

## MESSAGE FROM THE CEO



I am delighted to welcome you to Afrimat's first staff newsletter. The purpose of this newsletter is to assist in our drive to continuously improve communication in our organization.

Afrimat is the realization of our dream to become a major national player in our industry. We are striving to be large enough to make an immense impact, but small enough to be very dynamic. We grew out of the

'KLIP IN DIE BOS' was published by Prima Klipbrekers since 2002. The name refers to stone, the base of all products of Afrimat, and the bush where the base product is produced. The expression "a stone in the bush" means making a comment, and waiting to see what response follows. The purpose of the newsletter is to facilitate communication in our company, and to contribute to the building of an Afrimat identity among our staff through better knowledge and understanding of the business.

Please feel free to contribute and to make suggestions. Contributions in any language may be forwarded to your Human Resource office.

merging of Lancaster Group, Prima Quarries, Malans Quarries, Denver Quarries, Scottburgh Quarries and now also Sunshine Crushers in Dundee. All of these are Companies with longstanding histories of success, in some cases dating back to the early 1960's.

### OUR VISION

*To be the most admired construction materials supply company in Southern Africa*

#### Our vision implies:

-  Efficient and well managed operations.
-  Responsible, honest and highly motivated staff.
-  Effective and reliable systems.
-  Delighted stakeholders.
-  Healthy finances.
-  Innovative initiatives, focused on our strengths.
-  A care for our people and our planet.

As we advance towards this vision, it must be within the boundaries of good discipline, founded in our values:

-  Trust and Integrity.
-  Respect.
-  Accountability.
-  Customer Satisfaction.
-  Teamwork.

Afrimat is our company. We are focussed on a great vision and what we do must always be deeply rooted in our values. A company is as good as its people. That is why each one of you, our employees, is so important as a member of this team. Each of us has the responsibility to contribute all of our strengths to make this team exceptional.

Although economic conditions are difficult in some areas, we are confident that Afrimat will continue to grow. We are excited about the prospects of having new operations in Lephalale, Randfontein and hopefully soon in Mpumalanga. We are also grateful for the blessings in our existing business. The Afrimat team is becoming a force to be reckoned with as a supplier of construction materials.

We are also responsible for ensuring that our investors obtain a good return on their investment in Afrimat. This is only achievable if everyone works together to maximise Afrimat's financial performance.

**ANDRIES VAN HEERDEN**



## ADDITIONAL PLANT FOR VRYHEID LPC

Vryheid has expanded by adding a new VB 4 brick making machine, which got into operation on 21 August 2008. The plant can produce up to 10 000 blocks per day, and at the same time the quality of the product is improved.

Thanks to Hennie Fourie and his erection team for a job well done!



The new VB 4 plant under construction

## PROUD PARENTS



Mr Sithole, a truck driver at Lancaster Pre Cast, Vryheid, with his wife and their son, Sibusiso Robert Sithole, who qualified as medical doctor at the University of KZN.

## NEW WORKSHOP AT VRYHEID

Afrimat and our customers and suppliers celebrated the inauguration of Afrimat's new workshop in Vryheid.



Piet de Wet (MD Lancaster Quarries) opened the new workshop and welcomed the customers and suppliers. Andries van Heerden (CEO Afrimat) used the opportunity to announce the acquisition of Glencoe Quarry in Dundee, and the contract to supply concrete for the erection of power lines between Vryheid and Ulundi.



Bell Equipment was represented by Les Lothian and Cliff Glen, standing here with Piet de Wet and Andries van Heerden at a brand new Bell B30D.

## LANCASTER MARRIAGE



John le Roux and Ansa Meiring, both of Lancaster group, got married at the Dutch Reformed church in Hartbeesfontein on 23 August.



Congratulations!



## STRATEGIC PROJECTS



This year has seen the formation of the Afrimat Strategic Projects division. The division is led by Johan Bisschoff, General Manager - Strategic Projects.

The team's mission is to provide in-house Safety, Health & Environment (SHE), engineering and projects capacity that will support Afrimat in achieving a superior and sustainable competitive position in the construction materials sector.

The Strategic Projects division consists of the following three departments:

**Safety, Health and Environment (SHE)**, headed by Monty Coleman - Group SHE Manager. Monty and his team's main purpose is to help Afrimat create and sustain a safe and healthy working environment.



This can only be achieved when people at all levels in the organisation are positive about their own and others' safety and health, and when the necessary processes and systems exist to help people to continuously improve on safety and health standards. Our most valuable asset is our people. We do not want anyone to be hurt or harmed at work. The same goes for our environment.



**Manufacturing and Construction**, headed by Christo Schloms - Manager Manufacturing and Construction. This team's purpose is to manufacture and construct the plants and associated equipment that we need to grow our business. Currently this involves mainly the manufacturing and construction of aggregate crushing plants. Our intention is to grow our in-house projects capacity to the extent that it will also include plant for ready-mix and concrete manufactured products (CMP). Christo has taken management control of Afrimat's manufacturing workshops in Worcester and at Airport Industria (Cape Town). He will be responsible for the consolidation and integration of the Group's manufacturing capabilities. Christo is also involved in the design of new plants and the decommissioning and relocation of existing plants.

**Quarry Supplies**, headed by Alexander Oehl - Quarry Supplies Manager. This team is focused on supplying high-value equipment and consumables at below-market prices to internal as well as external (non-Afrimat) crushing plant operations. Quarry Supplies is in contact with a number of overseas manufacturers and their import/export capabilities allow them to maintain a competitive advantage when compared to local suppliers. Current speciality ranges include crusher wear parts (manganese), conveyor belting, wire mesh screens and gearboxes to mention but a few. Should you be in need of any of these items, Alexander can be reached on 021 380-4828 or 082 577-7597, alex@afriam.co.za



**Strategic Projects is a proud division of Afrimat.**

## NOW IS THE TIME

A significant part of AFRIMAT is in the mining industry - an industry that is marred by a poor safety record. We frequently hear about accidents, often fatalities, on the news. We have also unfortunately recently suffered such a loss due to an accident at one of our operations. We have to ensure that AFRIMAT is a safe place to work.

Safety is all about now because tomorrow is often too late. What do you need to do today to keep yourself and your workmates safe?

**Think safety, work safely, and stay healthy!**

Even with the best system in place, safety is not something that other people can make happen. Each of us has to focus on removing risk from the daily activities if we want to avoid injuries.

### Things you will see at your site:

- Health and Safety as a key factor in decisions.
- A drive to use all the necessary personal protective equipment (PPE).
- Appointed Health and Safety Representatives where there are more than 20 employees.
- Appointed First Aider where there are more than 10 employees.
- A first aid box at sites with more than 5 employees.
- Safety as a topic in the monthly meeting with management.



## CHANGE

"The rate of change is not going to slow down anytime soon. If anything, competition in most industries will probably speed up even more in the next few decades." — John P. Kotter

"Your success in life isn't based on your ability to simply change. It is based on your ability to change faster than your competition, customers and business." — Mark Sanborn

## ABSENTEEISM

### THE CANCER OF THE ECONOMY

Absenteeism has been identified as one of the most severe causes of companies' poor performance in the Economy. Millions of Rands are lost daily due to absenteeism.

Losses are suffered due to reasons such as:

▲ **Paid Sick Leave** – Employees are paid a leave entitlement while not working. Employers therefore pay two employees for the output of one. The problem lies with abuse of sick leave, i.e. where employees are not really sick, yet claim to be. The extra cost of labour causes prices to increase, and eventually adds to inflation, meaning everyone must help pay for abusers of sick leave.

▲ **Productivity- and Quality Losses** – The work of absent employees is done by inexperienced alternative workers, and other experienced workers are interrupted in their work to guide new workers. Planned output is disrupted because key employees are not available to deliver their output. Supervisors and Managers are dragged into operations and away from the strategic work they should be doing.

When the business suffers, its employees suffer with it. All employees bear the burden of high absenteeism.

The company calls on all serious and responsible employees to help us to reduce absenteeism to the minimum. It will make life easier to all, and Afrimat stronger and more successful.

## PSALMS 127:1

Except the LORD build the house, they labour in vain that build it: except the LORD keep the city, the watchman waketh but in vain.

## DEBT COLLECTION IN A CASH-STRAPPED ENVIRONMENT



We are proud to introduce Megan van der Merwe, the Debtors Clerk of Lancaster Pre-Cast.

In spite of the present economical circumstances of SA, Megan has succeeded to decrease the percentage of the 30 day and older accounts to a third of what it used to be. Under her competent hands, the accounts that are to be handed over to the attorneys have decreased by 60%.

Megan has been a debtors clerk for the past 15 years, of which five with Lancaster Pre-Cast. During her time at Lancaster Pre-Cast debtor's book has grown by double figures in percentage.

Debtors Clerks experience a lot of stress in their daily routine. Their function is to contact debtors (people who owe the company money) and make arrangement for speedy payment. Debtors often react in frustration, and some even use harsh and crude language. Megan handles her stress by keeping her faith and belief in her Maker.

Megan's worst frustration in life, as well as in her work, is that people do not fulfil their promises.

Megan always wants to achieve success within her work and says that only with the grace of God she is still able to maintain her strive.

She has proven herself to be a loyal and dedicated employee.

## BE PREPARED

"The will to win is worthless if you do not have the will to prepare."

— Thane Yost

"The best preparation for tomorrow is to do today's work superbly well."

— Sir William Osler

"I thatched my roof when the sun was shining, and now I am not afraid of the storm."

— George F. Stivers



## SNAPSHOT: THE HISTORY OF LANCASTER GROUP



Since the 1950's the Ward family was involved in the transport business. Initially their focus was on the transport of passengers and cargo.

Their cargo included aggregates, and through this they came to the realization that there was a need in the market for quality aggregate products. They commissioned a geological study and found ample suitable reserves.



Lancaster Quarries was formed in 1965. The company began operations with one trailer and 7 workers. The previous Managing Directors of the Lancaster Quarries were Tony Gaskell, Desmond Ward and Gordon Ward. Piet De Wet (left) is the current MD.

The company found that there was a build-up of crusher-dust, which was a by-product out of the crushing of those aggregates that were in high demand. The decision was taken to start with brick-making to create an outlet for the tons of dust, and out of that initiative Lancaster Pre-Cast was born in the mid-1970's.



Lancaster Pre-Cast began operations with a tractor, a Dyno truck and 8 workers. The previous MD's were Ronnie Schudse and Piet Lourens. Piet was the person that brought the company to the formidable one it was at the time Lancaster Group was formed. Piet left a legacy that is still fondly remembered at LPC.

Dr. Jan van Heerden (above) is the current Managing Director of LPC.

In 2005 Andries van Heerden became CEO of Lancaster Group, prior to the formation of AFRIMAT.

## SPORTING ACHIEVEMENT HYLTON HALE

Hylton Hale, Divisional Manager Peninsula, has recently participated over 9 days in an international event: *the All Africa Hobie Cat Championships 2008* that took place at Dar es Salaam in Tanzania during September.

A total of 59 Hobie Cats from 13 nations from around Africa as well as some European teams from Holland, France and Germany participated in the competition. Hobie Cat South Africa was represented by 9 teams.

Hylton remembers the light sand beaches, palm trees, turquoise water and tropical sunshine, and the sweaty hot tropical heat.



Hylton and his team mate Roxanne Dodds (above) came second. Another South African team was first, and a team from Tanzania third.

Congratulations to Hylton with this great achievement.



## Franklin Visser

We wish Franklin, the HR Manager of Prima Klipbrekers, who will be leaving us at the end of October, all the best in his future career.

We are thankful for the contribution he made, and the impact he made on many.





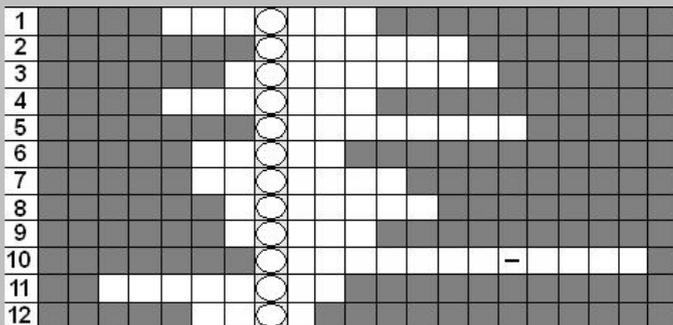
## JACK WELCH:

### 6 RULES FOR SUCCESSFUL LEADERSHIP

1. Control your destiny, or someone else will.
2. Face reality as it is, not as it was or as you wish it were.
3. Be candid with everyone.
4. Don't manage; lead.
5. Change before you have to.
6. If you don't have a competitive advantage, don't compete.

## PLAY OUR WORD-GAME

Employees are invited to find the mystery word hidden in the encircled cells below. Simply answer the 12 questions by filling your answer to the questions into the blank spaces of the word puzzle, and then read the mystery word in the encircled cells.



- 1 The first MD of Lancaster Quarries: Tony \_\_\_\_\_.
- 2 The previous MD of LPC: Piet \_\_\_\_\_.
- 3 The GM (Strategic Projects): Johan \_\_\_\_\_.
- 4 The second Value of Afrimat.
- 5 The first value of Afrimat (Trust and \_\_\_\_\_).
- 6 Afrimat's SHEQ Manager (\_\_\_\_\_ Coleman).
- 7 The CEO of Afrimat (\_\_\_\_\_ Van Heerden).
- 8 His Son qualified as medical Doctor (Mr \_\_\_\_\_).
- 9 Debtors Clerk of Lancaster Pre-Cast: \_\_\_\_\_ van der Merwe.
- 10 Joe Kalo was born here.
- 11 Afrimat's fifth value.
- 12 She Got Married to John Le Roux (Lancaster).

Please write your answer on a piece of paper, write your name, surname, and site, and send it to Editor, **KLIP IN DIE BOS** before 15 November 2008.

**RULES:** Employees may enter one entry each. Senior Management may not participate. Five winners will be drawn by the Editor, and they will each receive an Afrimat - cap.

If you are uncertain of an answer, ask around. Your Manager should have all the answers.

## ERNST & YOUNG ENTREPRENEUR AWARDS



In May 2008 Andries van Heerden was nominated to compete in the ERNST & YOUNG WORLD ENTREPRENEUR AWARDS— SA.

His nomination was followed by several interviews (including a radio – interview) and a documentary video has been taken at the office, and will be used on the gala-night of the awards ceremony.

An opportunity such as this nomination is not only an honour to the nominee, but also provides good exposure of the name of Afrimat in the marketplace.

During September 2008 we received news that Andries has advanced to finalist in the “*Emerging Entrepreneurs Category*”. The winners of all categories will be announced on 13 November.

We congratulate Andries in making it this far, and wish him best wishes for the finals.

## QUOTABLE QUOTES

I suppose Leadership at one time meant muscles, but today it means getting along with people.

Mahatma Gandhi

Management works in the system; Leadership works on the system.

Stephen R. Covey

"It is better to lead from behind and to put others in front, especially when you celebrate victory when nice things occur. You take the front line when there is danger. Then people will appreciate your leadership."

Nelson R. Mandela



## Provident Fund Your Money, Your Investment

With a Provident Fund, each employee the employer makes a contribution of a agreed percentage of his/her wage towards the fund. This money is transferred to the fund each month, which is administered by an accredited institute outside of the company – therefore the company does not control the fund.

A provident fund's purposes are:

- To provide for employees when they reach retirement age and can no longer work for a monthly income.
- To use some of the money to buy insured benefits to provide employees or their families with an income if they meet with death or disability before their retirement age.
- To use some of the money to buy funeral cover so employees can have cash to assist them to bury direct relatives when they die.

When you buy insured benefits, the money is SPENT, not INVESTED. In fact it is similar to short term insurance where you pay some money every month to ensure that, should you meet with the unfortunate conditions covered (example death or disability), the insurer will pay out specified benefits. The insurance premium is spent and no longer part of your investment. The ideal is always to keep a balance between invested money that grows in interest up to your retirement, and money spent on insured benefits that provide an income for you if you are one of the few that meet with death or disability before retirement.

At normal retirement age you receive all money contributed by yourself, plus the remaining part of Afrimat's contribution (after cost of insured benefits and administration was deducted. You also receive the interest earned. This money is paid out in full a single payment. Once paid out, there is no more money available. Therefore it is important that you plan the use of it.

## HANDS: NO SPARES IN STOCK

Hold out your hand and you will see before you the most wondrous machine. The joints and knuckles serve as pulleys and hinges which allow the wrist and hand to pivot, rotate and flex. The upper portion of each finger is protected by a nail and it is these fingernails which permit the handling of items as small as a pin or as smooth as a contact lens.

The hand is indeed a wonder to behold. It enables man to perform efficiently, effortlessly and quite often automatically.

But, like all machines, it is also subject to abuse, with resultant damage and failure. It must be protected against heat and cold, against strong chemicals and heavy and sharp materials. Furthermore, it should never be used as a substitute for a tool.

There is no need to stress the importance of hand protection. You can prove it to yourself by putting one hand behind your back. Now see how well you manage simple tasks such as tying your shoelaces.

# AIDS

## What is HIV?

HIV stands for human immunodeficiency virus. It is the virus that causes AIDS. HIV infects human cells and uses the energy and nutrients provided for those cells to grow and reproduce.

## What is AIDS?

AIDS stands for "acquired immunodeficiency syndrome". It is a disease in which the body's immune system breaks down and is unable to fight off infections. Other illnesses then take advantage of a weakened immune system.

## How is HIV transmitted?

A person who has HIV carries the virus in certain body fluids, including blood, secretions of reproductive organs, and breast milk. The virus can be transmitted only if such HIV-infected fluids enter the bloodstream of another person. Usually, HIV is transmitted through:

- Any form of unprotected sex with someone who has HIV.
- Sharing needles or injection-syringes with someone who is HIV infected.
- Infection during pregnancy, childbirth, or breast-feeding (mother-to-infant transfer).

## Symptoms of HIV/AIDS

When a person is infected with HIV they will display flu-like symptoms in the first few weeks and then get better. The onset of full-blown AIDS can take up to 10 years but there are a number of signs or symptoms:

- Loss of body weight;
- Runny tummy or diarrhoea for a month;
- A fever that lasts a few weeks;
- A cough that does not clear up;
- A skin rash that can be itchy
- Swollen glands in the neck and armpits;
- Sores in the mouth;
- Night sweats.

## Lies, Myths and Untruths about AIDS

You cannot get AIDS:

- by touching another person;
- by open mouth kissing or hugging or being close to an infected person;
- from toilet seats;
- by sharing glasses, cups or plates with anyone;
- from infected colleagues in the work-place by working with them, standing next to touching or talking to them;
- from mosquito bites or any other insect bites.

IT IS SAFE TO LIVE AND WORK WITH  
SOMEONE WHO HAS HIV/AIDS!



## SUCCESS STORIES

### KLIP IN DIE BOS

shares the success of our people



**JOE KALO**

Joe Kalo was born in Beaufort-West in 1958. His father, a reverend in the local community, died in 1970 when Joe was only 12 years old. Beaufort-West did not have a secondary school for black children at the time, and Joe had to commute to Transkei to receive schooling there.

In his Std 8 year, he was called home to look after his family, and Joe had to attend night school to further his secondary schooling.

After school he achieved a Diploma in Business Management at the Megabro Business School in Khayelitsha. He also attended several short courses in Management – some of which was presented by University of Western Cape and University of Cape Town.

His mother was disabled to work, and his family had it very hard without a breadwinner at home. They had to live off the scraps to survive. His mother always calmed them by assuring them that God provides, therefore they would survive. Joe feels that the good parenthood that he had, and the hard life as a child was instrumental in his forming, especially in his relationship with God.

In order to survive, Joe was involved in business from an early age, and he had two fruit stalls, he operated a money-lending business, developed a supermarket a bakery and a chicken franchise, which was successful. Unfortunately the supermarket was burnt down (he had no insurance), and the chicken franchise came to an end. He sold the bakery.

Joe saw the trucks of Olympic Sand, and made contact with the previous owner (Andre van Rooyen), and purchased a 25% share in that business. Olympic was bought by Malans, and Joe partnered with Malans. Today Joe is a Director of the subsidiaries of Afrimat.

#### JOE'S MESSAGE TO THE STAFF:

Remain motivated. Never allow a setback of an obstruction to get you under. Trust God, He will provide. Remain focussed. Nothing is impossible.

Joe emphasised the importance of the foundation that children develops on, set by parents. Our employees are the foundation for their children – remember that in everything you do.

## GARDEN FOR A SUCCESSFUL TEAM

Mario Denton

“Strong Message” People and Change Management Forum

### In my garden I would first plant five rows of peas:

- ◆ Preparedness
- ◆ Promptness
- ◆ Perseverance
- ◆ Politeness, and
- ◆ Prayer

### Next to them I would plant three rows of squash:

- ◆ Squash gossip
- ◆ Squash criticism and
- ◆ Squash indifference

### Then I would put in five rows of lettuce:

- ◆ Let us be faithful
- ◆ Let us be loyal
- ◆ Let us be truthful
- ◆ Let us be selfless
- ◆ Let us love one another

### No garden is complete without turnips:

- ◆ Turn up for meetings
- ◆ Turn up with a smile
- ◆ Turn up with a new idea
- ◆ Turn up with determination

**Here's to a beautiful garden!**

## IN MEMORIAM



**JOHANNES MHLABA CHAUKE**

11-05-1978 – 8-9-2008

Worked at the construction project at Lephalale (Ellisras).