also exceed industry standards
- ✓ In an attempt to broaden the Thorburn management’s knowledge of safety in the mining industry, managers attended a Mine, Health and Safety Act Conference
- ✓ A management safety pledge was launched in early January 2014
- ✓ Staff safety in transit is enhanced through our Bus Captain system thereby making security officers responsible for safety in transit
- ✓ Where we fall short on issue based risk assessments, base Line Risk Assessments are revised and updated annually
- ✓ Bus Captain and Safety Representatives are easily identifiable through the issuing and wearing of the distinctive appointment badges
- ✓ Vehicle tracking has recently been improved and unsafe driving practices addressed as they occur
- ✓ Regular safety awareness placards with different themes distributed and displayed
- ✓ Internal HIV Aids and Wellness presentations add to the safety of our staff
- ✓ Utilization of double cab LDV’s as safe on-site transport measures are encouraged amongst users of security



Safety Leadership at Thorburn

Three key areas for us as Leaders to adhere to in order to know that going forward, we are on the right track:

- What are the **critical safety controls** that we have in place and are they effective? Would those critical controls prevent a loss?
- There must be **moral obligation** from all regarding safety – is the MD's safety review as formulated enough to encourage the moral obligation? Do I have to do more to encourage the morale obligation? If I have to do more then tell me so and I change the approach.
- Do we as leaders **know the OHS Act**? Is it enough to have management sessions once per year to again be orientated on the act.

MARKETING /EVENTS

Race for Faith



For the second consecutive year Thorburn employees from Gauteng participated in the **Race for Faith** road race at Willow Acres & Silverlakes estates (Pretoria). Regional Manager Reinardt Rall arranged eager personnel to take part despite the bracing winter cold.



2014 Kosmos 3-in-1 road race

16 Thorburn team members participated in the annual Kosmos 3-in-1 Road Race in Secunda. The Thorburn team was made up of runners from Pretoria, Johannesburg and Secunda and comprised a merry mix of both Managers and Security Officers. The 3-in-1 race is organised by the Secunda Marathon Club and consists of three separate races: a 42.2 km standard marathon, a 21.1 km half-marathon and a 10 km run.



Soccer

Workers Day once again saw Thorburn soccer players participating in the **Jabu Jabu** tournament in Mamelodi in Pretoria. For the past 5 years Thorburn has entered teams in the competition.

Golf

Thorburn's hosting of the 2014 Community Golf Day at Tubatse Chrome Club was an opportunity for players to show their skills.

Thorburn also sponsored the Super Shongwe Memorial charity golf day at the Pretoria Club.



FINAL WORD

The provision of security services in South Africa has become much more complex in a country consistently portraying complexity, labour and community intolerance as well as political rivalry in various sectors, particularly in the run-up to the 2014 elections and the period immediately thereafter.

The private security industry in SA continues to be a fast growing industry, one in which the perception that crime is the growth path for the industry, is maintained. *How relevant is this, as there seems to be new building blocks representing growth being developed – such as safety?*

In the past two years the industry numbers have decreased, and registered active businesses have decreased by 3,6% to 9 031 in 2013, of which:

- **armed response businesses decreased by 7,48%**
- **assets in transit decreased by 12,17%**
- **active guarding businesses decreased by 12,17%**

The success of security services in SA is challenged with (inter alia) cultural diversity, language barriers, a shrinking labour pool, and the deterioration of leadership skills. Electronic security components will gradually replace certain manned guarding functions but probably not at the anticipated rate – at least not for as long as manpower solutions are erroneously thrown at all security problems as a short term fix .

If you would like to hear more about the technology opportunities available to bolster your manned guarding function, please let us know or visit our website www.thorburn.co.za