

# **SOCIAL LABOUR PLAN**

**SOUTH32 HOTAZEL MANGANESE MINES**



*SLP4 Period (2023-2028)*

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## Glossary

Abbreviation	Meaning
AET	Adult Education and Training
ATR	Annual Training Report
BBBEE	Broad Based Black Economic Empowerment
BEE	Black Economic Empowerment
CPP	Career Progression Plan
DMRE	Department of Mineral Resources and Energy
DoL	Department of Labour
EE	Employment Equity
EEA	Employment Equity Act, 1998 (Act No. 55 of 1998)
ESD	Enterprise and Supplier Development
FF	Future Forum
FLC	Foundational Learning Competence
FY	Financial Year
GVA	Gross Value Add
HDP	Historically Disadvantaged Persons
HRD	Human Resources Development
HRDP	Human Resources Development Programme
HLC	Housing and Living Conditions Plan
IDP	Individual Development Plan
IDP	Integrated Development Plan
LED	Local Economic Development
MCIII	Mining Charter 2018
Mining Charter 2018	Broad-Based Black Socio-Economic Empowerment Charter for the South African Mining and Minerals Industry, 2018 (GN 1002 in GG 41934 of 27 September 2018)
MOU	Memorandum of Understanding
MPRDA	Minerals and Petroleum Resources Development Act, 2002 (Act Nno. 28 of, 2002) as amended
MQA	Mining Qualifications Authority
MWP	Mine Works Programme
NQF	National Qualifications Framework
PESD	Procurement, Enterprise and Supplier Development
PWD	Person with Disability
SDF	Skills Development Facilitator
SETA	Sector Education and Training Authority
SLP	Social and Labour Plan
SMME's	Small, Medium and Micro Enterprises
WSP	Workplace Skills Plan

# 1. Preamble (Regulation 46a)

## 1.1 Introduction

South32's South Africa Manganese operation can be found in the manganese rich Kalahari Basin, in the Northern Cape, which is home to 80 percent of the world's manganese ore body. This manganese business is made up of two manganese mines. The open-cut Mamatwan mine started operating more than half a century ago, with the underground Wessels mine following a few years later.

At South32, we believe that when done sustainably, the development of natural resources can change people's lives for the better. This is integral to our purpose – to make a difference by developing natural resources, thus improving people's lives now and for generations to come. We create value in the communities where we operate, and make a positive contribution to society more broadly by providing commodities that the world needs, providing jobs, developing local suppliers, investing in community programmes, and providing returns to shareholders.

### Our Values



#### CARE

We care about people, the communities we're a part of and the world we depend on.



#### TRUST

We deliver on our commitments and rely on each other to do the right thing.



#### TOGETHERNESS

We value difference and we openly listen and share, knowing that together we are better.



#### EXCELLENCE

We are courageous and challenge ourselves to be the best in what matters.

Figure 1: South32 Values



## 1.2 Location of the Mine

The South32 Manganese operations consists of the Wessels Mine, located on the R380 adjacent to Santoy, and the Mamatwan mine, located on the R380, approximately 60km north-west of Kuruman. Both mines fall within the Joe Morolong Local Municipality and the John Taolo Gaetsewe District Municipality, with adjacent local municipalities being Ga-Segonyana and Gamagara. Neighbouring towns include Hotazel, Mothibistad, and Kathu. The figure below is a locality map.

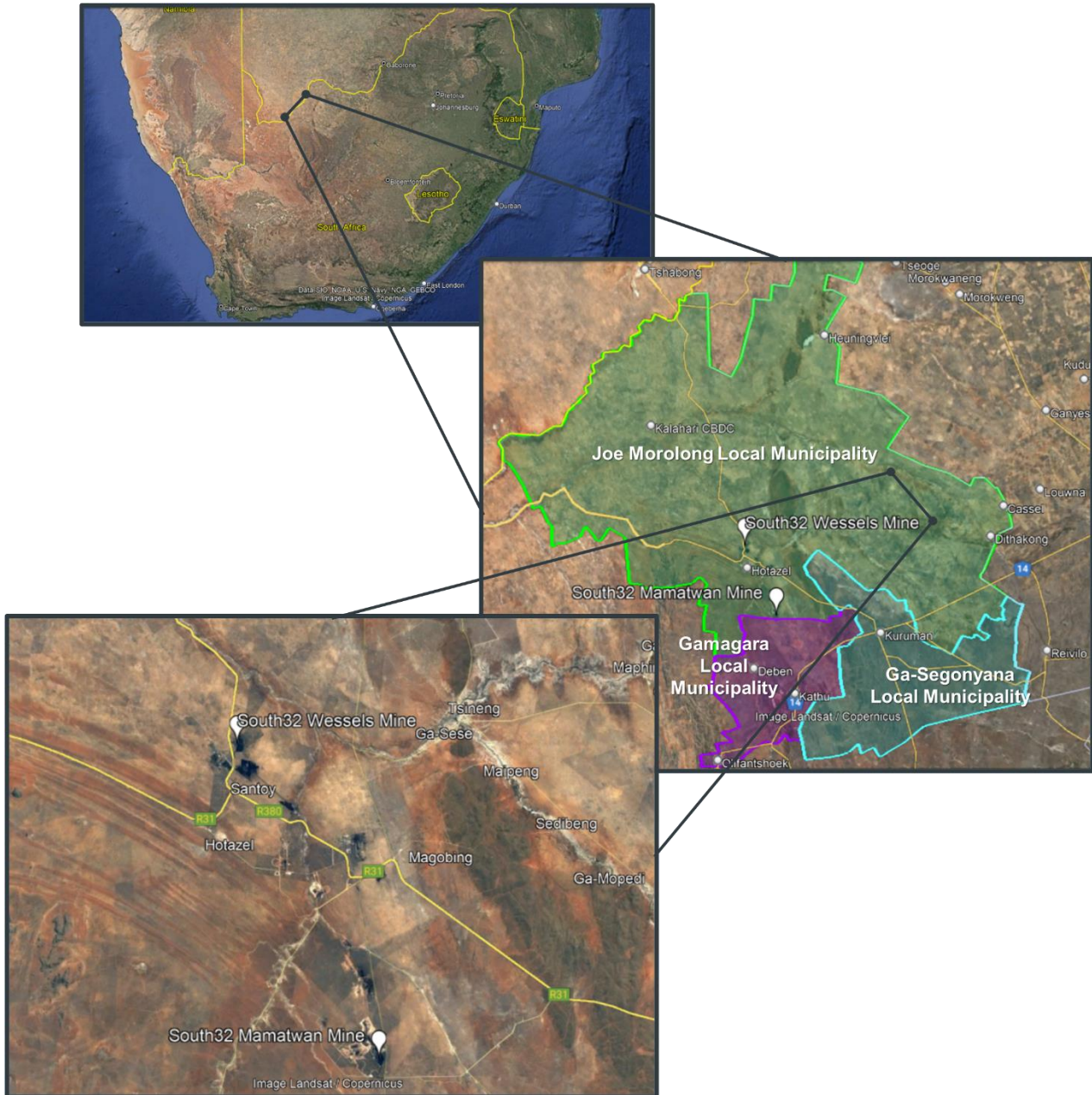


Figure 2: Locality Map



### 1.3 Objectives of this Social and Labour Plan

This Social and Labour Plan (SLP) is submitted in accordance with the terms and conditions of the mining right; Mineral and Petroleum Resources Development Act, 2002, (Act No. 28 of 2002) (MPRDA) as amended; Broad-Based Black Socio-Economic Empowerment Charter for the South African Mining and Minerals Industry, 2018 (GN 1002 in GG 41934 of 27 September 2018) (Mining Charter 2018) and implementation guidelines; Social and Labour Plan guidelines; the regulations as amended and all other related pieces of legislations.

The objectives, as stated in the Social and Labour Plan guidelines, are to:

- Promote economic growth and mineral and petroleum resources development in the Republic - Section 2 (e) of the MPRDA
- Promote employment and advance the social and economic welfare of all South Africans - Section 2 (f) of the MPRDA
- Ensure that holders of mining or production rights contribute towards the socio-economic development of the areas in which they operate as well as the areas from which the majority of the workforce is sourced - Section 2 (i) of the MPRDA, and the Broad-Based Socio-Economic Empowerment Charter for the South African Mining and Minerals Industry (the Mining Charter, 2018)
- Utilise and expand the existing skills base for the empowerment of Historically Disadvantaged Persons (HDPs) and to serve the community

South32 is committed to playing a critical role in bringing about positive changes through meaningful contribution to the social and economic development by:

- Boosting economic empowerment with broad-based equity ownership structures
- Advocating for equal representation in the workplace by upskilling historically disadvantaged workforces
- Creating opportunities for the growth of black enterprises
- Recruiting from within our local communities
- Improving housing and living conditions for our team members
- Increasing local engagement through sustainable community development
- Making sure our plans are aligned with our values and the South African Mining Charter

The 5 year cycle of the South32 SLP is as follows:

- Year 1: 1 July 2023 – 30 June 2024
- Year 2: 1 July 2024 – 30 June 2025
- Year 3: 1 July 2025 – 30 June 2026
- Year 4: 1 July 2026 – 30 June 2027
- Year 5: 1 July 2027 – 30 June 2028

## 1.4 Particulars Of the Operation

Table 1: Particulars of the Operation

<b>Name of Company:</b>	Hotazel Manganese Mines Proprietary Limited
<b>Mining Right:</b>	NC253 and NC252 MR
<b>Address of mining right holder Physical Address:</b>	1 Peperboom Avenue Hotazel, 8490, Northern Cape South Africa
<b>Postal Address:</b>	P O Box 61820 Marshalltown, 2107
<b>Telephone Number:</b>	(053) 742 2000
<b>Fax Number:</b>	(053) 742 2105
<b>Location of Mine:</b>	Hotazel Manganese Mines is in the JTG District Municipality in the Northern Cape Province, bordering the North-West Province. Hotazel is the main administration centre for the Wessels and Mamatwan Mines and is situated eighty (80) kilometres northwest of Kuruman, whereas Mamatwan is located sixty (60) kilometres northwest from Kuruman.
<b>Commodity:</b>	Manganese
<b>Life of Mine:</b>	Mamatwan Mine: 30 years Wessels Mine: 60 years
<b>Financial Year:</b>	30 June
<b>Reporting Period:</b>	July to June as per Financial Year
<b>Responsible Person:</b>	Barry Bezuidenhout VP: Manganese South Africa

## 1.5 Geographical Origin of Employees

Table 2: Geographic Origin of the South32 employees as at 30 June 2022

Province	No. of Permanent Employees	Percentage
Eastern Cape	1	0,09%
Free State	6	0,54%
Gauteng	38	3,41%
KwaZulu-Natal	5	0,45%
Limpopo	6	0,54%
Mpumalanga	10	0,90%
North-West	27	2,43%
Northern Cape	1016	91,28%
Western Cape	2	0,18%
Non-South Africans	2	0,18%
<b>Total</b>	<b>1113</b>	<b>100%</b>

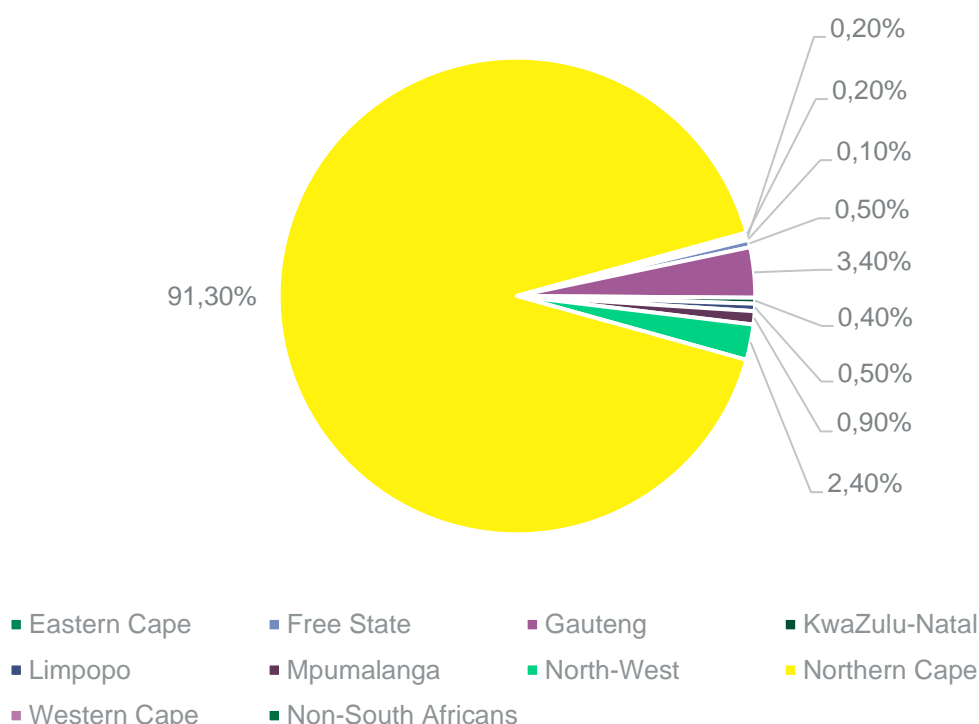


Figure 3: Geographic Origin of Permanent Employees

## 1.6 South32 Host Communities

In order to limit the negative impact of the mining operation on the area, the mine has a strong focus on the recruitment and development of previously disadvantaged and unemployed members of the affected communities. As such, South32's corporate strategy involves defining its host communities as those that fall within the John Taolo Gaetsewe District Municipality, inclusive of Joe Morolong, Gamagara, and Ga-Segonyana Local Municipalities.

This strategy is expressed through the following policies:

1. Preferential recruitment from within the JTG District where skills are available, and external recruitment only when no suitably qualified local candidates can be identified.
2. Investment into the skills development of the JTG District through the inclusion of a comprehensive community-focused Human Resources Development programme.
3. Broad-based stakeholder engagements have been conducted extensively across the JTG District.
4. The Local Economic Development programme has been designed in a manner to deliver broad-based benefit across all three local municipalities.
5. Preferential procurement, enterprise and supplier development opportunities will be made available within the JTG District.

Table 3: Host Communities Implementation Plan

<b>Undertaking:</b>	The mine is committed to the development and transformation of the affected communities within which it is operating. To achieve this, the mine has a strong focus on the recruitment and development of local community members, with an emphasis on the development of the previously unskilled and unemployed members of the affected communities.
<b>Summary:</b>	The mine's SLP development programmes have been aligned in such a manner that unskilled HDP's (especially from the local areas) have the opportunity to enter into sustainable and meaningful economic activity.

## 1.7 Employee Forecast for the 2023 – 2028 Period

The forecast for South 32's employees and core contractors for the SLP period is contained in the table below.

*Table 4: Employee Forecast for the 2023-2028 SLP period*

Current	2023/24	2024/25	2025/26	2026/27	2027/28
<b>Permanent Employees</b>	1,256	1,264	1,264	1,264	1,264
<b>Contractor Employees</b>	956	956	956	956	956
<b>Total</b>	2,212	2,220	2,220	2,220	2,220

## 2. Human Resources Development (Regulation 46b)

### 2.1 Overview

This section will outline the Mine's Human Resource Development (HRD) Programmes as required by Section 46 of the Regulations to the MPRDA. For proper implementation of the HRD Programme, South32 will utilise accredited providers, where necessary, for their training needs, to ensure the on-going facilitation of transferrable, accredited skills amongst employees.

The Human Resources Development (HRD) strategy for Hotazel Manganese Mine focuses on talent and performance management mechanisms, in conjunction with a competency-based career development programme and centrally managed graduate, bursary and Learnership programmes for permanent employees. Portable Skills, Literacy and Numeracy training are of further significance in the integrated HRD programme geared towards ensuring effective business operations as well as accredited and transferable skills training amongst the workforce. The figure below summarises South32's HRD approach:

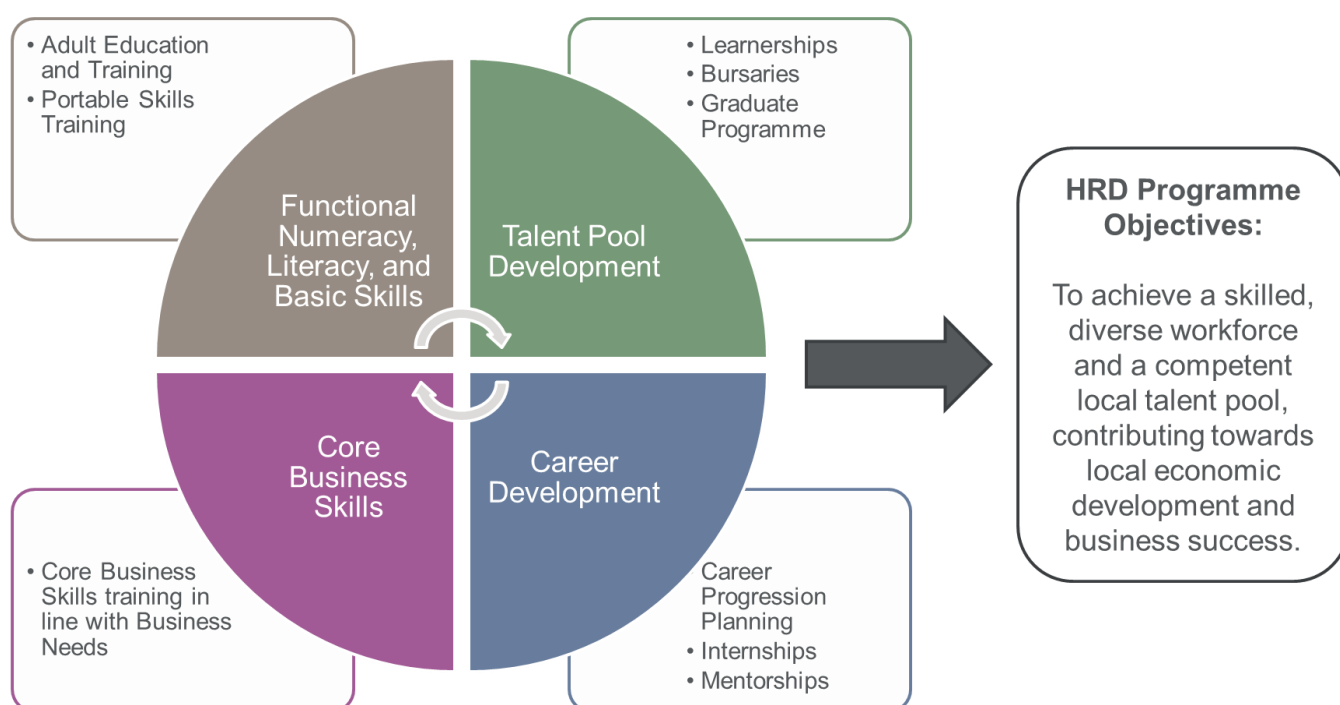


Figure 4: South32 HRD Approach

The integrated Human Resources Development program includes:

- Internal and external training to upskills employees to execute their duties and responsibilities
- Career Development process to provide for career planning and development of employees
- Talent management process to identify and develop talent pipelines and succession planning
- Supervisory and Leadership Development Programs to develop supervisory, management and leadership skills to ensure skills and competencies to execute responsibilities
- Internal and community learnerships and apprenticeships programs to provide employees and communities with opportunities to obtain occupational qualifications to enhance their quality of life
- Study Assistance provides financial assistance to employees to improve their educational qualifications, hence quality of life
- Adult Education Training provides opportunities for employees to improve their educational levels and obtain minimum requirements for further training opportunities



- Bursaries and scholarships provide opportunities for the community and employees children to obtain relevant mining related qualifications
- Graduates Program provides opportunities to develop qualified Graduates to obtain certificates of competence
- Stakeholder engagement forums to plan, implement and monitor skills development delivery

## 2.2 Compliance with Skills Development Legislation

South32 will comply with the requirements of the Skills Development Act (No 97 of 1998) and will submit Workplace Skills Plans (WSP) and annual training reports to the Mining Qualifications Authority (MQA) as per the requirements of Regulation 46 (b) (i). Table 5 shows the SETA registration details. The policy is also integrated with the paying and claiming of levies and grants with the MQA.

*Table 5: Compliance with Skills Development Legislation*

<b>Name of SETA.</b>	Mining Qualifications Authority (MQA)
<b>Registration number with the SETA</b>	L210780229
<b>Confirmation of having appointed a Skills Development Facilitator.</b>	Riccardo Popham
<b>Proof of submission of workplace skills plan and date of submission.</b>	April 2022

## 2.3 Skills Development Plan

South32 implements skills development programmes that focus on equipping employees with skills to enhance their progression at the mine and the mining industry in general, as well as their development in respect of other sectors of the economy.

The objectives for Skills Development at South32 are to:

- Improve the quality of life of employees;
- Expand employees' prospects for work enhancement at South32;
- Enhance safety, productivity and the competitiveness of the employee;
- Improve the levels of return on the investment in education and training;
- Encourage the use of the workplace as an active learning environment;
- Allow new employees to gain relevant work experience;
- Advance the employment prospects of employees through education and training; and
- Utilise the Workplace Skills Plan as a vehicle to align skills development with both business growth strategies and employment equity plans.

## 2.4 Functional Literacy and Numeracy (Form Q)

Table 6: Form Q: Functional Literacy and Numeracy of South32 employees as at 30 June 2022

Band	NQF Level	Education Classification System Interim	African		Coloured		Indian		White		Total	
			M	F	M	F	M	F	M	F	M	F
GET		No Schooling	1	0	0	0	0	0	0	0	1	0
		AET 1	5	0	0	0	0	0	0	0	5	0
		AET 2 / Std 3, Grade 5	10	1	0	0	0	0	0	0	10	1
		AET 3 / Std 5, Grade 7	15	0	1	0	0	0	0	0	16	0
	1	AET 4 / Std 7, Grade 9	14	1	2	0	0	0	1	0	17	1
FET	2	Std 8 / Grade 10, NATED 1 / NCV Level 1	54	3	4	0	0	0	1	1	59	4
FET	3	Std 9 / Grade 11, NATED 2 / NCV Level 2	60	8	1	0	0	0	1	1	62	9
FET	4	Std 10 / Grade 12, NATED 3 / NCV Level 3	340	88	73	5	1	1	50	3	464	97
HET	5	National/Higher Certificate	27	14	7	2	0	0	7	6	41	22
HET	6	National Certificate/Diploma/Advanced Certificate/NATED 4 - 6	38	20	7	4	0	0	19	5	64	29
HET	7	National Certificate/ Advanced Diploma/ B Tech Degree/ Bachelor's Degree	20	19	5	1	0	1	9	4	34	25
HET	8	Bachelor Honour's Degree/ Postgraduate Diploma/ Bachelor's Degree	23	17	3	1	3	1	9	6	38	25
HET	9	National Certificate/Master's Degree/Master's Diploma	5	4	1	0	0	0	1	0	7	4
HET	10	Doctoral Degrees and Post-Doctoral Degrees	0	0	0	0	0	0	0	0	0	0
Undefined		Undefined	1	0	0	0	0	0	0	0	1	0
<b>Total</b>			<b>613</b>	<b>175</b>	<b>104</b>	<b>13</b>	<b>4</b>	<b>3</b>	<b>98</b>	<b>26</b>	<b>819</b>	<b>217</b>
<b>Grand Total</b>											<b>1036</b>	

## 2.5 Adult Education and Training (AET)

AET is aimed at providing employees and community members an opportunity to become functionally literate and numerate through classes focused on Communication in English, and Numeracy. South32 will assist in improving the foundations for Skills Development by increasing literacy rates through participation in AET, by:

- Integrating AET initiatives as the entrance to further training;
- Including Organised Labour as ambassadors for AET participation;
- In-house recognition for achievements.

AET levels are equivalent to the following “Grades”:

- AET 1: Grade 3
- AET 2: Grade 5
- AET 3: Grade 7
- AET 4: Grade 9

South32 also offers an Adult Matric programme for employees who require it.

The design and input considerations for the AET programmes is as follows:

- Employees: Aligned to the baseline of the current literacy levels of employees as per Form Q
- Community members: Aligned to the socio-economic baseline view in terms of the current literacy levels

### 2.5.1 AET Targets – Direct Employees

AET targets and budgets for direct employees are shown in the tables below.

Table 7: AET Target: Direct employees

AET	2023/24	2024/25	2025/26	2026/27	2027/28	Total
AET 1	1	1	1	1	1	5
AET 2	2	2	2	2	2	10
AET 3	3	3	3	3	3	15
AET 4	3	3	3	3	3	15
Adult Matric	6	6	6	6	6	30
<b>Total</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>75</b>

Table 8: Financial Provision for AET: Direct employees

AET	2023/24	2024/25	2025/26	2026/27	2027/28	Total
AET 1	R9 450	R9 923	R10 395	R10 868	R11 340	R51 975
AET 2	R18 900	R19 845	R20 837	R21 879	R22 973	R104 434
AET 3	R34 000	R35 700	R37 485	R39 359	R41 363	R187 907
AET 4	R34 000	R35 700	R37 485	R39 359	R41 363	R187 907
Adult Matric	R56 700	R59 538	R62 370	R65 208	R68 040	R311 856
<b>Total</b>	<b>R153 050</b>	<b>R160 706</b>	<b>R168 572</b>	<b>R176 673</b>	<b>R185 079</b>	<b>R844 080</b>

## 2.5.2 AET Targets – Indirect Employees

AET targets and budgets for indirect employees are shown in the tables below.

Table 9: AET Target: Indirect employees

AET	2023/24	2024/25	2025/26	2026/27	2027/28	Total
AET 3	4	4	4	4	4	20
AET 4	4	4	4	4	4	20
<b>Total</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>40</b>

Table 10: Financial Provision for AET: Indirect employees

AET	2023/24	2024/25	2025/26	2026/27	2027/28	Total
AET 3	R45 000	R47 250	R49 613	R52 093	R54 698	R248 653
AET 4	R45 000	R47 250	R49 613	R52 093	R54 698	R248 653
<b>Total</b>	<b>R90 000</b>	<b>R94 500</b>	<b>R99 225</b>	<b>R104 186</b>	<b>R109 396</b>	<b>R497 307</b>

## 2.5.3 AET Targets – Community Members

AET targets and budgets for community members are shown in the tables below.

Table 11: AET Target: Community members

AET	2023/24	2024/25	2025/26	2026/27	2027/28	Total
AET 3	4	4	4	4	4	20
AET 4	4	4	4	4	4	20
<b>Total</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>40</b>

Table 12: Financial Provision for AET: Community members

AET	2023/24	2024/25	2025/26	2026/27	2027/28	Total
AET 3	R45 333	R47 600	R49 980	R52 479	R55 151	R250 543
AET 4	R45 333	R47 600	R49 980	R52 479	R55 151	R250 543
<b>Total</b>	<b>R90 667</b>	<b>R95 200</b>	<b>R99 960</b>	<b>R104 958</b>	<b>R110 302</b>	<b>R501 087</b>

## 2.5.4 AET Implementation Plan

Table 13: AET Implementation Plan

<b>Undertaking:</b>	<p>South32 undertakes to implement AET programmes as a mechanism to achieve the minimum entry requirements to relevant skills learnerships and apprenticeships through:</p> <ul style="list-style-type: none"> <li>• Providing AET 1-4 to qualifying employees and community members on both a part time and full-time basis;</li> <li>• Providing an Adult Matric programme;</li> <li>• Ensuring qualified Facilitators and service providers;</li> <li>• Providing competent learners with external, nationally recognised certificates; and</li> <li>• Drive AET benefits awareness in collaboration with labour union leadership.</li> </ul>				
<b>Accountable Position</b>	<b>Implementation Plan</b>				<b>Timeframe</b>
HRD Superintendent	Identification of suitably accredited local service providers, with the required AET facilitators, to implement the programme.				Ongoing

HRD Superintendent	Drafting of recruitment and onboarding policies for employee and community AET.	Ongoing
HRD Superintendent	The rollout of AET programmes for employees and communities.	Ongoing
Line Leaders	Releasing participants to attend AET related activities/training	Ongoing
Line Leaders	Identifying applicable IDPs for potential AET students	Ongoing

## 2.6 Hard to Fill Vacancies (Form R)

Table 14: Hard-to-fill Vacancies

Occupational Level	Position	Reason For Being Unable to Fill Vacancy	Action to Fill Vacancy
Senior management	General Manager Maintenance Manager	Ticketed Employees with extensive experience	Head Hunting Succession Planning
Professionally qualified and experienced specialist and mid management	Shaft Engineer HSE Superintendent Ventilation Superintendent Rock Engineer Engineers	Extensive Experience Remote location Limited Amenities	Head Hunting Succession Planning
Skilled technical and academically qualified workers, junior management, supervisors	All Artisans (Auto-Electrician, Diesel Mechanic and Millwright)	Extensive Experience Remote location Limited Amenities Sufficiently qualified for role Expensive	Succession Planning by means of internal development programs

## 2.7 Core Business Skills Programme

The purpose of core skills programme is to equip employees with the required skills and competencies to effectively and efficiently fulfil employment responsibilities. Core skills will continuously align to safety standards and all aspects and technical requirements of the operation.

As South32 continues to focus on innovation and improving the efficiency of our operations, our core skills programme for both direct and indirect employees will reflect the need for new and more specialised skills to serve the future of mining.



## 2.7.1 Core Business Skills – Direct Employees

Core business skills targets and budgets for direct employees are shown in the tables below.

Table 15: Core business skills Target: Direct employees

Programmes	2023/24		2024/25		2025/26		2026/27		2027/28		Total	
	Target	Financial Provision	Target	Financial Provision	Target	Financial Provision	Target	Financial Provision	Target	Financial Provision	Target	Financial Provision
Basic Rigging and Slings	60	R306 000	60	R336 600	60	R367 200	60	R397 800	60	R428 400	300	R1 836 000
COMSOC 1 and 2	15	R195 000	15	R202 800	15	R210 600	15	R218 400	15	R226 200	75	R1 053 000
SP: Health and Safety Rep	15	R34 800	15	R36 540	15	R38 280	15	R40 020	15	R41 760	75	R191 400
SP: Competent B UG/Surface	15	R23 200	15	R24 940	15	R26 680	15	R28 420	15	R30 160	75	R133 400
SP: Competent A UG/Surface	10	R11 590	10	R13 330	10	R15 070	10	R16 810	10	R18 550	50	R75 350
SP: Blasting Assistant	10	R34 800	10	R36 540	10	R38 280	10	R40 020	10	R41 760	50	R191 400
SP: Ore Reception	10	R11 590	10	R13 330	10	R15 070	10	R16 810	10	R18 550	50	R75 350
SP: Mobile Equipment	50	R306 000	50	R336 600	50	R367 200	50	R397 800	50	R428 400	250	R1 836 000
Operator Mobile Equipment	200	R1 224 000	200	R1 254 600	200	R1 285 200	200	R1 315 800	200	R1 346 400	1000	R6 426 000
Conveyor Belt attendant	10	R11 590	10	R13 330	10	R15 070	10	R16 810	10	R18 550	50	R75 350
First Aid 1-2	60	R102 000	60	R107 100	60	R112 200	60	R117 300	60	R122 400	300	R561 000
Legal Liability	30	R51 000	30	R53 550	30	R56 100	30	R58 650	30	R61 200	150	R280 500
Incident Investigation	10	R15 000	10	R15 750	10	R16 500	10	R17 250	10	R18 000	50	R82 500
ICAM	10	R65 000	10	R68 250	10	R71 663	10	R75 246	10	R79 008	50	R359 167
Working at Heights	30	R189 000	30	R198 450	30	R207 900	30	R217 350	30	R226 800	150	R1 039 500

Medium Voltage Systems	15	R225 000	15	R236 250	15	R247 500	15	R258 750	15	R270 000	75	R1 237 500
Bearing Failure Analysis	2	R15 000	2	R16 875	2	R18 750	2	R20 625	2	R22 500	10	R93 750
Maintenance Transformers	5	R37 500	5	R39 375	5	R41 250	5	R43 125	5	R45 000	25	R206 250
Working in Confined Space	5	R33 500	5	R35 175	5	R36 850	5	R38 525	5	R40 200	25	R184 250
Earthing and Lightning Protection	5	R33 500	5	R35 175	5	R36 850	5	R38 525	5	R40 200	25	R184 250
Brake System Training	10	R40 000	10	R42 000	10	R44 000	10	R46 000	10	R48 000	50	R220 000
Lubrication	5	R40 000	5	R42 000	5	R44 000	5	R46 000	5	R48 000	25	R220 000
Lean six sigma training	5	R85 000	5	R93 500	5	R102 000	5	R110 500	5	R119 000	25	R510 000
Assessor	5	R100 000	0		5	R100 750	0		5	R101 500	15	R302 250
Moderator	2	R40 000	0		2	R40 750	0		2	R41 500	6	R122 250
OEM Training: Operator/Artisan	6	R95 000	6	R103 500	6	R112 000	6	R120 500	6	R129 000	30	R560 000
Snake Handling	10	R31 000	0		10	R32 550	0		10	R34 100	30	R97 650
Onsetter and Winding Engine Driver Refresher	25	R30 000	25	R30 750	25	R31 500	25	R32 250	25	R33 000	125	R157 500
<b>TOTAL SLP PROVISION</b>	<b>635</b>	<b>R3 386 070</b>	<b>618</b>	<b>R3 386 310</b>	<b>635</b>	<b>R3 731 763</b>	<b>618</b>	<b>R3 729 286</b>	<b>635</b>	<b>R4 078 138</b>	<b>3141</b>	<b>R18 311 567</b>

## 2.7.2 Core business skills Targets – Indirect Employees

Core business skills targets and budgets for indirect employees are shown in the tables below.

Table 16: Core business skills Target: Indirect employees

Programmes	2023/24		2024/25		2025/26		2026/27		2027/28		Total	
	Target	Financial Provision	Target	Financial Provision	Target	Financial Provision	Target	Financial Provision	Target	Financial Provision	Target	Financial Provision
SP: Health and Safety Rep	10	R34 800	5	R36 540	10	R38 280	5	R40 020	10	R41 760	40	R191 400
SP: Competent B UG/Surface	5	R23 200	5	R24 940	5	R26 680	5	R28 420	5	R30 160	25	R133 400
SP: Competent A UG/Surface	5	R11 590	5	R13 330	5	R15 070	5	R16 810	5	R18 550	25	R75 350
SP: Blasting Assistant	10	R34 800	5	R36 540	5	R38 280	5	R40 020	5	R41 760	30	R191 400
SP: Ore Reception	6	R11 590	2	R13 330	2	R15 070	2	R16 810	2	R18 550	14	R75 350
SP: Mobile Equipment	20	R306 000	20	R336 600	20	R367 200	20	R397 800	20	R428 400	100	R1 836 000
Operator Mobile Equipment	130	R1 224 000	130	R1 254 600	130	R1 285 200	130	R1 315 800	130	R1 346 400	650	R6 426 000
Conveyor Belt attendant	10	R11 590	10	R13 330	10	R15 070	10	R16 810	10	R18 550	50	R75 350
First Aid 1-2	10	R17 000	10	R22 100	10	R27 200	10	R32 300	10	R37 400	50	R136 000
Legal Liability	10	R17 000	10	R19 550	10	R22 100	10	R24 650	10	R27 200	50	R110 500
Locomotive/ Shunter training	25	R60 000	25	R62 200	25	R64 400	25	R66 600	25	R68 800	125	R322 000
Incident Investigation	5	R7 500	5	R8 250	5	R9 000	5	R9 750	5	R10 500	25	R45 000
ICAM	2	R13 000	2	R13 650	2	R14 333	2	R15 049	2	R15 802	10	R71 833
Working at Heights	20	R63 000	20	R72 450	20	R81 900	20	R91 350	20	R100 800	100	R409 500
Basic Rigging and Slings	30	R306 000	30	R336 600	30	R367 200	30	R397 800	30	R428 400	150	R1 836 000
<b>TOTAL SLP PROVISION</b>	<b>298</b>	<b>R2 141 070</b>	<b>284</b>	<b>R2 264 010</b>	<b>289</b>	<b>R2 386 983</b>	<b>284</b>	<b>R2 509 989</b>	<b>289</b>	<b>R2 633 032</b>	<b>1444</b>	<b>R11 935 083</b>

### 2.7.3 Core Business Skills Implementation Plan

Table 17: AET Implementation Plan

<b>Undertaking:</b>	South32 undertakes to offer Core Business Skills to direct and indirect employees to enhance individual productivity and overall business efficiency.	
<b>Accountable Position</b>	<b>Implementation Plan</b>	<b>Timeframe</b>
HRD Superintendent	Continuously assess core skills training initiatives in order to identify gaps according to the evaluation against business needs, safety standards, developmental plans and operational requirements.	Ongoing
HRD Superintendent	To verify and record all qualifications of employees to ensure all employees certificate of competence is relevant and up-to-date.	Ongoing
HRD Superintendent	Employees to be assessed in terms of skills and competency gaps resulting in employee competency profile.	Ongoing
HRD Superintendent	Provide training and education in accordance with specified guidelines, skills gaps and in line with HDP in management targets	Ongoing

## 2.8 Learnerships

A Learnership is a registered and accredited learning programme that includes practical work experience, as well as theoretical studies, thereby integrating both workplace and institutional learning. The structured learning part of the learnerships will include the unit standard categories required to make up a qualification, i.e. fundamental learning, core learning and specialisation. Learnerships are also aimed at assisting candidates selected for career progression through the provision of the required skills and knowledge for further development.

South32 will use the Learnerships programme as a key driver of our talent pool strategy, meeting the future workforce needs of the Operation from within our workforce and host communities.

### 2.8.1 Learnership Targets – Direct Employees

Learnership targets and budgets for direct employees are shown in the tables below.

Table 18: Learnership Target: Direct employees

Programme	Duration	2023/24		2024/25		2025/26		2026/27		2027/28		Total	
		New	Cont	New	Cont	New	Cont	New	Cont	New	Cont	New	Cont
Mineral Processing	2 Years	3	0	3	3	3	3	3	3	3	3	15	12
Mining Related	2 Years	3	0	3	3	3	3	3	3	3	3	15	12
Engineering Related	2 Years	3	0	3	3	3	3	3	3	3	3	15	12
<b>Total</b>		<b>9</b>	<b>0</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>45</b>	<b>36</b>

Table 19: Financial Provision for Learnership: Direct employees

Programme	2023/24	2024/25	2025/26	2026/27	2027/28	Total
Mineral Processing	R 350 000	R 840 000	R 771 570	R 810 338	R 850 854	R 3 622 762
Mining Related	R 485 000	R 672 000	R 1 069 426	R 1 122 896	R 1 179 042	R 4 528 364
Engineering Related	R 350 000	R 735 000	R 771 570	R 810 338	R 850 854	R 3 517 762
<b>Total</b>	<b>R 1 185 000</b>	<b>R 2 247 000</b>	<b>R 2 612 566</b>	<b>R 2 743 572</b>	<b>R 2 880 750</b>	<b>R 11 668 888</b>

## 2.8.2 Learnership Targets – Community Members

Learnership targets and budgets for community members are shown in the tables below.

Table 20: Learnership Target: Community members

Programme	Duration	2023/24		2024/25		2025/26		2026/27		2027/28		Total	
		New	Cont	New	Cont	New	Cont	New	Cont	New	Cont	New	Cont
Mineral Processing	1-2 Years	20	0	10	20	10	10	10	10	10	10	60	50
Engineering Related	1-2 Years	16	0	8	16	8	8	8	8	8	8	48	40
Non-Mining/Engineering	1-2 Years	10	0	5	10	5	5	5	5	5	5	30	25
<b>Total</b>		<b>46</b>	<b>0</b>	<b>23</b>	<b>46</b>	<b>23</b>	<b>23</b>	<b>23</b>	<b>23</b>	<b>23</b>	<b>23</b>	<b>138</b>	<b>115</b>

Table 21: Financial Provision for Learnership: Community members

Programme	2023/24	2024/25	2025/26	2026/27	2027/28	Total
Mineral Processing	R400,000	R840,000	R441,000	R463,050	R486,203	R2,630,253
Engineering Related	R320,000	R672,000	R352,800	R370,440	R388,962	R2,104,202
Non-Mining/Engineering	R200,000	R420,000	R220,500	R231,525	R243,101	R1,315,126
<b>Total</b>	<b>R920,000</b>	<b>R1,932,000</b>	<b>R1,014,300</b>	<b>R1,065,015</b>	<b>R1,118,266</b>	<b>R6,049,581</b>

## 2.8.3 Learnerships Implementation Plan

Table 22: Learnerships Implementation Plan

<b>Undertaking:</b>	HMM undertakes to provide Learnership opportunities to both employees (18.1) as well as non-employees (18.2). Placement of learners, particularly 18.2's will be determined by the existence of employment opportunities at the time of their completion. The recruitment of Learners will be aligned to the employment ratio as per South32's recruitment and Employment Equity policy of 80:20 HDP's to non-HDP's.	
<b>Accountable Position</b>	<b>Implementation Plan</b>	<b>Timeframe</b>
HRD Superintendent	Provide the Learner with appropriate training in the working environment, including the allocation of a Mentor for coaching and career support throughout the training duration.	Ongoing
HRD Superintendent	Provide appropriate facilities to the Learners and provide adequate Learner supervision.	Ongoing
HRD Superintendent	Conduct on-the-job assessment of Learners and provide records of learning and training outcomes for reporting purposes and to identify candidates for recruitment, career progression and further training initiatives.	Ongoing
Line Leaders	Identify through IDPs suitable candidates for Learnerships	Ongoing
Line Leaders	Release employees to attend learnerships and backfill	Ongoing



## 2.9 Portable Skills

The aim of South32's Portable Skills programme is to equip employees and community members with alternative skills to utilise outside the mining environment. Continuous focus on portable skills will be necessary in order to prepare for situations where there is a possibility of retrenchment, downscaling and a possible closure of the mine.

South32 will determine the exact portable skills programmes to be delivered on an annual basis in line with employee and community interests, and the mining phase. South32 will also seek to create strategic linkages between the portable skills programme and Local Economic Development projects and Enterprise and Supplier Development opportunities. The aim will be to use skills created in-house to execute projects and programmes delivered by South32.

Potential portable skills programmes which may be included (final list to be determined during the annual budgeting cycle): Basic business skills; Agriculture; PC Training; Driver's Licensing; Security Training; Mobile Equipment skills; Emergency Services skills; Safety Training and Basic Hand tools; Basic Building skills.

### 2.9.1 Portable Skills – Direct Employees

Portable skills targets and budgets for direct employees are shown in the tables below.

Table 23: Portable skills Target: Direct employees

Programme	2023/24	2024/25	2025/26	2026/27	2027/28	Total
Portable Skills Courses	20	20	20	20	20	100
<b>Total</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>100</b>

Table 24: Financial Provision for Portable skills: Direct employees

Programme	2023/24	2024/25	2025/26	2026/27	2027/28	Total
Portable Skills Courses	R1 000 000	R1 050 000	R1 100 000	R1 150 000	R1 200 000	R5 500 000
<b>Total</b>	<b>R1 000 000</b>	<b>R1 050 000</b>	<b>R1 100 000</b>	<b>R1 150 000</b>	<b>R1 200 000</b>	<b>R5 500 000</b>

### 2.9.2 Portable Skills – Indirect Employees

Portable skills targets and budgets for indirect employees are shown in the tables below.

Table 25: Portable skills Target: Indirect employees

Programme	2023/24	2024/25	2025/26	2026/27	2027/28	Total
Portable Skills Courses	12	12	12	12	12	60
<b>Total</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>60</b>

Table 26: Financial Provision for Portable skills: indirect employees

Programme	2023/24	2024/25	2025/26	2026/27	2027/28	Total
Portable Skills Courses	R129 600	R102 900	R108 045	R113 447	R119 120	R573 112
<b>Total</b>	<b>R129 600</b>	<b>R102 900</b>	<b>R108 045</b>	<b>R113 447</b>	<b>R119 120</b>	<b>R573 112</b>

### 2.9.3 Portable Skills – Community Members

Portable skills targets and budgets for Community Members are shown in the tables below.

Table 27: Portable skills Target: Community Members

Programme	2023/24	2024/25	2025/26	2026/27	2027/28	Total
Portable Skills Courses	95	95	95	95	95	475
<b>Total</b>	<b>95</b>	<b>95</b>	<b>95</b>	<b>95</b>	<b>95</b>	<b>475</b>

Table 28: Financial Provision for Portable skills: Community Members

Programme	2023/24	2024/25	2025/26	2026/27	2027/28	Total
Portable Skills Courses	R2 436 000	R2 557 800	R2 685 690	R2 819 975	R2 960 973	R13 460 438
<b>Total</b>	<b>R2 436 000</b>	<b>R2 557 800</b>	<b>R2 685 690</b>	<b>R2 819 975</b>	<b>R2 960 973</b>	<b>R13 460 438</b>

## 2.9.4 Portable Skills Implementation Plan

Table 29: Portable Skills Implementation Plan

<b>Undertaking:</b>	South32 undertakes to provide portable skills opportunities to employees and community members, in line with the needs and interests of the employees, as well in consideration of socio-economic drivers within the host community.				
<b>Accountable Position</b>	<b>Implementation Plan</b>				<b>Timeframe</b>
HRD Superintendent	Determine suitable economic opportunities/sectors outside of mining, through consultation with relevant stakeholders and review of the municipality's Integrated Development Plan				Ongoing
HRD Superintendent	Evaluate and appoint suitable training Service Providers as required, providing programmes that are accredited as required.				Ongoing
Future Forum	Identify suitable portable skills to be provided; Communicate portable skills opportunities to affected employees.				Ongoing

## 2.10 Career Progression Plan

The Career Progression Plan aims to illustrate a career path for employees, indicating possible routes to move or change from one role or position to another within a discipline. This will be achieved through defining competencies, such as skills and experience required for various job categories. The path of Career Progression could also be applied during selection and recruitment, training and development and talent management, and includes the following:

- A formal review of the talent pool occurs every six (6) months as part of the South32 talent reviews;
- Succession planning for key roles, based on readiness and suitability;
- Individual Development Programmes (IDP's) are compiled for candidates and focused on the following:
  - Graduates
  - Bursary candidates
  - Learnerships
  - Mentees
  - Employees meeting performance criteria
  - Individuals identified for career progression

South32 will develop its Career Progression programmes to address skills gaps arising from the outcomes of an internal skills analysis.

## 2.10.1 Career Progression Targets

Table 30: Career Progression Plan Targets

Starting position	Targeted Position	2022	2023	2024	2025	2026	Total
		Target	Target	Target	Target	Target	Target
Blaster assistant	Miner	2	2	2	2	2	10
Maintenance assistant	Artisan	4	4	4	4	4	20
Artisan	Supervisor	2	2	2	2	2	10
Miner	Shift boss	1	1	1	2	2	7
Artisan	GCC	4	4	4	4	4	20
<b>Total</b>		<b>13</b>	<b>13</b>	<b>13</b>	<b>14</b>	<b>14</b>	<b>67</b>

## 2.10.2 Career Progression Implementation Plan

Table 31: Career Progression Implementation Plan

<b>Undertaking:</b>	HMM undertakes to implement a Career Progression plan which will act as a primary mechanism to empower its employees and meet the employment needs of the Company.	
<b>Accountable Position</b>	<b>Implementation Plan</b>	<b>Timeframe</b>
HRD Superintendent	Conduct regular individual assessments to enable feedback on performance and identify development needs.	Ongoing
HRD Superintendent	Create career paths and IDP's based on the individual assessments and the needs of the operation and business. Communicating these to employees to guide them as to career directions.	Ongoing
HRD Superintendent	Describe and communicate minimum requirements for employment positions in order to link it to training interventions.	Ongoing
HRD Superintendent	Create a talent pool for fast tracking HDP's and HDP females aligned to Hard-to-fill vacancies, labour plans and Employment Equity targets.	Ongoing
HRD Superintendent	Ensure that mentors are familiar with each employee's career aspirations and well informed about development opportunities.	Ongoing
Recruitment Specialist	Fill any vacant positions with individuals that are capable to be developed to higher roles	

## 2.11 Mentorships

Mentorship are described as a relationship and a process to share experience and strategic advice that leads to greater capacity and performance. It is a key process and tool in the support of people development, Employment Equity, HRD planning, and performance management.

Table 32: Mentorship Plan Targets

Mentorship Programme	2023/24	2024/25	2025/26	2026/27	2027/28	Total
Interns	29	29	29	29	29	145
Learners	9	15	15	15	15	69
Bursars	19	27	27	27	29	129
AET Employees	29	19	30	19	29	126
Individual Development Plans	25	25	25	25	25	125
<b>Total</b>	<b>111</b>	<b>115</b>	<b>126</b>	<b>115</b>	<b>127</b>	<b>594</b>

## 2.11.1 Mentorships Implementation Plan

<b>Undertaking:</b>	HMM undertakes to promote mentorship opportunities among its employees in the company's talent pool.	
<b>Accountable Position</b>	<b>Implementation Plan</b>	<b>Timeframe</b>
HRD Superintendent	Continue to implement the Mentorship programme each year according to the mentor/mentee agreements	Ongoing
HRD Superintendent	Schedule regular reviews and feedback sessions between mentors and mentees	Ongoing
HRD Superintendent	Annually review the current talent pool and assign mentors to new candidates	Ongoing
HRD Superintendent	Identify new potential mentors and arrange the necessary training for them to fulfil their responsibilities as a mentor	Ongoing
HRD Superintendent	Ensure that all mentees have IDP's in place	Ongoing

## 2.12 Internships

Internships provide work experience to students who need to have practical work experience as part of their studies to acquire their formal qualification, or to graduates needing work experience after the completion of their qualifications. On completion of their studies, the bursars participate in a two-year graduate programme through the Central Training Accountant (CTA) to obtain practical work experience.

### 2.12.1 Internship Targets – Direct Employees

Internship targets and budgets for direct employees are shown in the tables below.

Table 33: Internship Target: Direct employees

Programme	Duration	2023/24		2024/25		2025/26		2026/27		2027/28		Total	
		New	Cont	New	Cont	New	Cont	New	Cont	New	Cont	New	Cont
Mining Engineering	3 Years	15		2	15	4	17	11	6	6	15	38	53
Electrical Engineering	3 Years	1		1	1	1	2	1	2	1	2	5	5
Mechanical Engineering	3 Years	4		2	4	4	6	2	6	4	6	16	14
<b>Total</b>		<b>20</b>	<b>0</b>	<b>5</b>	<b>20</b>	<b>9</b>	<b>25</b>	<b>14</b>	<b>14</b>	<b>11</b>	<b>23</b>	<b>59</b>	<b>72</b>
<b>Total</b>		<b>20</b>		<b>25</b>		<b>34</b>		<b>28</b>		<b>34</b>		<b>131</b>	

Table 34: Financial Provision for Internships: Direct employees

Programme	2023/24	2024/25	2025/26	2026/27	2027/28	Total
Mining Engineering	R7 650 000	R12 112 500	R8 075 000	R8 117,500	R12 197 500	R48 152 500
Electrical Engineering	R900 000	R1 417 500	R950 000	R955 000	R1 440 000	R5 662 500
Mechanical Engineering	R2 700 000	R4 252 500	R2 850 000	R2 865 000	R4 320 000	R16 987 500

<b>Total</b>	<b>R11 250 000</b>	<b>R17 782 500</b>	<b>R11 875 000</b>	<b>R11 937 500</b>	<b>R17 957 500</b>	<b>R70 802 500</b>
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## 2.12.2 Internship Targets – Indirect Employees

Internship targets and budgets for indirect employees are shown in the tables below.

Table 35: Internship Target: indirect employees

Programme	Duration	2023/24		2024/25		2025/26		2026/27		2027/28		Total	
		New	Cont	New	Cont	New	Cont	New	Cont	New	Cont	New	Cont
Mining	2 Years	2	-	-	2	2	-	-	2	2	-	6	6
Engineering	2 Years	2	-	-	2	2	-	-	2	2	-	6	6
<b>Total</b>		<b>4</b>	<b>-</b>	<b>-</b>	<b>4</b>	<b>4</b>	<b>-</b>	<b>-</b>	<b>4</b>	<b>4</b>	<b>-</b>	<b>12</b>	<b>12</b>

Table 36: Financial Provision for Internship: Indirect employees

Programme	2023/24	2024/25	2025/26	2026/27	2027/28	Total
Mining	R900 000	R945 000	R950 000	R955 000	R960 000	R4 710 000
Engineering	R900 000	R945 000	R950 000	R955 000	R960 000	R4 710 000
<b>Total</b>	<b>R1 800 000</b>	<b>R1 890 000</b>	<b>R1 900 000</b>	<b>R1 910 000</b>	<b>R1 920 000</b>	<b>R9 420 000</b>

## 2.12.3 Vacation Work

As an additional component of South32's internship programme, provision is made for experiential vacation work for students and graduates.

Table 37: Vacation Work Targets

Programme	Duration	2023/24	2024/25	2025/26	2026/27	2027/28	Total
Mining related	2 months - 1 year	10	10	10	10	10	50
Non-mining related	2 months - 1 year	10	10	10	10	10	50
Engineering	2 months - 1 year	10	10	10	10	10	50
<b>Total</b>		<b>30</b>	<b>30</b>	<b>30</b>	<b>30</b>	<b>30</b>	<b>150</b>

Table 38: Vacation Work: Financial Provision

Programmes	2023/24	2024/25	2025/26	2026/27	2027/28	Total
Mining related	R1 440 000	R1 440 000	R1 440 000	R1 440 000	R1 440 000	R7 200 000
Non-mining related	R1 440 000	R1 440 000	R1 440 000	R1 440 000	R1 440 000	R7 200 000
Engineering	R1 440 000	R1 440 000	R1 440 000	R1 440 000	R1 440 000	R7 200 000
<b>Total</b>	<b>R4 320 000</b>	<b>R4 320 000</b>	<b>R4 320 000</b>	<b>R4 320 000</b>	<b>R4 320 000</b>	<b>R21 600 000</b>

## 2.12.4 Internship Implementation Plan

Table 39: Internship Implementation Plan

<b>Undertaking:</b>	South32 undertakes to provide internal (18.1) and external (18.2) internship opportunities and a Vacation Work programme in line with business needs and future employment requirements of the operation.
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Accountable Position	Implementation Plan	Timeframe
HRD Superintendent	Determine business needs in terms of internship requirements for the future.	Ongoing
HRD Superintendent	Develop and implement an awareness Programme with employees and local communities for internship opportunities at South32.	Ongoing
HRD Superintendent	Identify the need to develop qualified individuals from the local host community in other sectors of the economy.	Ongoing
HRD Superintendent	Practical experience students are monitored, and evaluations are done quarterly to track progress	Ongoing

## 2.13 Bursaries

South32 is aware of the need not only to assist its own employees with development opportunities, but also those members of the local community to access tertiary education (bursaries). The bursary and plan assists to develop individuals, thus supplying the operation with its required skills. The target is to maintain a bursary portfolio with a 70:30 bias towards HDP's. This percentage may vary based on the quality of the pool available.

The Bursaries offered at South32 are as follows:

- Full Study Bursaries: Bursaries are available to students for full time studies at South African Universities or Universities of Technology in mining related disciplines.
- Study Assistance: Financial Study Assistance (study loan) is also available to employees to encourage the workforce to obtain better qualifications in fields of study that would benefit the operation.

### 2.13.1 Bursary Targets – Direct Employees

Bursary targets and budgets for direct employees are shown in the tables below.

Table 40: Bursary Target: Direct employees

Programme	Duration	2023/24		2024/25		2025/26		2026/27		2027/28		Total	
		New	Cont	New	Cont	New	Cont	New	Cont	New	Cont	New	Cont
N-Courses	3 Years	4	0	4	4	4	8	4	4	4	8	20	24
Non-Mining Related Services	3 Years	4	0	4	4	4	8	4	4	3	8	19	24
Diplomas / Certificates	1 – 3 Years	4	0	4	4	4	8	4	4	3	8	19	24
Bachelor Degrees/Advanced Diplomas	1 – 4 Years	3	0	3	3	3	6	3	3	1	6	13	18
Postgraduate Degrees (Honours)/ Professional Qualifications	1 – 4 Years	3	0	1	3	1	4	1	1	1	5	7	13
Masters Degrees	1 – 2 Years	1	0	1	1	1	1	1	1	3	1	7	4
<b>Total</b>		<b>19</b>	<b>0</b>	<b>17</b>	<b>19</b>	<b>17</b>	<b>35</b>	<b>17</b>	<b>17</b>	<b>15</b>	<b>36</b>	<b>85</b>	<b>107</b>

Table 41: Financial Provision for Bursaries: Direct employees

Programme	2023/24	2024/25	2025/26	2026/27	2027/28	Total
N-Courses	R160 000	R344 000	R552 000	R392 000	R636 000	R2 084 000
Non-Mining Related Services	R200 000	R430 000	R690 000	R490 000	R780 000	R2 590 000
Diplomas / Certificates	R200 000	R430 000	R690 000	R490 000	R780 000	R2 590 000
Bachelor Degrees/ Advanced Diplomas	R180 000	R390 000	R630 000	R450 000	R702 000	R2 352 000
Postgraduate Degrees (Honours)/ Professional Qualifications	R180 000	R378 000	R594 000	R414 000	R648 000	R2 214 000
Masters Degrees	R60 000	R126 000	R198 000	R138 000	R234 000	R756 000
<b>Total</b>	<b>R980 000</b>	<b>R2 098 000</b>	<b>R3 354 000</b>	<b>R2 374 000</b>	<b>R3 780 000</b>	<b>R12 586 000</b>

## 2.13.2 Bursary Targets – Community Members

Bursary targets and budgets for community members are shown in the tables below.

Table 42: Bursary Target: Community members

Programme	Duration	2023/24		2024/25		2025/26		2026/27		2027/28		Total	
		New	Cont	New	Cont	New	Cont	New	Cont	New	Cont	New	Cont
N-Courses	3 Years	8	0	8	8	8	16	8	8	4	16	36	48
Non-Mining Related Services	3 Years	6	0	6	6	6	12	6	6	3	12	27	36
Diplomas/ Certificates	1 – 3 Years	10	0	10	10	10	20	10	10	5	10	45	50
Bachelor Degrees/ Advanced Diplomas	1 – 4 Years	6	0	6	6	6	12	6	6	3	63	27	30
Postgraduate Degrees (Honours)/ Professional Qualifications	1 – 4 Years	4	0	4	4	4	8	4	4	-	4	16	20
Masters Degrees	1 – 2 Years	3	0	3	3	3	3	3	3	-	3	12	12
<b>Total</b>		<b>37</b>	<b>0</b>	<b>37</b>	<b>37</b>	<b>37</b>	<b>71</b>	<b>37</b>	<b>37</b>	<b>15</b>	<b>51</b>	<b>163</b>	<b>196</b>

Table 43: Financial Provision for Bursaries: Community members

Programme	2023/24	2024/25	2025/26	2026/27	2027/28	Total
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N-Courses	R1 440 000	R2 952 000	R4 536 000	R3 096 000	R4 716 000	R16740 000
Non-Mining Related Services	R1 080 000	R2 214 000	R3 402 000	R2 322 000	R3 537 000	R12555 000
Diplomas / Certificates	R1 800 000	R3 690 000	R5 670 000	R3 870 000	R5 895 000	R20925 000
Bachelor Degrees/ Advanced Diplomas	R1 080 000	R2 214 000	R3 4020 000	R2 322 000	R3 537 000	R43173 000
Postgraduate Degrees (Honours)/ Professional Qualifications	R720 000	R1 476 000	R2 268 000	R1 548 000	R2 322 000	R8334 000
Masters Degrees	R540 000	R1 110 000	R1 7100 000	R1 170 000	R1 755 000	R21675 000
<b>Total</b>	<b>R6 660 000</b>	<b>R13 656 000</b>	<b>R6 6996 000</b>	<b>R14 328 000</b>	<b>R2 1762 000</b>	<b>R123 402 000</b>

### 2.13.3 Bursary Implementation Plan

Table 44: Bursary Implementation Plan

<b>Undertaking:</b>	South32 undertakes to provide internal (18.1) and external (18.2) bursary opportunities in line with business needs and future employment requirements of the operation.	
<b>Accountable Position</b>	<b>Implementation Plan</b>	<b>Timeframe</b>
HRD Superintendent	Determine business needs in terms of bursary requirements for the future.	Ongoing
HRD Superintendent	Inform the business of Industry trends and align with the SETA Sector Skills Plan	Ongoing
HRD Superintendent	Develop and implement an awareness programme with employees and local communities for bursary opportunities.	Ongoing
HRD Superintendent	Annual assessment and revision of the implementation	Ongoing
Line Leaders	Identify potential candidates through the Individual Development Plan (IDP) process.	Ongoing

### 2.13.4 Community School and Youth Support Program

The aim of the Community School and Youth Support Program is to promote and encourage young people, including competency-building skills, social skills, life skills, academic improvement, motivation, community involvement, etc. South 32 will provide opportunities in the following fields;

1. Maths and Science Learner Incubation
2. Robotics in Secondary School.
3. Youth Skills Development Program
4. Maths and Science in Primary Schools

Table 45: Financial Provision for Community School and Youth Support Program

Programme	2023/24	2024/25	2025/26	2026/27	2027/28	Total
Community School and Youth Support Program	R9,340,000	R9,340,000	R9,340,000	R9,340,000	R9,340,000	R46,700,000
<b>Total</b>	R9,340,000	R9,340,000	R9,340,000	R9,340,000	R9,340,000	R46,700,000

## 2.13.5 Community School and Youth Support Program Implementation Plan

Table 46: Community School and Youth Support Program Implementation Plan

<b>Undertaking:</b>	South32 undertakes to provide Community School and Youth Support Program opportunities to employees and community members, in line with the needs and interests of the employees, as well in consideration of socio-economic drivers within the host community.	
<b>Accountable Position</b>	<b>Implementation Plan</b>	<b>Timeframe</b>
HRD Superintendent	Determine suitable economic opportunities/sectors outside of mining, through consultation with relevant stakeholders and review of the municipality's Integrated Development Plan	Ongoing
HRD Superintendent	Evaluate and appoint suitable training Service Providers as required, providing programmes that are accredited as required.	Ongoing
Future Forum	Identify suitable Youth Support Program to be provided; Communicate Youth Support Program opportunities to affected employees.	Ongoing

## 2.14 Human Resources Development Programmes Summary

Table 47: Human Resources Development Programmes – Targets

Programmes	2023/24	2024/25	2025/26	2026/27	2027/28	Total
	Target	Target	Target	Target	Target	Target
AET - Direct Employees	29	19	30	19	29	126
AET - Indirect Employees	8	8	8	8	8	40
AET - Community	8	8	8	8	8	40
Core Business Skills - Direct Employees	635	618	635	618	635	3141
Core Business Skills - Indirect Employees	298	284	289	284	289	1444
Bursaries - Direct Employees	19	36	52	34	51	192
Bursaries - Community	37	74	108	74	66	359
Vacation work	30	30	30	30	30	150
Learnerships - Direct Employees	9	18	18	18	18	81
Learnerships - Community	46	69	46	46	46	253
Internship - Direct Employees	20	25	34	28	34	141
Internship - Indirect Employees	4	4	4	4	4	20
Portable Skills - Direct Employees	20	20	20	20	20	100
Portable Skills - Indirect Employees	12	12	12	12	12	60
Portable Skills - Community	95	95	95	95	95	475
Mentorships	111	115	126	115	127	594
Career Progression Plan	13	13	13	14	14	67
<b>TOTAL SLP PROVISION</b>	<b>1394</b>	<b>1448</b>	<b>1528</b>	<b>1427</b>	<b>1486</b>	<b>7283</b>

Table 48: Human Resources Development Programmes – Financial Contribution

Programmes	2023/24	2024/25	2025/26	2026/27	2027/28	Total
AET - Direct Employees	R336,350	R227,168	R358,202	R243,465	R381,039	R1,546,224
AET - Indirect Employees	R90,000	R94,500	R99,225	R104,186	R109,396	R497,307
AET - Community	R90,667	R95,200	R99,960	R104,958	R110,302	R501,087
Core Business Skills - Direct Employees	R3,386,070	R3,386,310	R3,731,763	R3,729,286	R4,078,138	R18,311,567
Core Business Skills - Indirect Employees	R2,141,070	R2,264,010	R2,386,983	R2,509,989	R2,633,032	R11,935,083
Bursaries - Direct Employees	R980,000	R2,098,000	R3,354,000	R2,374,000	R3,780,000	R12,586,000
Bursaries - Community	R6,600,000	R13,656,000	R14,475,000	R15,343,000	R21,762,000	R71,836,000
Vacation work	R4,320,000	R4,320,000	R4,320,000	R4,320,000	R4,320,000	R21,600,000
Learnerships - Direct Employees	R1,185,000	R2,247,000	R2,612,566	R2,743,572	R2,880,750	R11,668,888
Learnerships - Community	R920,000	R1,932,000	R1,014,300	R1,065,015	R1,118,266	R6,049,581
Internship - Direct Employees	R11,250,000	R17,782,500	R11,875,000	R11,937,500	R17,957,500	R70,802,500
Internship - Indirect Employees	R1,800,000	R1,890,000	R1,900,000	R1,910,000	R1,920,000	R9,420,000
Portable Skills - Direct Employees	R1,000,000	R1,050,000	R1,100,000	R1,150,000	R1,200,000	R5,500,000
Portable Skills - Indirect Employees	R129,600	R102,900	R108,045	R113,447	R119,120	R573,112
Portable Skills - Community	R2,436,000	R2,557,800	R2,685,690	R2,819,975	R2,960,973	R13,460,438
Community School and Youth Support Program	R9,340,000	R9,340,000	R9,340,000	R9,340,000	R9,340,000	R46,700,000
<b>TOTAL SLP PROVISION</b>	<b>R46,005,057</b>	<b>R63,043,388</b>	<b>R59,460,734</b>	<b>R59,808,393</b>	<b>R74,670,556</b>	<b>R302,988,128</b>

## 3. Employment Equity

### 3.1 Introduction

South32 fully subscribes to the principles of the Mining Charter and strives to comply with the requirements as set out by the DMRE. The Company believes that Employment Equity is an integral part of building an effective and representative workforce to ensure equality among its employees. Particular effort will be directed to identify those HDPs with talent and to then provide accelerated training and development initiatives to assist their progression.

HMM currently reports to the Department of Labour (DoL) in respect of its Employment Equity progress and will continue to do so annually. The Employment Equity Plan for HMM will continue to be drafted in accordance with the requirements of the Employment Equity Act and will be published and submitted to the DoL on an annual basis. The objective of this Plan is to ensure the maintenance of equity throughout its operation and to develop strategies to promote affirmative action amongst designated groups.



## 3.2 Form S: Breakdown of workforce (Permanent Employees)

Table 49: Form S: Breakdown of workforce as at end June 2022

Level	Males				Females				Foreigners		Stats	TOTAL	% HDP Actual
	A	C	I	W	A	C	I	W	Male	Female	Total HDP		
Senior Management	6	0	1	5	3	1	2	0	1	0	60%	19	68%
Professionals, Specialists & Mid-Management	34	11	3	18	26	1	2	6	3	0	60%	104	74%
Skilled Workers, Supervisors & Junior Management	207	82	4	73	88	9	0	16	3	0	70%	482	81%
Semi-skilled & Discretionary Decision Making	389	19	0	0	84	4	0	0	0	0	70%	496	100%

### 3.3 Employment Equity Targets

The targets committed to are in line with the requirements of the Mining Charter, aimed at achieving a minimum threshold of Historically Disadvantaged Persons that reflects the provincial or national demographics

Table 50: Five (5) year targets for HDP and Female representation

Equity Level	MC Target	2023/24	2024/25	2025/26	2026/27	2027/28
<b>SENIOR MANAGEMENT</b>						
HDPs	60%	60%	60%	60%	60%	60%
HD (F)	25%	25%	25%	25%	25%	25%
<b>MIDDLE MANAGEMENT</b>						
HDPs	70%	70%	70%	70%	70%	70%
HD(F)	30%	30%	30%	30%	30%	30%
<b>JUNIOR MANAGEMENT</b>						
HDPs	70%	70%	70%	70%	70%	70%
HD (F)	30%	30%	30%	30%	30%	30%
<b>EMPLOYEES WITH DISABILITIES</b>						
HDPs	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
<b>CORE AND CRITICAL SKILLS</b>						
HDPs	60%	60%	60%	60%	60%	60%

The following is relevant to the participation of HDPs:

- HMM will continue to strive towards ensuring that targets as prescribed in the prevailing Mining Charter at the time, in each level of management is composed of HDPs. In order to achieve this South32 will adhere to the following:
  - Recruit, train and retain people from designated groups.
  - Selecting, training and empowering candidates at lower levels from within the organisation to progress, where possible, into position that may arise.
  - Recruiting candidates from outside of the Company, only as a last resort, after every effort has been made to implement above step without success.
  - Effective management of diverse employees;
  - Create an environment that will accommodate all people from designated groups;

Table 51: EE Implementation Plan

<b>Implementation Plan:</b>
Determine Employment Equity needs and aggregate positions in management in terms of the requirements of the MPRDA.
Assess the internal HMM Talent Pool of employees for potential HDP candidates that can fill higher level positions should vacancies occur (based on competence and commitment, in line with the Career Progression and Skills Development Plans).
Use Succession planning, career development, and performance management systems to facilitate the development of HDPs into management positions.
Allocation of specific mentors and coaches to HDP individuals in the talent pool exhibiting potential and aspiration for higher skilled and management positions. In this way they will be sufficiently trained to become more likely candidates for promotion.

## 4. Local Economic Development (Regulation 46c)

### 4.1 Introduction

This section summarises the outcomes of the following processes conducted:

- 1) Desktop analysis of the socio-economic status of Joe Morolong, Ga-Segonyana, and Gamagara Local Municipalities and communities.
- 2) Review of the Municipal Integrated Development Plans, District Development Model, the National Development Plan and Northern Cape Provincial Development agenda.
- 3) Broad-Based Consultation with communities (formal and informal groups).
- 4) Identification of socio-economic development priorities for South32 (Thematic Areas).
- 5) Financial commitments for LED projects and programmes.

### 4.2 South32 Focus Areas for Local Economic Development

The design of South32's integrated LED programme is guided by our four focus areas which lead us towards making a positive contribution in the communities that surround us. These areas are summarised in the figure below.

We aim to measure the impact of our investment to continuously improve the positive contribution we make, strengthen the sustainability of our partnerships and better tell our contribution story.



#### EDUCATION AND LEADERSHIP

Quality education is the foundation of economic and social prosperity and supports the development of emerging and future community leaders.



#### ECONOMIC PARTICIPATION

Economic opportunity and participation ensure that local and regional economies are resilient now and sustainable into the future.



#### GOOD HEALTH AND SOCIAL WELLBEING

Health and social wellbeing are integral to sustainable development and contribute to vibrant communities.



#### NATURAL RESOURCE RESILIENCE

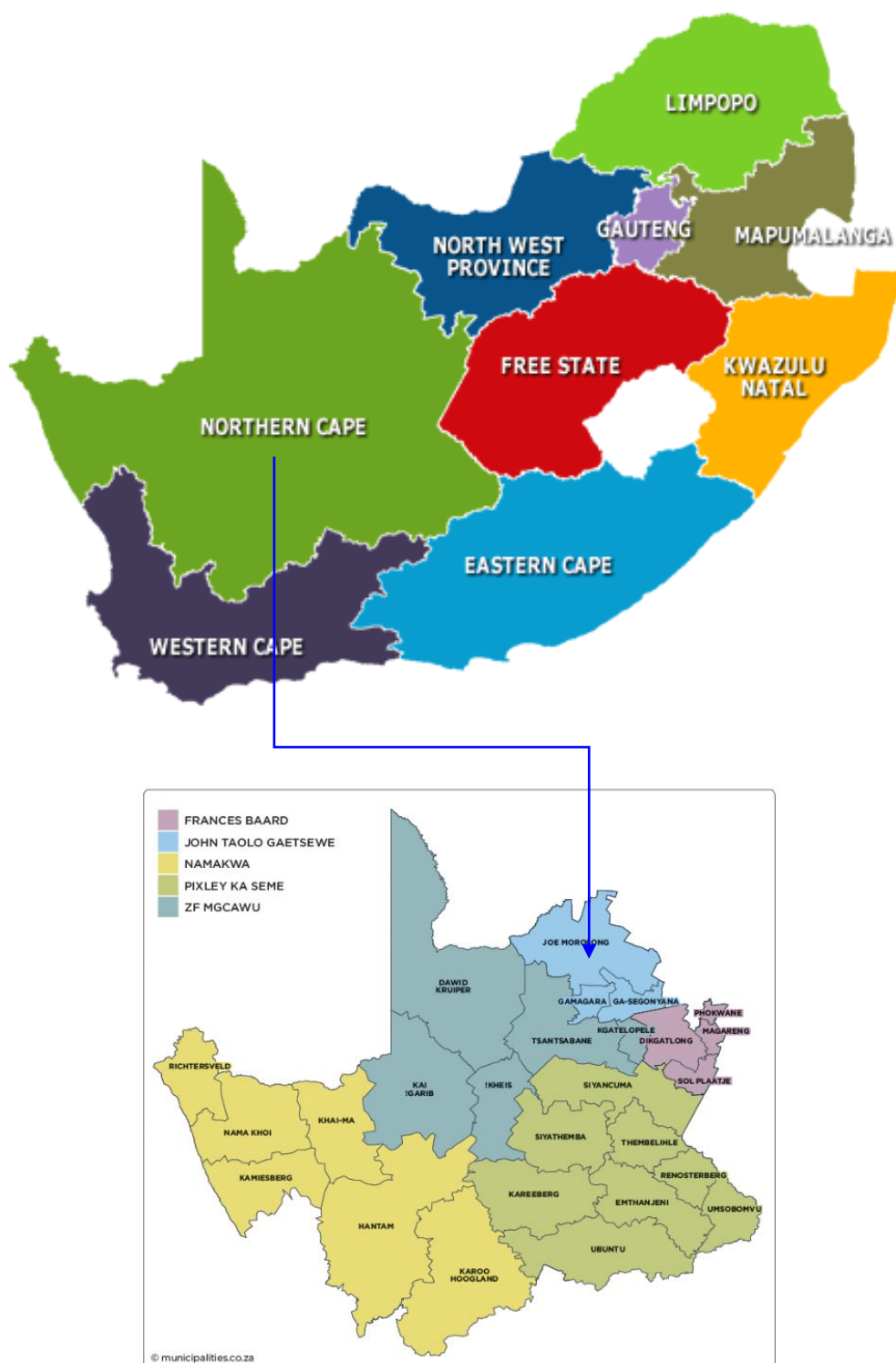
Communities that live in balance with their natural environments are resilient and sustainable.

### 4.3 Socio-Economic Overview of John Taolo Gaetsewe District Municipality

The goal of local economic development is for South32 to contribute to the development of a diverse and robust local economy in the John Taolo Gaetsewe District Municipality. A diverse and robust local economy will be characterised by strong levels of investment, sustainable job creation, and improved income levels. This is done in a way that builds on the distinctive potential of each municipality, preserves the integrity of the environment, and avoids negative competition.

The key local economic development focus areas are in line with the Local Municipalities' Local Economic Development and Integrated Development Plans. This Chapter provides the socio-economic baseline of the host municipalities, namely Joe Morolong Municipality, Ga-Segonyana Local Municipality and Gamagara Local Municipality, which all fall within the jurisdiction of the John Taolo Gaetsewe District Municipality (**Figure 1**). The socio-economic baseline is based on a desktop study of existing socio-economic data and information and development strategies contained in global, national and local development instruments and reputable platforms.

Figure 5: Relative Location of South32's Host (District and Local) Municipalities



Key development indicators are provided as per Table 52 to enable the reader to have a comprehensive, yet easy to digest overview of the socio-economic characteristics and features of the mine communities. For better contextualisation, the data is contrasted against the higher geographic spheres, that is provincially and nationally

Table 52: Socio-economic Baseline Indicators

Indicators		Joe Morolong Local Municipality	Gamagara Local Municipality	Ga-Segonyana Local Municipality	John Taolo Gaetsewe District Municipality	Northern Cape Province	South Africa
<b>1. Demographics</b>							
<b>1.1 Gross Population</b>		84 200	53 655	104 408	242 264	<b>1 193 780</b>	55 653 654
		0,15%	0,10%	0,19%	0,44%	2,1%	100%
<b>1.2 Population by gender</b>	1.2.1 Female	38%	22%	41.8%	40.6%	49%	51%
	1.2.2 Male	62%	78%	58.2%	59.4%	51%	49%
	1.2.3 Other	0%	0%	0%	0%	0%	
<b>2. Social</b>							
<b>2.1 Households headed by</b>	2.1.1 Females	51.5%	21.6%	58.2%	40.6%	38.9%	41.3%
	2.1.2 Children	58.2%	78.4%	41.8%	59.4%	0.23%	0.6%
<b>2.2 Highest level of education</b>	2.2.1 None	10.1%	10.1%	9.6%	12.3%	8%	7.1%
	2.2.2 Primary	5.0%	13.5%	16.6%	19.6%	6%	13.3%
	2.2.3 Some secondary	32.3%	31.3%	36.7%	34.4%	13%	33.2%
	2.2.4 Matric	31%	32%	28.6%	25.1%	29%	32.7%
	2.2.5 Post-secondary certificate or diploma	2.2%	9.3%	4.7%	5.5%	1%	4.4%
	2.2.6 Undergraduate degree	1.1%	2.2%	1.7%	1.9%	3%	4.6%
	2.2.7 Post graduate degree	0.2%	0.2%	1%	0.1%	3%	2.4%

Indicators		Joe Morolong Local Municipality	Gamagara Local Municipality	Ga-Segonyana Local Municipality	John Taolo Gaetsewe District Municipality	Northern Cape Province	South Africa
	2.2.8 Doctorate	0.1%	0.2%	0%	0.1%	0.1%	0.2%
<b>3. Economic</b>							
<b>3.1 Main economic drivers<sup>1</sup></b>		<sup>2</sup> Agriculture Mining Community Services	Mining Game farming Business Services	Mining Agriculture	Mining Community Services Trade and finance	Mining (19.4%) Government (20.4%) Finance (11.4%) Transport (10.7%)	Hospitality (28%) Tertiary Services (25%) Mining (22%) Agriculture (18%)
<b>3.2 Annual economic growth (last 10 years)</b>		<sup>3</sup> 0.30%	3.49%	2.72%	<sup>4</sup> 2,46%	-0.09%	5%
<b>3.3 Contribution to GDP</b>		22.02%	36.59%	41.39%	<sup>5</sup> 16.9%	2.1%	100%
<b>3.4 Average incomes</b>		30 000	57 500	30 000	30 000	29 400	30 000
<b>4. Housing and Living Conditions</b>							
<b>4.1 Households living in</b>	4.1.1 Formal housing	93.6%	82.6%	81.6%	89.8%	87.2%	86.2%
	4.1.2 Owned housing	60.3%	58.5%	80.1%	76%	69.4%	65%
	4.2.1 Electricity	84.2%	88.1%	87.0%	85%	86.3%	85,3%

<sup>1</sup> Municipalities.co.za source does not specify the percentages

<sup>2</sup> Municipalities.co.za

<sup>3</sup> Statistics Overview John Taolo Gaetsewe District Municipality HIS 2018 -2023

<sup>4</sup> Statistics Overview Northern Cape Province IHS 2018

<sup>5</sup> Northern Cape SERO 2021

Indicators		Joe Morolong Local Municipality	Gamagara Local Municipality	Ga-Segonyana Local Municipality	John Taolo Gaetsewe District Municipality	Northern Cape Province	South Africa
<b>4.2 Households with access to</b>	4.2.2 Piped water in the house	4.8%	11.9%	12.0%	19.8%	45.3%	42.4%
	4.2.3 Piped water within the plot	5.4%	25.9%	26%	19.3%	34.3%	29.7%
	4.2.4 Reticulated flush toilet	5.4%	86.7%	17.5%	28.3%	65.7%	56%
	4.2.5 Formal waste removal services	84.9%	12.5%	25.20%	67.90%	85.1%	59.3%
	4.2.6 The Internet	85.8%	84.7%	85.7%	69.9%	84.3%	72%



From the Table above, it is clear that the mine communities are faced with a plethora of challenges. High levels of unemployment, relatively low levels of education, and low levels of access to water in the house and reticulated sanitation.

## **4.4 Socio-Economic Baseline Conditions of the Joe Morolong, Gamagara and Ga-Segonyane Local Municipalities**

### **4.4.1 An Overview of the Local Government System in South Africa**

South Africa is administratively divided into provinces which are further segmented into districts. The districts are constituted by the lowest sphere of government, that is, local municipalities; the largest areas (by population) of jurisdiction are called metropolitans. Local municipalities are at the coalface of service delivery. The Constitution of the Republic of South Africa (1996) establishes local government as a distinctive sphere of government, interdependent, and interrelated with national and provincial spheres of government. The Constitutional mandate for municipalities is that they strive, within their financial and administrative capacity, to achieve the objectives and carry out the developmental duties assigned to them. The Municipal Councils therefore take charge of the following principal responsibilities:

- To provide democratic and accountable government without favour or prejudice.
- To encourage the involvement of communities and community organisations in the matters of local government.
- To provide all members of the Local Community with equitable access to the Municipal Services that they are entitled to.
- To plan at the Local and Regional levels for the development and future requirements of the area.
- To monitor the performance of the Municipality by carefully evaluating Budget reports and Annual reports to avoid financial difficulties, and if necessary, to identify the causes and remedial measures of all the Financial and Administrative challenges.
- To provide Services, facilities, and financial capacity, within the Constitutional and Legislative Authority.

### **4.4.2 Historic and Geographic Overview**

Geographically, the Northern Cape is the largest province of South Africa's nine administrative provinces; it accounts for 33.3% (372 889 km<sup>2</sup>) of the country's land area. Administratively, the Northern Cape is subdivided into five district municipalities: Frances Baard (FB), John Taolo Gaetsewe (JTG), Namakwa (N), Pixley ka Seme (PS) and ZF Mgcawu (ZFM). John Taolo Gaetsewe is mainly village (80%) in nature and is the second from the smallest of the five districts. The district comprises three local municipalities (Figure 6), Joe Morolong, Gamagara and Ga-Segonyane.

Figure 6: Local Municipalities within John Taolo Gaetsewe District



Joe Morolong local municipality (JMLM) is a Category B municipality situated within the borders of the John Taolo Gaetsewe District in the Northern Cape Province. It is the largest of three municipalities in the district, making up three quarters of its geographical area. JMLM is mostly rural in nature, with about 60% of it comprising virgin land surface. This Municipality consists of three towns namely, Hotazel, Santoy and Van Zylsrus. Even though the municipality is said to have potential in the areas of ecotourism and conservation, unemployment is very high.

Gamagara local municipality, located in the North-eastern sector of the Northern Cape between Upington and Vryburg, is the smallest of the three municipalities within John Taolo Gaetsewe District. The municipality is also classified as Category B and owns the endemic camel thorn tree forest that enjoys a National Heritage status which led to the naming of Kathu. The largest single pit, open cast iron ore mine in the world is located in Gamagara. There are three towns in Gamagara, namely, Deben, Kathu and Olifantshoek.

The Ga-Segonyana, category B local municipality, accounts for 16% of the district's geographical area. The municipality was formed in the year 2000 as a result of the amalgamation of the Kuruman and Mothibstad municipalities. The municipality is administered through a traditional authority system and has two paramount Chiefs and headmen. There are three towns found in Ga-Segonyana and these are, Bankhara-Bodulong, Kuruman and Mothibstad.

Table 53: Key Socio-economic Indicators

Key Indicator	Unit/Variable	John Taolo Gaetsewe DM	Northern Cape	SA
<b>Demographic</b>	Total population	242 565	1 193 780	55 653 654
	% Share of Region	0%	2%	N/A
	Population density (number of people per km <sup>2</sup> (2016)	8,8	3,2	45,3
	Urban Population Growth Rate (%) (2011- 2016)	1,7	0,9	1,6
<b>Development</b>	Human Development <sup>6</sup> Index (HDI) - (2019)	0,63	0,58	0,71
	Gini coefficient (2019) <sup>7</sup>	0,53	0,61	0,63
	Poverty gap rate (from <sup>8</sup> upper poverty line)	61,2%	55,4%	49,2%
	Number with Matric age 20+ years	35,038	200,86	14 644 033
	% With Matric of age 20+ years population	25%	27%	43,4%
	Share of household occupying formal dwellings (2016)	80,5%	84%	87%

Source: Community Survey 2016

Notwithstanding rapid industrial development and activity with backward and forward linkages to mining, the greater part of John Taolo Gaetsewe has retained its rural character.

#### 4.4.3 Economy of the John Taolo Gaetsewe District Region

John Taolo Gaetsewe (JTG) accounts for only 13% of the Northern Cape's GDP, with Francis Baard and ZF Mgcawu leading, at 38% and 25% respectively (Figure 7).

Mining and community services are the primary drivers of JTG's economic activity. In 2018, mining output accounted for 57.3% of JTG's economic output. Community services and the finance sector play a critical role within the JTG District, accounting for 13.9% and 8.2% respectively.

The JTG District Municipality's economy is made up of various industries.

Figure 8 provides an overview of the percentage contribution of each sector to the economy of the JTG District Municipality. The Gross Value Added (GVA) variable provides a sector breakdown, where each sector is measured in terms of its value added produced in the local economy. GVA is a measure of output (total production) of a region in terms of the value that was created within that region. It can be broken down into various production sectors.

<sup>6</sup> Northern Cape, SERO 2021

<sup>7</sup> Northern Cape, SERO 2021

<sup>8</sup>Northern Cape, SERO 2021

Figure 7: District Municipality Contribution to Provincial GDP

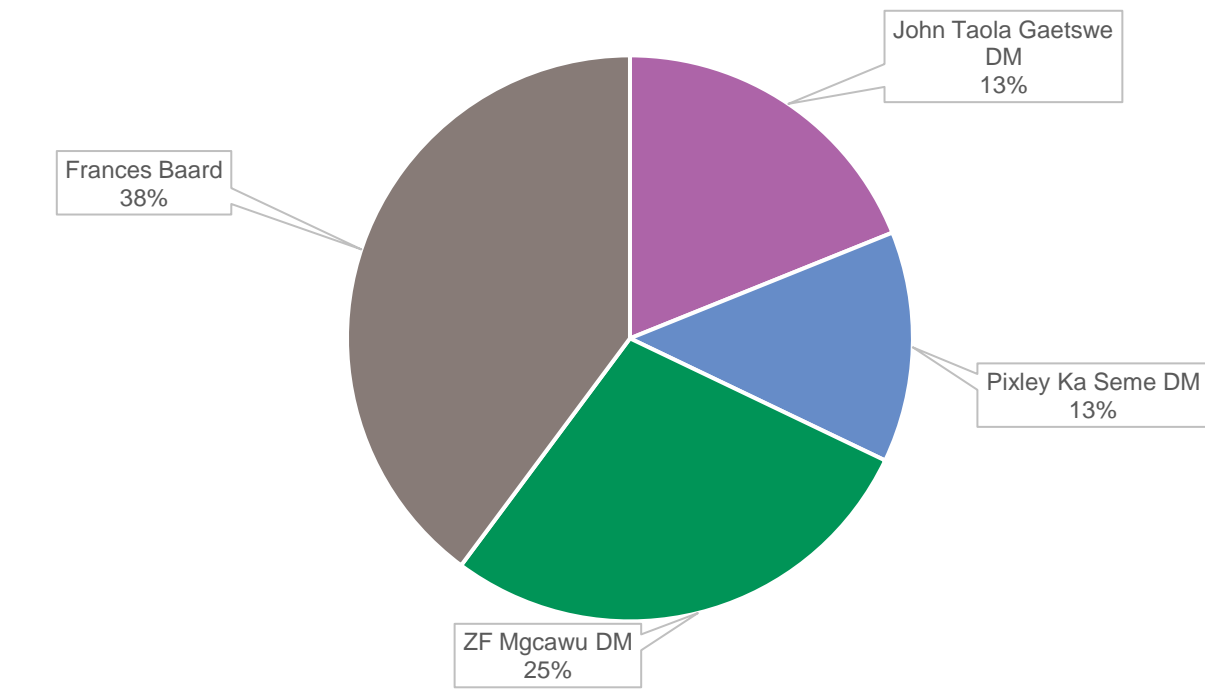
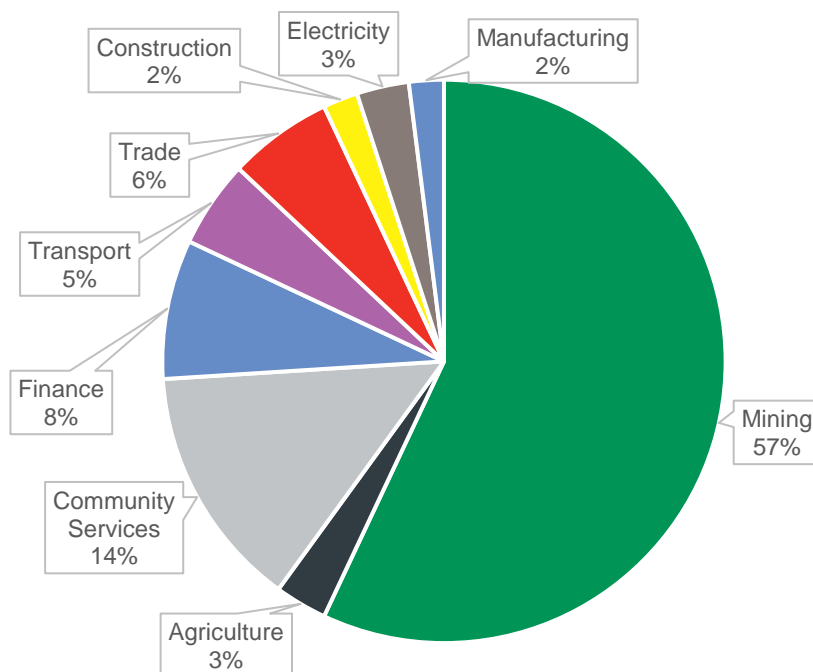


Figure 8: Percentage contribution of each sector to the John Taola Gaetsewe District Municipality Economy



Source: Community Survey 2016

## 4.5 Social Development Perspective

This section presents relevant demographic information on the population of Joe Morolong, Gamagara and Ga-Segonyane Local Municipalities.

### 4.5.1 Population

#### 4.5.1.1 Population Profile

John Taolo Gaetsewe District Municipality (JTG) had a population of 242 264 as of the 2016 community survey. In terms of distribution, Black Africans make up the largest population group. Between 2016 and 2020, South Africa had an average population growth rate of 1,4% (The World Bank, 2022). As such, the population profile presented in Table 54 is expected to remain largely unchanged.

Table 54: Population Profile

Population Profile	Joe Morolong LM		Gamagara LM		Ga-Segonyana LM		John Taolo Gaetsewe DM		Northern Cape		SA	
<b>Total Population</b>	84 200		53 655		104 408		242 264		1 193 780		55 653 654	
<b>Black African</b>	81 501	96.8%	26,062	48.6%	94,78	90.8%	202,347	83.5%	574,246	48.1%	44,891,603	80,7%
<b>Coloured</b>	1 197	1.4%	17,51	32.6%	5,604	5.4%	24,311	10%	521,261	43.7%	4,869,526	8,7%
<b>Indian or Asian</b>	64	0,10%	439	0.8%	387	0.4%	890	0.4%	6,486	0.5%	1,375,834	2,5%
<b>White</b>	1 438	1,70%	9,64	18%	3,634	3.5%	14,717	6.1%	91,787	7.7%	4,516,691	8,1%

Source: Census 2011 and Community Survey 2016

#### 4.5.1.2 Age Distribution

55.2% of the population within the JTG are of working age, between 18 and 64. The Northern Cape matches the rest of South Africa in having what is known as a 'demographic dividend'. This is the economic growth potential that results when the share of working-age population is larger than the non-working age share of the population. However, the benefits of this demographic dividend are diminishing as the population age structure is slowly shifting higher over time. To realise the benefit of the existing demographic dividend, the South African economy needs to grow employment and improve the labour market prospects for younger working-age people. Greater employment will raise mean incomes, allowing South Africans to invest in education and save. These actions are crucial for achieving the second demographic dividend (Oosthuizen, 2016). Thus, there is a window of opportunity for faster economic growth and family welfare, but it requires a properly educated and skilled population.

Table 55: Age Profile

Age Profile	Joe Morolong LM	Gamagara LM	Ga-Segonyana LM	John Taolo Gaetsewe DM	Northern Cape	SA
<b>Under 18</b>	46.1%	32.5%	39%	40%	35.7%	37.5%
<b>18 - 64</b>	47.7%	65.2%	56.7%	55.2%	57.7%	57.2%
<b>65+</b>	6.8%	2.3%	4.4%	4.8%	6.6%	5.3%

Source: Census 2011 and Community Survey 2016

#### 4.5.1.3 Head of Household

Though the percentage difference is not large, the larger majority of households in the JTG are male headed (59.4%).

Table 56: Head of Household

Head of Household	Joe Morolong LM	Gamagara LM	Ga-Segonyana LM	John Taolo Gaetsewe DM	Northern Cape	SA
Female	38%	22%	41,80%	40,60%	38,90%	41,30%
Male	62%	78%	58,20%	59,40%	61,10%	58,70%

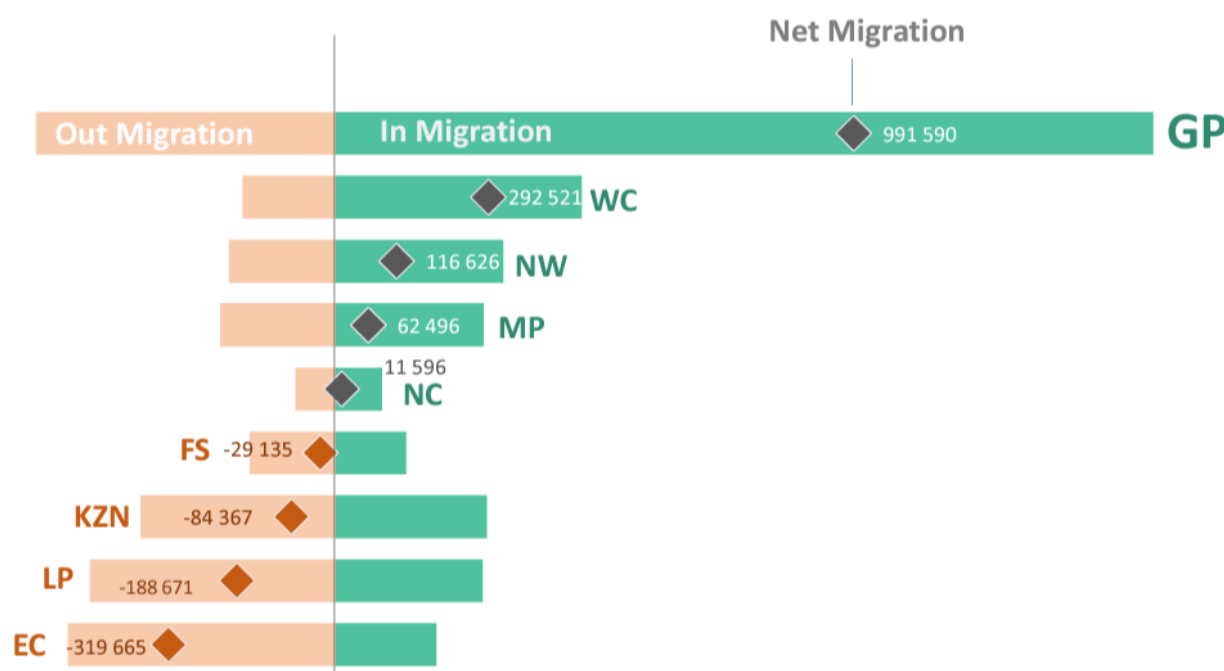
Source: Census 2011 and Community Survey 2016

and Community Survey 2016

#### 4.5.2 Origin of Population and Migration

Understanding migratory patterns indicates the population and development pressures exerted on a geographical area. The Northern Cape is a popular destination in terms of in-migration. The province sits at number 5 in hosting migrants. The figures are not surprising considering that the province is rich in minerals amongst other. Figure 9 shows the level of in-migration in the Northern Cape as compared to South Africa's other eight provinces. Cognisance of the effects of migration should be taken into account when designing sustainable local economic and community development programmes.

Figure 9: Net Migration 2016-2021 by Province



Source: StatsSA Population Estimates 2021

Within the JTG, almost 90% (89.5%) of the population were born in the local area (Table 8), whilst over 10% are migrants.

Table 57: Province of Birth

Province of Birth	Joe Morolong LM	Gamagara LM	Ga-Segonyana LM	John Taolo Gaetsewe DM	Northern Cape	SA
Northern Cape	93%	81,8%	90,7%	89,5%	87,5%	2,3%
Eastern Cape	0,1%	0,8%	0,5%	0,4%	1,3%	15,4%
Free State	0,4%	2,8%	1,3%	1,4%	1,8%	5,7%
Gauteng	0,8%	3,5%	1,0%	1,5%	1,6%	17,1%
Kwazulu-Natal	0,2%	0,7%	0,2%	0,3%	0,3%	20,7%
Limpopo	0,2%	1,0%	0,5%	0,5%	0,3%	12,5%
Mpumalanga	0,1%	0,5%	0,1%	0,2%	0,2%	7,9%
North West	4,6%	5,1%	4,1%	4,5%	3,0%	6,4%
Outside South Africa	0,4%	1,9%	1,4%	1,2%	1,4%	2,8%
Unspecified	0,0%	0,0%	0,0%	0,0%	0,0%	0,1%
Western Cape	0,2%	1,8%	0,3%	0,6%	2,5%	8,9%

Source: Census 2011 and Community Survey 2016

### 4.5.3 Languages

Predominant languages influence both the medium of communication used with our communities, as well as the publication of the approved SLP document. Within the JTG, the most commonly spoken language is Setswana, followed by Afrikaans (Table 58).

Table 58: Languages

Languages Most Spoken at home	Joe Morolong LM	Gamagara LM	Ga-Segonyana LM	John Taolo Gaetsewe DM	Northern Cape	SA
Afrikaans	12%	62,70%	9%	18,90%	55,70%	11,80%
English	1,40%	1,50%	0,40%	0,60%	2,40%	8,20%
Isindebele	0,10%	0,10%	0%	0%	0%	1,50%
Isixhosa	1%	1%	0,80%	0,70%	5,10%	16,60%
Isizulu	0,30%	0,40%	0,20%	0,20%	0,20%	24,10%
Other	1,30%	1,20%	0,90%	0,70%	0,50%	0,90%
Sepedi	0,20%	0,20%	0,20%	0,10%	0,10%	9,30%
Sesotho	1,20%	1,10%	0,90%	0,80%	1%	7,80%
Setswana	86,10%	29,70%	85,10%	75,30%	32,70%	8,60%
Siswati	0,10%	0,10%	0%	0%	0%	2,50%
Tshivenda	0,20%	0,30%	0%	0,10%	0,10%	2,30%
Xitsonga	0,00%	0,10%	0,20%	0,10%	0,10%	4,20%

Source: Community Survey 2016

### 4.5.4 Education

Education is a basic human right in terms of the Bill of Rights, Chapter 2 of the country's Constitution. 59.5% (Table 59) of the population in the JTG has some secondary or Grade 12 levels of education. The levels of post-secondary education are relatively low, with only 8.6% of the population falling within this category.



Table 59: Population by Highest Level of Education

Level of Education	Joe Morolong LM (%)	Gamagara LM (%)	Ga-Segonyana LM (%)	John Taolo Gaetsewe DM (%)	Northern Cape (%)	SA (%)
No schooling and not sure	10,1	10,1	9,6	12,3	9,7	8,7
Primary level schooling	5,0	13,5	16,6	19,6	19,3	13,2
Secondary level schooling, no Matric	32,3	31,3	36,7	34,4	35,7	33,1
Matric	31	32	28,6	25,1	27	32,6
Post Matric Certificate and Diploma	2,2	9,3	4,7	5,5	4,9	5,3
Bachelor's degree	1,1	2,2	1,7	1,9	2,2	4,3
Honours degree	0,7	0,7	0,7	0,6	0,7	1,3
Master's degree	0,3	0,5	0,4	0,4	0,2	0,4
Post graduate certificate/diploma	0,2	0,2	1	0,1	0,2	0,9
PhD	0,1	0,2	0	0,1	0,1	0,2

Source: Community Survey 2016

The COVID-19 pandemic and subsequent social disruptions had a significant impact on education across South Africa. In a report issued by StatsSA in February of 2022, the following key impacts of COVID-19 on education were noted:

- Only 11,7% of schools offered remote learning options, while the remaining implemented rotational learning. This greatly reduced the amount of in-class contact time of those students without access to remote learning.
- A noticeable increase in out-of-school children was observed, with one million 5–18-year-olds not attending school at all during the pandemic period.
- Only 24,7% of households with children aged 5-24 own a computer or laptop, limiting access to the internet and remote learning options to cellular devices only.
- A significant rural-urban divide exists in access to the internet and devices such as laptops or computers, as well as home internet connectivity.

Significant investment into education is required to not only improve on South Africa's shortcomings evident from before the pandemic, but to support those learners who inevitably fell behind during the pandemic.

## 4.6 Housing and Living Conditions

This section presents an overview of housing and access to basic services in Joe Morolong, Gamagara and Ga-Segonyane Local Municipalities.

### 4.6.1 Dwelling Type

80.6% (Table 60) of the population within the JTG live within a formally built dwelling (when considering all the sub-categories that constitute formally built dwellings). It is concerning to note that 10% of the population lived in informal structures (shacks) in 2016, with indications in June of 2020 that the absolute number of informal dwellings across South Africa has continued to grow. The situation is likely the same for the JTG.

Table 60: Population by Dwelling Type

Population by Dwelling Type	Joe Morolong LM	Gamagara LM	Ga-Segonyana LM	John Taolo Gaetsewe DM	Northern Cape	SA
Caravan/tent	0,3%	0,4%	0,1%	0,1%	0,1%	0,0%
Cluster house in complex	1,2%	1,1%	0,0%	0,3%	0,2%	0,8%
Flat or apartment in a block of flats	1,8%	1,7%	0,6%	0,7%	1,2%	3,5%
House/flat/room in backyard	2,9%	2,5%	7,6%	7,4%	5,3%	6,6%
House or brick/concrete block structure on a separate property	71,0%	70,8%	71,5%	70,6%	74,4%	65,9%
Informal dwelling (shack; in backyard)	4,6%	3,6%	4,1%	3,5%	4,2%	5,4%
Informal dwelling (shack; not in backyard)	12,4%	13,7%	5,3%	6,7%	8,6%	7,5%
Other	3,6%	3,1%	4,2%	2,7%	1,3%	0,8%
Room/flatlet on a property or larger dwelling/servitude	0,4%	0,3%	1,2%	0,6%	0,4%	0,8%
Semi-detached house	1,2%	1,9%	0,3%	0,6%	1,6%	0,8%
Townhouse (semi-detached house in a complex)	0,6%	0,9%	0,3%	0,4%	0,4%	0,8%
Traditional dwelling/hut/structure	0,0%	0,0%	4,6%	6,4%	2,3%	7,0%
Unspecified	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%

Source: Community Survey 2016

Ownership levels of homes are very impressive in the JTG, with 76% (Table 61) of households owning the homes they live in (with 71,3% having paid these off).

Table 61: Population by Home Ownership

Population by Household Ownership	Joe Morolong LM	Gamagara LM	Ga-Segonyana LM	John Taolo Gaetsewe DM	Northern Cape	SA
Do not know	0,4%	0,5%	0,2%	0,4%	0,6%	1,0%
Occupied rent-free	1,8%	1,5%	4,7%	5,0%	9,4%	9,7%
Other	9,9%	10,4%	1,7%	4,9%	6,2%	6,1%
Owned and fully paid off	49,5%	47,6%	78,0%	71,3%	61,3%	54,1%
Owned; but not yet paid off	10,8%	10,9%	2,2%	4,7%	8,1%	10,9%
Rented from other (incl. municipality and social housing)	1,8%	1,3%	0,8%	1,0%	2,0%	2,7%
Rented from private individual	25,8%	27,9%	12,4%	12,6%	12,3%	15,6%
Unspecified	0,0%	0,0%	0,2%	0,1%	0,1%	0,1%

Source: Community Survey 2016

## 4.6.2 Service Delivery

For most South Africans, the effectiveness of government is judged by its ability (or otherwise) to provide basic and common services timeously and consistently. The Constitution states that municipalities have the responsibility to make sure that all citizens are provided with services to satisfy their basic needs. Local government has a core function in the provision of basic services as encapsulated in the Municipal Systems Act (Act No. 32 of 2000), Municipal Structure Act (Act No. 117 of 1998), and many other supporting legislative instruments and policies. Notwithstanding the constitutional provision, service delivery remains one of the most daunting challenges to post-apartheid South Africa.

One of the most topical issues in contemporary South Africa relates to service delivery at the local level. The next sections provide an overview of access to the following categories of basic services: water, source of power, toilet facilities, refuse disposal, and access to internet.

### 4.6.2.1 Water

42% (Table 62) of households in Joe Morolong, Gamagara and Ga-Segonyane Local Municipalities had piped water at their place of dwelling (both inside the house and within the yard) in 2016. Given the emphasis in the Joe Morolong and Ga-Segonyana 2020/21 financial year IDP and the Gamagara 2019-2022 IDP on continued provision of water and sanitation to households, it is expected that this number will have risen by 2022.

Table 62: Population by Water Source

Population by Water Source	Joe Morolong LM	Gamagara LM	Ga-Segonyana LM	John Taolo Gaetsewe DM	Northern Cape	SA
Borehole in the yard	1.8%	1.9%	1.8%	3.3%	1.3%	1.5%
Borehole outside the yard	0.38%	0.4%	0.5%	0.8%	0.8%	1.5%
Flowing water/stream/river	0%	0%	0%	0.9%	0.7%	4.7%
Neighbours tap	2.3%	1.8%	1.9%	1.9%	1%	1.9%
Other	0.8%	0.9%	1%	0.7%	0.5%	0.6%
Piped (tap) water inside the dwelling/house	4.8%	11.9%	12.0%	19.8%	45.3%	42.4%
Piped (tap) water inside yard	5.4%	25.9%	26%	19.3%	34.3%	29.7%
Piped water on community stand	43.4%	27.5%	30%	27.4%	8.4%	9.2%
Public/communal tap	31.7%	27.1%	28%	24.4%	6.8%	4.6%
Rain-water tank in yard	0.36%	0.3%	0.29%	0.1%	0.1%	1.1%
Spring	0%	0%	0%	0%	0%	0.6%
Water-carrier/tanker	2%	2.3%	2.4%	1.2%	0.9%	2%
Well	0%	0%	0%	0.2%	0%	0.2%

Source: Community Survey 2016

The majority of households receive their water from a service provider, which in this case will be the local municipal entity responsible for water provision. The next largest group by water supplier are those residents who have no access to municipal water but get water through other means within the community.

Table 63: Population by Water Supplier

Population by Water Supplier	Joe Morolong LM	Gamagara LM	Ga-Segonyana LM	John Taolo Gaetsewe DM	Northern Cape	SA
A municipality	97,0%	96,7%	95,6%	77,5%	88,6%	80,3%
A water vendor	0,1%	0,1%	0,2%	1,8%	0,8%	1,9%
Do not know	0,1%	0,2%	0,1%	0,7%	0,5%	0,8%

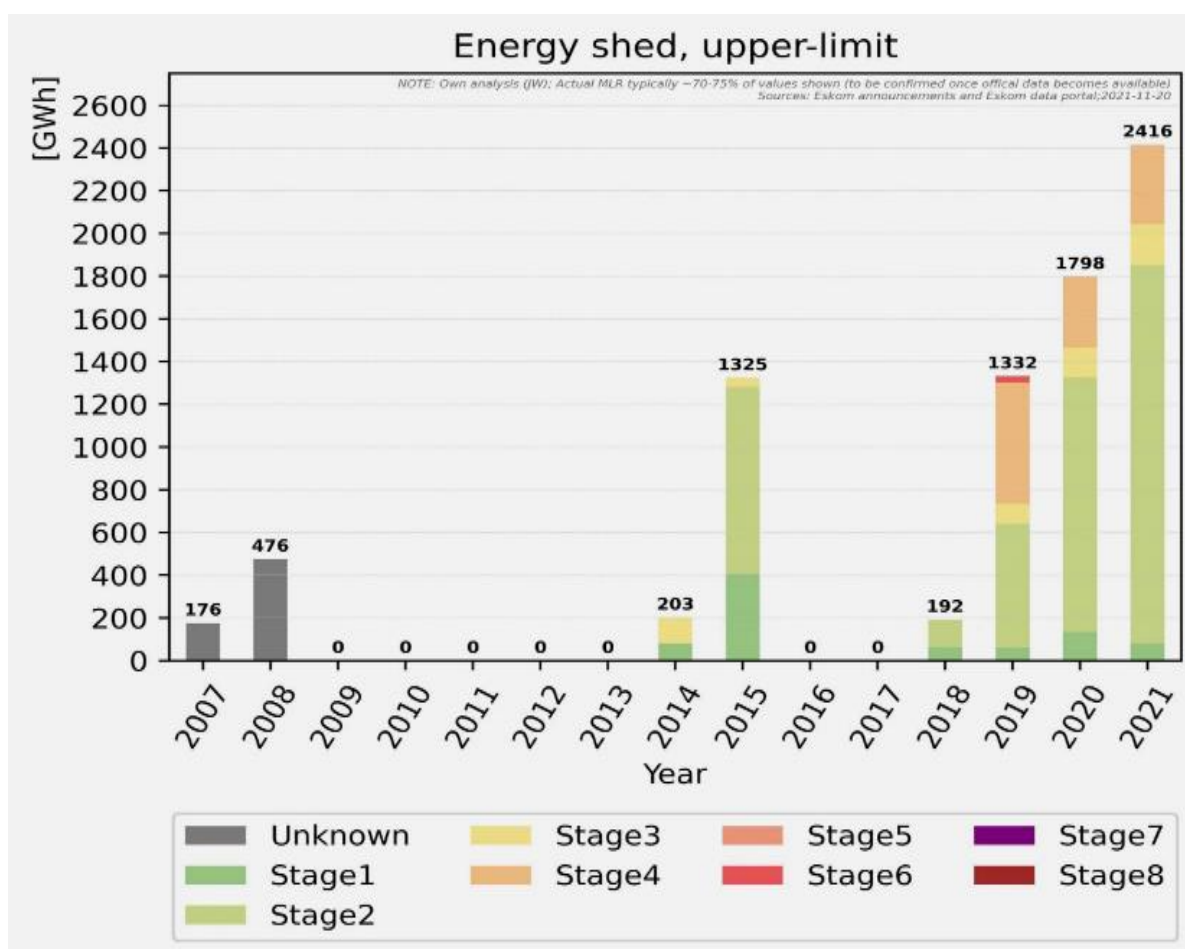
Flowing water/stream/river/spring/rainwater	0,0%	0,0%	0,0%	1,1%	1,5%	6,5%
Other water scheme (e.g., community water supply)	0,5%	0,6%	0,5%	11,7%	3,6%	5,9%
Own service (e.g., private borehole; own source on a farm)	2,5%	2,5%	2,7%	7,3%	5,0%	4,5%
Unspecified	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%

Source: Community Survey 2016

#### 4.6.2.2 Energy

Energy supply has become a severe constraint in the South African economy. Loadshedding affects both residents and businesses, with the amount of loadshedding worsening significantly between 2018 and 2021 (Figure 10). The situation is projected to worsen over the coming years, before sustainable solutions to South Africa's energy supply constraints are identified.

Figure 10: Amount of Energy Shed during Loadshedding



Source: MyBroadband (2021)

Available data for the 3 municipalities and the district shows that almost everyone, 90% (Table 64) of residents receive electricity from the municipality. Almost a tenth, 8.7% of the population, have no access to electricity.

Table 64: Population by Energy Source

Population by Water Supplier	Joe Morolong LM	Gamagara LM	Ga-Segonyana LM	John Taolo Gaetsewe DM	Northern Cape	SA
Battery	0%	0%	0%	0%	0%	0%
Connected to other source which household is not paying for	0,1%	0%	0.1%	0.1%	0.3%	0.7%
Connected to other source which household pays for	0.2%	0.6%	1,0	0.4%	0.7%	1.4%
Generator	0%	0%	0,4%	0.1%	0.1%	0.1%
In-house conventional meter	3.2%	9%	4.4%	5.3%		15.8%
In-house prepaid meter	82.5%	82.1%	82.2%	85%	79.9%	73.7%
No access to electricity	13.6%	7.8%	10,6%	8.7%	6.7%	7.3%
Other	0.4%	0.2%	0.2%	0.2%	0.7%	0.6%
Solar home system	0%	0.3%	0,4%	0.2%	1%	0.4%

Source: Community Survey 2016

#### 4.6.2.3 Toilet Facilities

It is almost inconceivable that someone has no access to a decent 'toilet' facility in South Africa, but the reality is that approximately 61% (Table 65) of the residents of the JTG have to make do with rudimentary sanitation facilities in the form of bucket toilet, chemical toilet, pit latrine and other forms. Furthermore, 7% do not have toilet facilities at all.

Table 65: Population by Sanitation

Population by Sanitation	Joe Morolong LM	Gamagara LM	Ga-Segonyana LM	John Taolo Gaetsewe DM	Northern Cape	SA
Bucket toilet (collected by municipality)	0%	0%	0.1%	0%	3.1%	1.1%
Bucket toilet (emptied by household)	3.9%	0%	0.5%	1.6%	1.3%	0.8%
Chemical toilet	0.8%	0.1%	0.1%	0.3%	0.3%	5%
Ecological toilet (e.g., urine diversion; enviroloo)	2.2%	0%	0.1%	0.8%	0.3%	0.4%
Flush toilet connected to a public sewerage system	4%	86.7%	17.9%	28.3%	65.7%	56%
Flush toilet connected to a septic tank or conservancy tank	0.7%	3.3%	4.7%	3%	5.4%	2.5%
None	6.8%	7.7%	6.8%	7%	4%	2.4%
Other	0.7%	1.2%	1.3%	1%	1%	1.7%
Pit latrine/toilet without ventilation pipe	25.2%	0.3%	46.6%	28.9%	9.3%	14.8%
Pit latrine/toilet with ventilation pipe	55.8%	0.8%	22%	29.1%	9.5%	15.3%

Source: Community Survey 2016

The tragedy of households at the bottom of the socio-economic pyramid is more exemplified by access, or rather limited access, to some of the most basic facilities such as water, refuse collection and sanitation. The breakout of the Covid-19 pandemic has further exposed the gross socio-economic inequalities that still prevail in South Africa, almost 3 decades after the advent of democracy.

#### 4.6.2.4 Refuse Removal

Management of refuse constitutes one of the biggest challenges facing local government in South Africa. Along the chain of refuse management, removal from the point of generation becomes one of the major indicators of service delivery efficiency. Section 156(1)(a) of the country's Constitution, read with Schedule 5, assigns direct responsibility for refuse management, refuse removal, refuse dumps, solid waste disposal and cleansing, to local government. **Table 66** highlights the level of access to different forms of refuse removal in the JTG.

*Table 66: Population by Refuse Disposal*

Population by Refuse disposal	Joe Morolong LM	Gamagara LM	Ga-Segonyana LM	John Taolo Gaetsewe DM	Northern Cape	SA
Communal container/central collection point	1.5%	0.8%	1.6%	1.6%	1%	1.6%
Communal refuse dump	5.2%	2.1%	5.8%	4.4%	3.5%	2.9%
Dump or leave rubbish anywhere (no rubbish disposal)	4.1%	1.1%	4.6%	3.2%	4.4%	3.9%
Other	1.6%	1.1%	2.4%	2%	1.9%	1.1%
Own refuse dump	83.5%	10.1%	73.2%	63.6%	21.5%	31.1%
Removed by local authority/private company/community members at least once a week	4.0%	82.9%	12.3%	24.6%	64.9%	56.7%
Removed by local authority/private company/communities' members less often than once a week	0.2%	2%	0.2%	0.6%	3%	2.6%

*Source: Community Survey 2016*

The norm in the JTG households is the use of own refuse dump. Only 24.6% of households have their refuse collected by the municipality, with Gamagara accounting for almost 83% of that. Dumping, which leads to not only unsightly piles of solid waste but also contact with dangerous substances, is at 3.2%.

#### 4.6.2.5 Internet Access

The internet has become the intangible driver of economic development and social interaction. The internet, together with other elements of the 4th Industrial Revolution (4IR), such as artificial intelligence, business analytics and intelligence, form the backbone of modern society. Access to the internet is therefore an important development indicator in contemporary society. Table 67 shows the level of internet accessibility in John Taolo Gaetsewe.

Table 67: Access to the Internet (in percentage terms)

Internet Access	Joe Morolong LM	Gamagara LM	Ga-Segonyana LM	John Taolo Gaetsewe DM	Northern Cape	SA
Households with Internet Access <sup>9</sup>	85.8%	84.7%	85.7%	69.9%	84.3%	72%

Source: Community Survey, 2016

An important indication of convenience and practical workability of internet access is the device through which internet services are accessed. The COVID-19 pandemic revealed the importance of access to devices which enable remote working and schooling, such as laptops or desktop computers.

Table 68 shows that the majority of residents in the JTG access the internet through a cell phone (38.8%), with the next largest category being other mobile access service at 7.6%. Further access to devices which enable full use of the internet is required for communities to leverage the fourth industrial revolution and new opportunities presented by remote working and learning.

Table 68: Population by Internet Access Device

Population by Internet Access	Joe Morolong LM	Gamagara LM	Ga-Segonyana LM	John Taolo Gaetsewe DM	Northern Cape	SA
Any place via cellphone	45.3%	44.9%	44.7%	38.8%	38.6%	45.2%
Any place via other mobile access service	8.9%	9.3%	9.1%	7.6%	10.1%	13.7%
At school/university/college	1.3%	1.6%	1.9%	2.3%	4.9%	6.8%
Connection at place of work	3%	2.8%	2.7%	2.9%	6.5%	9.2%
Connection from a library	6%	6.1%	5.9%	4.4%	8.1%	8.6%
Connection in the dwelling	11.9%	12.2%	12.7%	5.4%	7%	10.1%
Internet cafe > 2km from dwelling	2%	1.9%	1.8%	4.6%	4.2%	9.4%
Internet cafe 2km or less from dwelling	1.9%	1.4%	2%	1.7%	3%	9.6%
Other	5.5%	4.5%	4.9%	2.2%	1.9%	3.8%

Source: Community Survey 2016

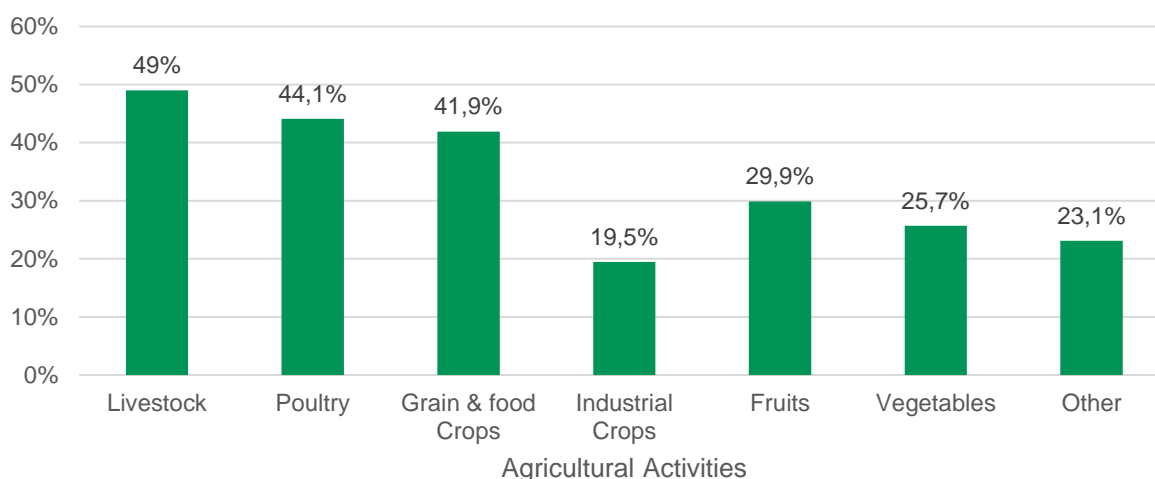
#### 4.6.3 Food Security and Agricultural Activities

This Section provides an analysis of the status of agricultural activities and the status of food security in JTG. Figure 11 shows that households in JTG are involved in various agricultural activities, from livestock, vegetables and crops. As much as 49% of the households are involved in livestock production, 42% in crop production and almost 26% in vegetable farming. The analysis of agricultural activity and food security in particular is critical as rights are enshrined in two sections of the country's Constitution, namely Section 27(1)(b) and 28(1)(c). The former, that is Section 27(1)(b) states that everyone has the right of access to sufficient food. Section 28(1)(c) states that every child has the right to basic nutrition. Several international human rights instruments, such as the Universal Declaration of Human Rights (UDHR), the International Covenant on Economic, Social and Cultural Rights (ICESCR) and the Copenhagen Declaration on Social Development recognise the right to food as a component of an adequate standard of living.

Figure 11: Households involved in agricultural activities in the John Taolo Gaetsewe DM

<sup>9</sup> Figures are a total of internet access by different gadgets and from diverse locations within the community (e.g., Library)





Source: Community Survey 2016

Livestock and poultry production are the most common agricultural activities in JTG. Notwithstanding the cited level of engagement in agriculture, hunger, as depicted by the number of households going for days without money to buy food, is a common socio-economic challenge. South Africa is self-sufficient in terms of basic food. The irony is that countrywide, prevalence for running out of food is at 19.9%, with Northern Cape and Eastern Cape at 27.6% and 26.3%, respectively being the most affected. Table 69 depicts the prevalence of households experiencing hunger in JTG, Northern Cape and SA as a whole.

Table 69: Level of Household that ran out of money to buy Food in the last 12 Months

Food Security	Joe Morolong LM	Gamagara LM	Ga-Segonyana LM	John Taolo Gaetsewe DM	Northern Cape	SA
Skipped a meal	7 605	2 428	8 114	18 147	61 810	
Ran out of money to buy food	11 363	3 513	13 612	28 488	97 189	3 352 555
Did not run out of money to buy food	12 471	12 155	18 936	43 561	255 514	13 502 372
Total	23 834	15 668	32 547	72 049	352 683	16 854 927
Prevalence of running out of money to buy food	47.7%	22.4%	41.8%	39.5%	27.6%	19.9%

Source: Community Survey 2016

Socio-economic downturns affect food security, and the situation is not an exception for the JTG. 28 488 households have run out of money for food during the month, while a further 18 147 families have slept on an empty stomach after skipping a meal. These number of households skipping meals is likely to increase due to the large unemployment caused by Covid-19 and now many households will have more unemployed members to feed.

#### 4.6.4 Ownership of Household Goods

A cell phone is the most commonly owned household good in the JTG, at 92.4%. This is followed by a stove, refrigerator and then a television. The high distribution levels of cellphones invites cutting edge development thinking in terms of communication with stakeholders, offering of skills development opportunities, and procurement, enterprise development, and recruitment processes – all of which can benefit from digitisation through mobile platforms.



Table 70: Ownership of Household Goods

Household by Ownership of goods	Joe Morolong LM	Gamagara LM	Ga-Segonyana LM	John Taolo Gaetsewe DM	Northern Cape	SA
Cellphone	93.1%	94.2%	92.2%	92.4%	85.7%	92.1%
Computer	38.8%	41.3%	40.6%	19.7%	20.6%	23%
DVD player	56.1%	59.1%	58.7%	46.6%	48.5%	52.4%
Electric/gas stove	83.9%	84.7%	84.3%	84.4%	85.6%	80.4%
Landline/telephone	9.8%	9.3%	9.6%	3.5%	9%	11%
Motorcar	52.2%	53.9%	55.1%	32.2%	32.1%	31.3%
Radio	58.3%	59.2%	60.2%	58.1%	58.1%	66.6%
Refrigerator	75.8%	77.2%	76.2%	72.5%	74.4%	77.3%
Satellite television	59.2%	54.1%	55.8%	38%	43.2%	39.5%
Television	78%	79%	77%	71%	78.1%	81.8%
Vacuum cleaner	26%	30%	28%	13.6%	16.8%	15.8%
Washing machine	50.7%	58.3	56.3	41.3%	51.2%	37.3%

Source: Community Survey 2016

#### 4.6.5 Crime and Perceptions of Safety

South Africa ranks high, that is 19th out of 193 countries, on a global index measuring organised crime activity. Crime is one of the country's biggest challenges and individual, household and broader community safety is an important issue in many communities. Poverty and disparities between the rich and the poor, mainly manifesting from poor educational outcomes and jobless economic growth, as well as poor service delivery, especially in townships and informal settlements, impact crime levels. Low conviction rates exacerbate the problem.

Perceptions of safety is therefore an important development indicator. Table 71 shows that, comparatively, John Taolo Gaetsewe is relatively safe; 93% of the residents did not experience crime in the last 12 months (Community Survey, 2016). Unfortunately, available data does not provide insight into the nature and impact of crime experienced by almost 7% of the residents of John Taolo Gaetsewe. Ga-Segonyana accounts for 50% of crime experienced in JTG and Joe Mololong and Gamagara accounted for 22% and 28% respectively. Gamagara is the safest of the three municipalities.

Table 71: Crime Levels as Measured by Percentage of Households that Experienced Crime in the Last 12 Months

Household by Crime experience	Joe Morolong LM	Gamagara LM	Ga-Segonyana LM	John Taolo Gaetsewe DM	Northern Cape
Experienced crime	1 096	1 370	2 462	4 922	23 986
Did not experience crime	22 746	14 334	30 126	67 207	328 822
<b>Total</b>	<b>23 839</b>	<b>15 704</b>	<b>32 590</b>	<b>72 129</b>	<b>352 808</b>
Prevalence of crime experienced	4,6	8,7	7,6	6,8	6,8

Source: Community Survey 2016

#### 4.6.6 Perception of Municipal Services and Problems

In the case of South Africa, perceptions of poor service delivery and/or mismanagement of public funds have greatly contributed to collective violence in the form of community protests. Municipalities are at the coalface of service and invariably bear the brunt of angry residents. In order of severity, the five leading service delivery problems faced by municipalities in JTG, as per the 2016 Community Survey, are **(1) lack of safe and reliable water supply; (2) cost of electricity; (3) lack of or inadequate employment opportunities; (4) inadequate roads; and (5) inadequate housing.**

Notwithstanding the fact that municipalities are constitutionally mandated with provision of basic services, mining companies have not been spared the brunt of community protests. This has partly been aggravated by misplaced

perceptions by some community members that mines have a responsibility for service delivery leading, and local government has the constitutional mandate and receives annual budgets for service delivery.

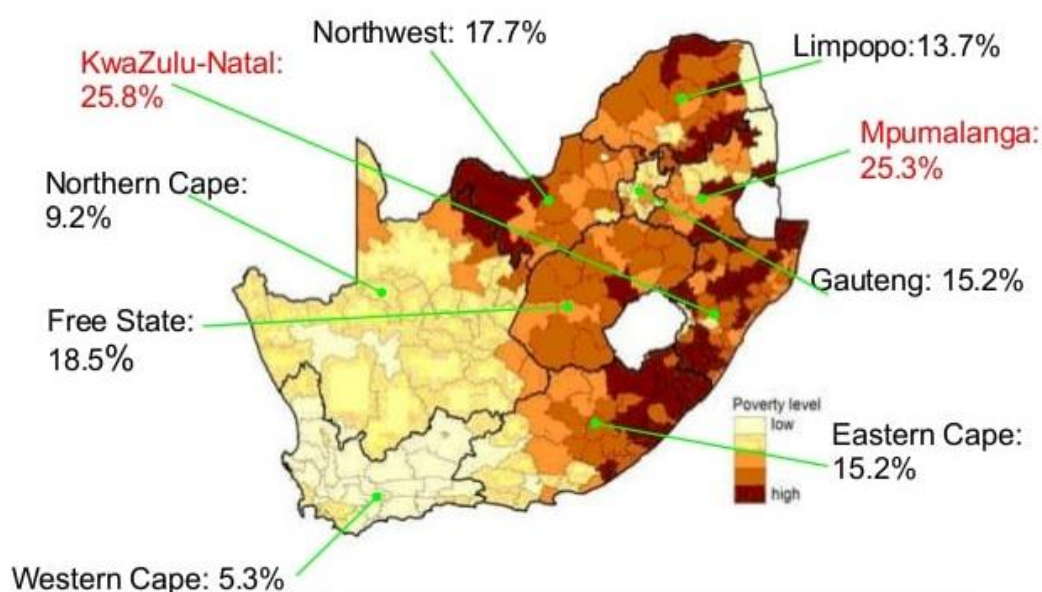
#### 4.6.7 Health

Of key importance in understanding the socio-economic status and general wellbeing of the host communities, is an analysis of health outcomes. As such, this section presents various health-related information for JTG.

##### 4.6.7.1 HIV and AIDS

The enjoyment of the highest attainable standard of health is a fundamental right of every human being. Health is not merely the absence of disease or infirmity ("Constitution of the World Health Organization"), it is a state of complete physical, mental and social wellbeing (Hancock & Duhl, 1988). The health of our communities is critical to economic growth and development and more so to the eradication of intergenerational poverty. The Human Immunodeficiency Virus (HIV) has been one of the most challenging pandemics to face humanity. Though there is evidence of the existence of HIV as long back as 1959 in the Belgian Congo, the disease came to the public's attention in the early 1980s. Since then, HIV and AIDS have had a debilitating effect on the world. Globally, South Africa is said to be the worst affected country. The first case of HIV infection in South Africa was reported in 1982, at the height of military offensive on, and political repression of, the black community by the apartheid government. The persistence of HIV infections and AIDS-related deaths, despite the massive roll-out of awareness campaigns, free issue of condoms and the provision of free anti-retroviral (ARV) treatment means more still needs to be done to contribute to, and achieve, an AIDS-free generation. Although there are different schools of thought on the correlation between AIDS and socio-economic status, the United Nations Joint Programme on HIV/AIDS (UNAIDS) concluded in 2001 that "poverty, underdevelopment, the lack of choices and the inability to determine one's destiny fuel the (HIV) epidemic". Figure 12 depicts the percentage of the population affected by HIV/AIDS in relation to the poverty levels across the nine provinces of South Africa.

Figure 12: Percentage of the population affected by HIV/AIDS in relation to the poverty levels in South Africa



#### 4.6.8 Employment

South Africa is often said to experience the triple burden of poverty, inequality, and unemployment, of which unemployment has proven to be a social crisis only exacerbated by the COVID-19 pandemic and slowing economic growth. As of 1 June 2022, StatsSA cited the following unemployment figures at the country level:

- National unemployment of 34,5%
- 63,9% for those aged 15-24
- 42,1% for those aged 25-34
- 22,4% for graduates aged 25-34

The data clearly illustrates that youth bear the greatest burden of unemployment in South Africa. It is essential to design an integrated skills development and experiential learning programme which makes young people employable in both the mining industry and a diverse range of other economic sectors. Within the JTG, 13% of the population were either unemployed or discouraged work seekers in 2016. It is anticipated that this number will have increased by 2022.

Table 72: Population by Employment Status

Household by employment status	Joe Morolong LM	Gamagara LM	Ga-Segonyana LM	John Taolo Gaetsewe DM	Northern Cape	SA
Discouraged work-seeker	2.6%	2.1%	2.8%	4.9%	3.5%	3.5%
Employed	37.9%	38.6%	38.8%	19.5%	24.7%	25.5%
Not applicable	27.7%	28.1%	28.2%	38.8%	35.8%	34.5%
Other not economically active	24%	23%	23%	28.6%	26.7%	25.7%
Unemployed	9.2%	8.3%	8.9%	8.2%	9.3%	10.8%
Unspecified	0%	0%	0%	0%	0%	0%

Source: Community Survey 2016

The majority of those who are working do so within the formal sector, at 14.7% (Table 73). A large (80%) chunk of the pool falls under not applicable. A mere 2% of the population is involved in the informal sector.

Table 73: Households by Employment Status

Household by employment status	Joe Morolong LM	Gamagara LM	Ga-Segonyana LM	John Taolo Gaetsewe DM	Northern Cape	SA
Do not know	0.7%	0.8%	0.6%	0.5%	0.5%	0.6%
In the formal sector	30.1%	30.8%	28.3%	14.7%	18%	19.2%
In the informal sector	3.8%	3.9%	3.3%	2.1%	3.8%	3.2%
Not applicable	60.9%	61.1%	62.0%	80.2%	74.8%	74%
Private household	2.9%	3.4%	3.7%	2.5%	2.8%	3%
Unspecified	0%	0%	0%	0%	0%	0%

Source: Community Survey 2016

#### 4.6.9 Incomes (including Social Grants)

The majority of the population in the JTG earned between R38 400 and R76 800 per annum in 2016. This translates to an average monthly income of R4 800, which is above the national minimum wage of R4 081,44 per month (South African Government, 2022). As per the adjusted poverty levels indicated by StatsSA in 2021:

- The Food Poverty Line (monthly income needed to afford basic energy intake levels) is R624;
- The Lower Bound Poverty Line (including basic food items and additional household goods) is R890;
- The Upper Bound Poverty Line is R1 335.

While specific detail is not available for the R0 to R4800 income bracket, at least 7.9% of the population reported having no income and therefore fall below the aforementioned poverty lines.

Table 74: Annual Income Distribution of Population for John Taolo Gaetsewe DM

Household by Annual Income	%
No income	7,90%
Not applicable	0%
R 1 - R 4800	2,50%

R 4801 - R 9600	6,20%
R 9601 - R 19200	16,10%
R 19201 - R 38400	18,50%
R 38401 - R 76800	15,80%
R 76801 - R 153600	15,60%
R 153601 - R 307200	9%
R 307201 - R 614400	3%
R 614401- R 1228800	0,60%
R 1228801 - R 2457600	0,20%
R2457601 or more	0,20%
Unspecified	4,30%

Source: Community Survey 2016

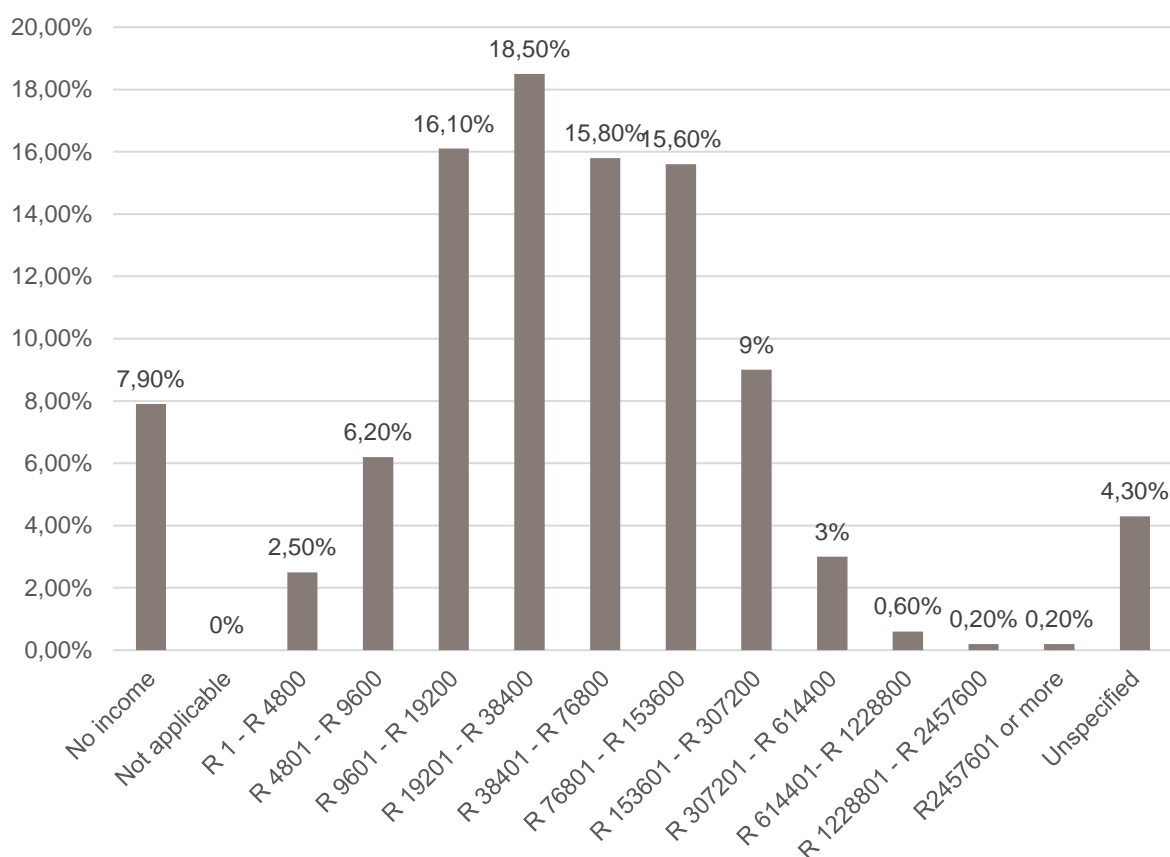


Figure 13: Household by Annual Income

Sustainable livelihood creation and income generation is an essential component of poverty alleviation and is crucial to the ongoing efforts to rebuild the economy following the COVID-19 pandemic.

## 4.7 Priority Development Areas Across Formal Frameworks

### 4.7.1 Major Challenges and Strategic Thrusts of Local Municipalities

The integrated Development Plan (IDP) serves as a strategic tool upon which developmental needs in a municipality are identified, implemented, and monitored. These plans are developed in consultation with stakeholders to provide a framework that articulates the development priorities of the municipality. The integrated development plan (IDP) is one of the instruments that have informed the local economic development (LED) themes and potential identified in this SLP. However, the projects cannot address all the key challenges of the municipality. South32, as one of the numerous LED players in general, and one of the mining companies in the area, can only complement the constitutionally mandated development obligations of the municipality. As a principle, the thematic areas identified relate to and are meant to contribute to solving the major challenges facing the municipality.

#### 4.7.1.1 Joe Morolong Local Municipality

The major challenges facing Joe Morolong LM are reflected by the SWOT<sup>10</sup> results reflected in the 2021/22 IDP for the municipality:

- Lack of resources i.e., water infrastructure and source, roads, bridges and streets lights.
- Small economic base dominated by mining and therefore not able to absorb all the job seekers.
- Decline in economic growth.
- Low level of education and skills in the local workforce.
- Relatively few employment opportunities, poverty, crime and HIV/AIDS.
- Dependence on the social grants provided by the central government.
- Severe economic leakages which include huge expenditure (income spend) outside of the local municipality due to lack of an established town.
- The silo mentality and practice by, and within, the public sector entities. Municipality and government departments work in silos.
- Inadequate maintenance of economic, social, and environmental infrastructure.
- Proliferation of the unregulated informal sector.

To effectively act towards mitigation of the above-cited key challenges the municipality has set the following goals:

5. Enhancing public participation on matters of government.
6. Promoting good governance and institutional transformation.
7. Providing social and economic infrastructure.
8. Eradicating basic services backlog (water, sanitation, electricity, waste removal).
9. Improving quality of life for its citizens.
10. Fighting poverty and underdevelopment.
11. Enhancing revenue and financial viability.
12. Promoting safety and security.
13. Partnership against HIV and AIDS.
14. Environmental sustainability.
15. Organisational development and capacity building.

#### 4.7.1.2 Ga-Segonyana Local Municipality

The IDP for Ga Segonyana LM sets out the following seven strategic goals:

1. Foster participative cohesion and collaboration.
2. Create a conducive environment for prosperous business investment.
3. Plan for sustainable growth.
4. Develop and maintain infrastructural and community services.
5. Improve internal control and management systems.
6. Enhance revenue and financial management.

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<sup>10</sup> SWOT: Strengths, Weaknesses, Opportunities and Threats. SWOT analysis is a strategic study undertaken by an organization to identify its internal strengths and weaknesses, as well as its external opportunities and threats.

7. Attract, develop, and retain human capital.

The goals, cited above, articulate the strategic posture to respond to the key development challenges that are faced by the municipality. The key challenges are: (1) low revenue base (2) weak internal controls and management systems (3) ageing infrastructure and equipment (4) unemployment (5) lack poor service delivery, and (6) lack of shared knowledge.

#### **4.7.1.3 Gamagara Local Municipality**

The Gamagara Local Municipality IDP sets out the following challenges, namely:

1. Declining revenue, partly attributed to growing defaulting by rate payers and growth in account disputes.
2. Decline in cash reserves of the municipality.
3. Bloated population due to massive immigration from neighbouring municipalities and far-flung places.
4. Increase in indigent applications.
5. Spatial challenges and housing shortages.
6. Lack of a diversified economy.

The six strategic objectives of the municipality are geared towards addressing the cited development, governance, and administrative challenges. The strategic objectives are as follows:

1. To improve life for all through sustainable infrastructure investment and development.
2. To ensure the financial sustainability of the municipality is in order, and to adhere to statutory requirements.
3. To promote good governance through enhanced stakeholder participation.
4. To provide effective and efficient resources by aligning our institutional arrangement to our overall strategy in order to deliver quality services.
5. To facilitate the development of the community pro-active identification, prevention, mitigation, and fire and disaster risks.
6. To create a conducive environment for economic development in the municipality.

The IDP mission “To provide universal, sustainable services to the community in order to attain a safe and healthy environment, as well as socio-economic development by exploiting economic benefits and strengthening stakeholder relations” sums up the strategic posture of the municipality.

#### **4.7.2 Major Challenges & Strategic Thrust of the John Taolo Gaetsewe District Municipality**

The John Taolo Gaetsewe (formerly known as Kgalagadi) has numerous growth opportunities in the industrial sector. The district has a rich history: its boundaries were demarcated in 2006 and include the once north-western part of Joe Morolong and Olifantshoek, along with its surrounds, into the Gamagara Local Municipality. Like other districts, John Taolo Gaetsewe has developed its IDP on the Khawuleza development model which gave rise to the One District Model. The main challenges encountered by the district are as follows:

1. Unemployment: 8.24% of the total population and 26% of economically active people are unemployed. There is high dependence on three economic sectors in terms of job opportunities. These are: agriculture, mining, and retail.
2. Relatively high housing need.
3. The educational levels among the population of the district are relatively low. 10.3% of the population has no formal education, while only 26.7% has completed high school. Only a small percentage of the population has some tertiary education.
4. The district is characterised by a poverty-stricken majority of the population. 40.8% of the district’s population have no recordable income, meaning that the bulk of community members cannot pay for basic services.
5. Weak local governance - though variable - in virtually all of the three local municipalities.

Informed by the above-cited challenges, the district has formulated and committed to the following nine (9) priorities:

1. Water & sanitation
2. Roads & transport
3. Local economic development
4. Land development and reform
5. Integrated human settlements
6. Sustainable development-orientated municipality
7. Environmental management and conservation, and climate change management
8. Promotion of health in the district
9. Disaster management.

The developmental priorities of all three local municipalities, as well as JTG District, are summarised in Table 75. Additionally, these have been mapped against the National Development Plan priorities, the National Priorities for Local Government, and the Northern Cape's Strategic Thrusts. This mapping process allows for South32, as one of many LED players in the JTG area, to align to the overall growth strategy and growth objectives of the region.



Table 75: Alignment of local government strategic goals and/or objectives to major development instruments

National Development Plan (NDP) Priorities <sup>11</sup>	National Priorities for Local Government	Northern Cape's Strategic thrust and key development measures <sup>12</sup>	John Taolo Gaetsewe District Municipality	Joe Morolong Local Municipality	Ga-Segonyana Local Municipality	Gamagara Local Municipality
1. Capable, Ethical and Developmental State	Priority 1: Service delivery  Priority 2: Governance  Priority 3: financial management  Priority 4: fighting corruption	Thrust: A capable developmental state for effective service delivery  Thrust: Achieving Clean Audits across all provincial departments  - Communicate adequately	Priority 6: Sustainable development-orientated municipality  Priority 9: Disaster management	Goal 12: Organisational development and capacity building  Goal 2: Promoting good governance and institutional transformation.  Goal 3: Providing social and economic infrastructure  Goal 4: Eradicating basic services backlog (water, sanitation, electricity, waste removal)	Strategic Objective 5: Improve internal control and management systems  Strategic Objective 6: Enhance revenue and financial management	Strategic objective 2: To ensure the financial sustainability of the municipality is in order, and to adhere to statutory requirements.  Strategic objective 3: To promote good governance through enhanced stakeholder participation
2. Economic transformation and job creation	Priority 1: Service delivery	Thrust: Modernise and place the province at a trajectory that is at the cutting-edge of the 4th Industrial Revolution (4IR)	Priority 3: Local economic development	Goal 3: Providing social and economic infrastructure  Goal 11: Environmental sustainability	Strategic Objective 3: Plan for sustainable growth  Strategic Objective 7: Attract, develop and retain human capital	Strategic objective 6: Create a conducive environment for economic development in the municipality

<sup>11</sup> In terms of the Medium-Term Strategic Framework, that is for South Africa in the next 5 years, 2019 to 2024 as informed by and continuing directly to the 6 priorities of the National Development Plan (Vision 2030)

<sup>12</sup> Articulated through the most recent provincial development priority setting and confirmation, that is the State of the Province Address (SOPA) by Premier Dr. Zamani Saul, 24<sup>th</sup> February 2022



National Development Plan (NDP) Priorities <sup>11</sup>	National Priorities for Local Government	Northern Cape's Strategic thrust and key development measures <sup>12</sup>	John Taolo Gaetsewe District Municipality	Joe Morolong Local Municipality	Ga-Segonyana Local Municipality	Gamagara Local Municipality
		Thrust: Economic Reconstruction and Recovery, entailing: <ul style="list-style-type: none"> <li>• Massive Infrastructure rollout</li> <li>• Accelerated expansion of electricity generation</li> <li>• Employment stimulus to create employment, sustain livelihoods and social reproduction</li> <li>• Drive for industrial growth, putting manufacturing, localisation and beneficiation at the core of the programme</li> </ul>			Strategic Objective 2: Create a conducive environment for prosperous business investment  Strategic Objective 4: Develop and maintain infrastructural and community services	
3. Education, Skills and Health	Priority 1: Service delivery	Thrust: Modernise and place the province at a trajectory that is at the cutting-edge of the 4th Industrial Revolution (4IR) <ul style="list-style-type: none"> <li>- Premier's Bursary Scheme to sustain and retain needed skills in the Province</li> <li>- Student accommodation</li> </ul>	Priority 8: Promotion of health in the district	Goal 3: Providing social and economic infrastructure  Goal 9: Partnership against HIV and AIDS  Goal 11: Environmental sustainability	Strategic Objective 3: Plan for sustainable growth  Strategic Objective 7: Attract, develop and retain human capital  Strategic Objective 4: Develop and maintain infrastructural and community services	Strategic objective 4: To provide an effective and efficient resources by aligning our institutional arrangement to our overall strategy in order to deliver quality services

National Development Plan (NDP) Priorities <sup>11</sup>	National Priorities for Local Government	Northern Cape's Strategic thrust and key development measures <sup>12</sup>	John Taolo Gaetsewe District Municipality	Joe Morolong Local Municipality	Ga-Segonyana Local Municipality	Gamagara Local Municipality
4. Consolidating the Social Wage through Reliable and Quality Basic Services	Priority 1: Service delivery	Thrust: Social protection for to address the challenge of food insecurity for deserving and destitute households  - Social housing	Priority 1: Water & Sanitation  Priority 2: Roads & Transport	Goal 4: Eradicating basic services backlog (water, sanitation, electricity, waste removal)		Strategic objective 4: To provide an effective and efficient resources by aligning our institutional arrangement to our overall strategy in order to deliver quality services
5. Spatial Integration, Human Settlements and Local Government	Priority 4: Infrastructure development	Thrust: Economic Reconstruction and Recovery, entailing: • Massive Infrastructure rollout  - Social housing	Priority 4: Land development and reform  Priority 5: Integrated human settlements  Priority 7: Environmental management and conservation and climate change management	Goal 4: Eradicating basic services backlog (water, sanitation, electricity, waste removal)  Goal 3: Providing social and economic infrastructure  Goal 11: Environmental sustainability	Strategic Objective 3: Plan for sustainable growth  Strategic Objective 4: Develop and maintain infrastructural and community services	Strategic objective 1: Improve life for all through sustainable infrastructure investment and development
6. Social Cohesion and Safer Communities	Priority 1: Service delivery  Priority 2: Governance	Thrust: Social protection for to address the challenge of food insecurity for deserving and destitute households	Priority 7: Environmental management and conservation and climate change management	Goal 6: Fighting poverty and underdevelopment  Goal 1: Enhancing public participation on matters of government	Strategic Objective 1: Foster participative cohesion and collaboration	Strategic objective 3: To promote good governance through enhanced stakeholder participation

National Development Plan (NDP) Priorities <sup>11</sup>	National Priorities for Local Government	Northern Cape's Strategic thrust and key development measures <sup>12</sup>	John Taolo Gaetsewe District Municipality	Joe Morolong Local Municipality	Ga-Segonyana Local Municipality	Gamagara Local Municipality
		Thrust 6: <b>Fight against crime</b> and corruption.	Priority 9: Disaster management.	Goal 4: Eradicate basic services backlog (water, sanitation, electricity, waste removal)  Goal 3: Providing social and economic infrastructure  Goal 8: Promoting safety and security  Goal 11: Environmental sustainability	Strategic Objective 3: Plan for sustainable growth  Strategic Objective 7: Attract, develop and retain human capital	Strategic objective 5: To facilitate the development of the community pro-active identification, prevention, mitigation and fire and disaster risks
7. A Better Africa and World	Priority 2: Governance  Priority 1: Service delivery  Priority 5: fighting corruption	Thrust: <b>Fight against crime and corruption.</b>	Priority 7: Environmental management and conservation and climate change management	Goal 2: Promoting good governance and institutional transformation  Goal 5: Improving quality of life for its citizens  Goal 11: Environmental sustainability	Strategic Objective 1: Foster participative cohesion and collaboration  Strategic Objective 3: Plan for sustainable growth  Strategic Objective 7: Attract, develop and retain human capital	Strategic objective 3: To promote good governance through enhanced stakeholder participation

## 4.8 Negative and Positive Impacts of Mining Activity

In line with the South32 Community Standard, a Social Impact and Opportunity Assessment has been conducted to better understand the impact that South32's operations have on our communities. Summarised below are some of the key findings of this assessment, as well as opportunities and strategies to enhance positive impacts and mitigation measures to reduce negative impacts.

Table 76: Negative and Positive Impacts of Mining Activity

POSITIVE IMPACTS OF MINING ACTIVITY	
Impact	Opportunities and Strategies to Enhance
Job Creation and Local Employment	<ul style="list-style-type: none"> <li>Continue with South32's local recruitment strategies</li> <li>Partner with South32's Core Contractors to deliver value through investment in our communities</li> <li>Continuing Enterprise and Supplier Development programmes to enhance job creation within the South32 supply chain and outside of the mining sector</li> </ul>
Improved Education and Skills Development	<ul style="list-style-type: none"> <li>Continue investment into successful and high-impact education development programmes and consider scope for expansion</li> <li>Deliver an integrated Human Resources Development programme with targeted community initiatives</li> <li>Improve opportunities and participation of rural communities in education development within the JTG District</li> </ul>
NEGATIVE IMPACTS OF MINING ACTIVITY	
Impact	Mitigation of Negative Impacts
Noise Disturbances	<ul style="list-style-type: none"> <li>Continued implementation of approved Environmental Management Plans</li> <li>Strict adherence to regulatory requirements for environmental management</li> <li>Continued communication of environmental mitigation measures to stakeholders</li> <li>Providing feedback to stakeholders on outcomes of environmental studies</li> </ul>
Damage to the Environment	
High Cost of Accommodation and Housing due to Rapid Population Growth	<ul style="list-style-type: none"> <li>Continued implementation of local recruitment and procurement policies</li> <li>Continued implementation of South32's housing policies to promote home ownership and home improvements among local employees</li> <li>Ongoing engagement with local municipalities and Department of Human Settlements</li> </ul>

## 4.9 Broad-Based Consultation Process

The Broad-Based Black Economic Empowerment Charter for the Mining Industry (Mining Charter 2018) stipulates that Mines, “in consultation with relevant municipalities, mine communities, traditional authorities and affected stakeholders, identify developmental priorities of mine communities”, for inclusion into the Social and Labour Plan.

The process of engagement that has been undertaken for the development of this SLP was aimed to be as broad in reach, and as inclusive, as possible in order to accommodate concerns and needs of affected and interested communities and stakeholders representing them.

**Note:** Detailed attendance registers and meeting outcomes can be found in the Portfolio of Evidence.

### 4.9.1 Consultative Meetings with Principal Stakeholders

The table below summarises the consultative meetings held with South32’s principal stakeholders, namely the DMRE, the municipalities within the JTG District, as well as the Traditional Authorities within the area.

*Table 77: SLP Engagements with Principal Stakeholders*

Streams	Stakeholders	Date
<b>Stream 1:</b> Regulatory, Local and District Municipalities	<b>DMRE Kimberly</b>	Tuesday, 12 July 2022
	<b>JTG District Municipality</b>	Wednesday, 07 September 2022
	<b>Joe Morolong Local Municipality</b>	Wednesday, 13 July 2022
		Thursday, 08 September 2022
	<b>Ga Segonyana Local Municipality</b>	Wednesday, 13 July 2022
		Tuesday, 13 September 2022
	<b>Gamagara Local Municipality</b>	Wednesday, 13 July 2022
		Tuesday, 06 September 2022
<b>Stream 2:</b> Traditional Authorities	<b>COGHSTA</b>	Wednesday, 20 July 2022

#### 4.9.2 Consultative Meetings with Broad-Based Community Groups

The table below summarises the broad-based community meetings held by South32 during the development of this SLP. In some instances where the number of attendees is not indicated, it should be noted that community members chose to withhold the attendance register for that meeting. South32 is proud to have consulted with over 3300 members of our host community during the development of this SLP, which demonstrates our commitment to continued stakeholder impact and finding solutions to the most pressing developmental needs of our communities.

Table 78: Summary of Broad-Based Consultation Process

Cluster	Presiding Kgosi	Tribal Area	Local Municipality	Meeting Location	Date Of Consultation	Community Members	Traditional Council Members	Total No. Of Attendees	Notes
<b>A</b>	P.S Bareki	Batlharo ba ga Bareki	Joe Morolong	Heuningvlei Community Hall	2022/09/12	374		374	Council Register included with the community members
<b>B</b>	G.E Thaganyane	Batlhaping ba ga Thaganyane	Joe Morolong	Batlhaping ba ga Thaganyane Tribal Office	2022/09/15	260	13	273	
<b>C</b>	I.S Dioka	Batlharo ba ga Phadima	Joe Morolong	Ga-Morona Tribal Office	2022/09/21	140	20	160	
<b>D</b>	B.V Mahura	Batlhaping ba ga Mahura	Joe Morolong	Batlhaping ba ga Mahura Tribal Council	2022/10/06	49	9	58	Some Registers were withheld by community members
<b>E</b>	K.S Motshwarakgole	Batlhaping ba ga Motshwarakgole	Joe Morolong	Batlhaping ba ga Motshwarakgole Tribal Council	2022/09/14	404	14	418	
<b>F</b>	B.D Phetlhu	Batlhaping ba ga Phetlhu	Joe Morolong	Batlhaping ba ga Phetlhu Tribal Office	2022/09/20	324	14	338	
<b>G</b>	T.D Molema	Batlhaping ba ga Jantjie	Joe Morolong and Ga-Segonyana	Ba-ga Jantjie Tribal Office	2022/09/19	527	18	545	
<b>H</b>	Not Applicable	Not Applicable	Ga-Segonyana	Wrenchville Community Hall	2022/10/05	166	N/A	166	This cluster does not fall under a traditional authority.

Cluster	Presiding Kgosi	Tribal Area	Local Municipality	Meeting Location	Date Of Consultation	Community Members	Traditional Council Members	Total No. Of Attendees	Notes
I	Not Applicable	Not Applicable	Gamagara	Gamagara Community Hall	2022/10/13	130	N/A	130	This cluster does not fall under a traditional authority.
J	P.P Toto	Batlharo Ba ga Motlhwane	Joe Morolong and Ga-Segonyana	Batlharo Community Hall	2022/10/03		14	14	Registers were withheld by community members
				Tsineng Community Hall	2022/10/04	244	5	249	
				Loopeng Community Hall	2022/10/10	294	18	312	
				Maphiniki Community Hall	2022/10/11	272	11	283	
Total						3184	136	3320	

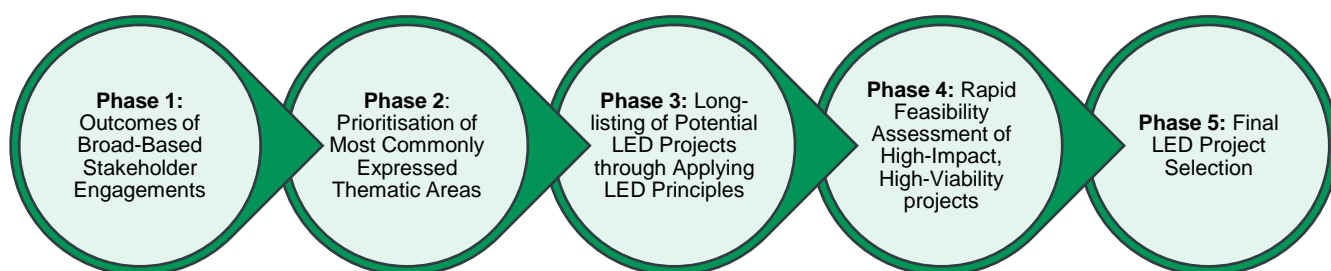
## 4.10 Hotazel Manganese Mines Framework for Local Economic Development

South32 has conducted a thorough and scientific approach to identifying LED programmes to be included in this SLP. The principles underpinning the LED project selection are:

1. Projects must be designed with financial sustainability in mind and to avoid cost escalations.
2. There must be a balance between projects which are extracted from local municipal IDPs, and those projects which communities have identified during consultations.
3. Project design must be broad-based in nature and should achieve the critical mass necessary for widescale impact across the JTG District.
4. South32 will actively seek collaboration opportunities with other LED players in the area.
5. The SLP LED programme must integrate with other corporate initiatives undertaken by South32.
6. The geographical location of projects should focus on areas which have not previously benefitted from South32's SLPs.
7. Duplication of projects implemented by other mining companies should be avoided.
8. All projects will emphasise, be implemented on, and be measured on social impact principles.

### 4.10.1 Process of LED Project Selection

A five-phase approach has been used in the identification and selection of LED projects for this SLP. The design of the approach is intended to progress from broad, general project themes towards specific project commitments with timeframes and budgetary allocations. The process is summarised in the below figure.



*Figure 14: South32 Process of LED Project Selection*

During **Phase 1**, South32 received 1052 inputs into this SLP through the broad-based consultation process, which were all captured and documented for action. Inputs were received verbally, during community meetings, as well as in writing via email. All inputs were captured on a database, and then analysed to determine the priority development areas of the host community (summarised as thematic areas). The outcomes of phase 1 are captured in the following table.



Table 79: Outcomes of Broad-Based Stakeholder Engagement Process

Thematic Area		Sub-Themes		Problem Statement	Common Project Inputs as received from Community Engagements
Transport	18%	Maintenance of internal roads	36%	Poor quality or lack of transport infrastructure is preventing access to health, education, economic opportunities, and basic services.	*Construction of roads and bridges from one point to another. *Roads to connect community services. *Grading and maintenance of internal roads. *Transportation service for children.
		Construction of roads infrastructure	31%		
		Construction of bridge infrastructure	23%		
		Transportation services	9%		
Education	15%	Early childhood development	40%	Lack of safe and high-quality environments for daily care of young children and effective education of learners.	*Construction of classrooms to expand an existing school. *Construction of Creche or ECD centre in a village. *Upgrading schools with halls, kitchens, security, or other facilities.
		Upgrading existing school infrastructure	23%		
		Construction of new school infrastructure	21%		
		Construction of classrooms	11%		
		Learner support	2%		
		Tertiary education	2%		
Sports and Recreation	13%	Community halls	49%	Need for spaces and places that facilitate holistic development of youth and the community at large (how can this link to education and skills development?)	*Construction of a community hall or multipurpose centre within a village. *Renovation or fencing of existing sports grounds. *Building of new sports facilities. *Facilities for cultural activities (such as sound system, stage, etc.)
		Sports facilities	35%		
		Library facilities	8%		
		Arts and culture	7%		
Water and Sanitation	10%	Construction of water infrastructure	50%	Access to basic necessities for life (water and sanitation)	*Maintenance and construction of bulk water infrastructure. *Water access for schools, clinics, and other facilities. *Supply of boreholes and JoJo tanks.
		Boreholes and JoJo Tanks	20%		
		Sanitation and toilet facilities	17%		
		Maintenance and upgrading of existing water infrastructure	9%		
		Storm water drainage	5%		

Thematic Area		Sub-Themes		Problem Statement	Common Project Inputs as received from Community Engagements
Livelihood Creation	10%	Skills and training	50%	Creation of viable local economic opportunities and pathways out of poverty.	*Access to skills development and training centres. *Skills training programmes and centres for youth. *Access to enterprise development opportunities.
		Youth development	23%		
		Job opportunities	16%		
		SMME and Enterprise Development	9%		
		Manufacturing incubation	1%		
Agriculture	8%	Livestock	32%	Food insecurity becomes a barrier to the socio-economic development of households and communities. Adequate nutrition contributes to human dignity.  Beyond food security, agriculture promotes economic access and opportunities.  Alien invasives threaten crop production, health and safety of people and livestock, water access.	*Water supply for vegetable production or livestock farming. *Removing alien invasive trees in local areas. *Fencing for livestock camps. *Funding for agriculture projects.
		Alien invasive removal	23%		
		Agriculture livelihoods development	22%		
		Water for livestock	10%		
		Agricultural infrastructure	8%		
		Access to markets	3%		
Healthcare	7%	Clinic services	51%	Physical access to healthcare services prevents the attainment of health and wellbeing.	*24 hour clinic to be built in village areas. *Ambulance to service villages. *Mobile clinic service for villages.
		Mobile clinic services	24%		
		Ambulance services	16%		
		Hospital infrastructure	5%		
		Medical staffing	4%		
Community Services	6%	Graveyard facilities	38%	Integrated and well-designed human settlements.	*Fencing and construction of toilets at grave sites. *Access to amenities such as shopping centres, petrol stations etc. *Access to decent and low-cost housing.
		Access to housing	27%		
		Tribal facilities	13%		

Thematic Area		Sub-Themes		Problem Statement	Common Project Inputs as received from Community Engagements
		Access to amenities	13%		
		Refuse dumping facilities	6%		
		Firefighting and disaster management services	5%		
Welfare	5%	Soup kitchen	46%	Poor consideration of people with vulnerabilities (impoverished, disabled, elderly, chronically ill etc.)	*Soup kitchen in village areas. *Construction or upgrading of facilities like old age homes, drug rehabilitation centres, or facilities for PWDs.
		Facilities for the elderly	25%		
		Social services	21%		
		Facilities for People with Disabilities	9%		
Safety and Security	5%	High mast lights	81%	Isolation and lack of physical access to security services.	*Supply of high mast lighting in village areas. *Construction of police stations with satellite offices.
		Police station	17%		
		Unsafe houses	2%		
Electricity			1%	Lack of electricity supply to households.	*Electricity supply to households.
Internet Access			1%	Overcoming the digital divide.	*Public Wi-Fi services.

The more commonly expressed thematic areas, as identified above, were selected for further consideration in this SLP in **Phase 2**. These thematic areas include:

- Transport
- Education
- Sports and recreation
- Water and sanitation
- Livelihood creation
- Agriculture
- Healthcare

During **Phase 3**, the seven LED principles were applied to long-list a number of potential projects. Each of these projects were ranked against standardised criteria, to produce a final score for each project. Those projects deemed most viable, with the greatest possibility for long-term and sustainable impact, were selected for inclusion into the SLP.

**Phase 4** of project selection included the conducting of a rapid feasibility assessment by HMM's project implementation team. Of key consideration was to ensure that the project scope could be delivered within the required timeframe and budget allocation, to avoid unsustainable cost escalations. This phase also emphasises the identification of new and innovative solutions to deliver high-impact LED interventions within the given resource constraints.

## 4.11 LED Projects and Financial Commitment

The table below presents the LED projects identified for implementation in this SLP.

Table 80: LED Project 1

Project 1: Community Health Centre Infrastructure (Phase 2): Upgrade of the infrastructure of an existing Health Clinic to a Community Health Centre						
Description	Strategic Driver	Beneficiary Community	Key Stakeholders	Key Actions	Implementation Years	Financial Commitment
<p>Phase 1 of this project will be concluded as part of SLP 3 delivery.</p> <p>Phase 2 will focus on the execution and completion of the project in terms of the infrastructure including.</p> <ul style="list-style-type: none"> <li>• Maternity Ward</li> <li>• Emergency Centre</li> <li>• Kitchen and laundry</li> <li>• Radiology</li> <li>• Ablution facilities</li> </ul> <p>Equipment, furniture, furnishings, staff and operational management of the Centre will be the responsibility of the DoH as per agreement that will be entered into.</p>	<ul style="list-style-type: none"> <li>• Alignment to priority need of community health and wellbeing</li> <li>• Successful implementation of phase 1 in SLP 3</li> <li>• Various expressed needs for quality health and wellbeing services in the community</li> </ul>	<ul style="list-style-type: none"> <li>• Dithakong and surroundings communities</li> <li>• Feeder clinics</li> </ul>	<ul style="list-style-type: none"> <li>• Joe Morolong Local Municipality</li> <li>• Department of Health</li> <li>• Relevant TA's</li> </ul>	<ul style="list-style-type: none"> <li>• Develop implementation plan</li> <li>• Implement the project</li> </ul>	Years 1 - 3	R45 000 000
<b>Impact Measurement:</b>	<ul style="list-style-type: none"> <li>• South32 will conduct impact measurement to ensure sustainability and measure positive outcomes. Impact metrics include: <ul style="list-style-type: none"> <li>○ Number of temporary jobs created during project implementation;</li> <li>○ Population size of the area served by the project;</li> <li>○ Utilisation of the infrastructure following South32's exit from the project;</li> <li>○ Skills development and other livelihood opportunities created as a result of this project.</li> <li>○ Reported levels of physical, social, mental, emotional, cultural wellbeing</li> <li>○ Level of real and perceived levels of personal and community health and wellbeing</li> <li>○ Quality of health and wellbeing services in the community</li> </ul> </li> <li>• Monitoring and Evaluation will continue 2 years after exit/completion and handover of project.</li> </ul>					
<b>Exit Strategy:</b>	South32 will sign a Grant Agreement as well as a Maintenance Agreement Plan with Department of Health following the completion of this project to indicate the end of South32's involvement.					

Table 81: LED Project 2

Project 2:		Batlharos Bridge: Construction of Bridge				
Description	Strategic Driver	Beneficiary Community	Key Stakeholders	Key Actions	Implementation Years	Financial Commitment
Construction of a bridge where the river separates communities and restricts access to social and commercial services including schools, shops, clinics, etc. during the rainy season and flooding.	<ul style="list-style-type: none"> <li>Large amount of needs and requests received throughout community engagements</li> <li>Pre-feasibility indicated low levels of perceived personal and community-safety</li> <li>Various expressed needs for quality safety and security within the community</li> </ul>	<ul style="list-style-type: none"> <li>Batlharos</li> <li>Ga Segonyana Local Municipality</li> <li>Tribal Authority</li> </ul>	<ul style="list-style-type: none"> <li>Ga Segonyana</li> <li>Local Municipality Town Planning</li> </ul>	<ul style="list-style-type: none"> <li>Undertake a needs assessment and feasibility study (including engineering design and EIA)</li> <li>Develop implementation plan</li> <li>Implement the project</li> </ul>	Year 1 - 2	R20 000 000
<b>Impact Measurement:</b>	<ul style="list-style-type: none"> <li>South32 will conduct impact measurement to ensure sustainability and measure positive outcomes. Impact metrics include: <ul style="list-style-type: none"> <li>Number of temporary jobs created during project implementation;</li> <li>Population size of the area served by the project;</li> <li>Utilisation of the infrastructure following South32's exit from the project;</li> <li>Reported levels of physical, social, mental, emotional, cultural wellbeing</li> <li>Level of real and perceived levels of personal and community health and wellbeing</li> <li>Quality of health and wellbeing services in the community</li> <li>logistics ease through utilisation of the bridge and safety and security of the community</li> </ul> </li> <li>Monitoring and Evaluation will continue 2 years after exit.</li> </ul>					
<b>Exit Strategy:</b>	South32 will sign a Grant Agreement as well as a Maintenance Agreement Plan with Ga Segonyana Local Municipality following the completion of this project to indicate the end of South32's involvement.					

Table 82: LED Project 3

Project 3:		Water Supply: For Household Access				
Description	Strategic Driver	Beneficiary Community	Key Stakeholders	Key Actions	Implementation Years	Financial Commitment
<p>Supporting the local municipalities with access to clean and safe water for local communities that may not be serviced through municipal bulk infrastructure. This may include:</p> <ul style="list-style-type: none"> <li>Installation of: <ul style="list-style-type: none"> <li>Water tanks at existing boreholes</li> <li>HDP pipes at identified areas</li> <li>Selected borehole pumps need upgrading repaired and refurbished</li> </ul> </li> <li>Communities to be employed through the construction phase</li> <li>Skills transfer to take place for Maintenance of the boreholes and tanks</li> </ul>	<ul style="list-style-type: none"> <li>Various expressed needs and prioritising household access to clean water to local villages</li> <li>High quick impact projects</li> <li>Water access and use of safe and affordable water and sanitation services</li> </ul>	<ul style="list-style-type: none"> <li>Heuningvlei,</li> <li>Tsineng</li> <li>Gamagara, Gasegonyana and Joe Morolong Local Municipalities</li> </ul>	<ul style="list-style-type: none"> <li>Gamagara, Gasegonyana and Joe Morolong Local Municipalities</li> <li>Department of Water and Sanitation</li> <li>Relevant TAs</li> </ul>	<ul style="list-style-type: none"> <li>Undertake a needs assessment and feasibility study and consultations with key stakeholders</li> <li>Develop implementation plan</li> <li>Implement the project</li> </ul>	Year 1 - 3	R7 000 000
<b>Impact Measurement:</b>	<ul style="list-style-type: none"> <li>South32 will conduct impact measurement to ensure sustainability and measure positive outcomes. Impact metrics include: <ul style="list-style-type: none"> <li>Number of temporary jobs created during project implementation;</li> <li>Population size of the area served by the project;</li> <li>Utilisation of the infrastructure following South32's exit from the project;</li> <li>Skills development and other livelihood opportunities created as a result of this project.</li> <li>Level of real and perceived levels of personal and community health and wellbeing</li> <li>Quality of health and wellbeing services in the community</li> </ul> </li> <li>Monitoring and Evaluation will continue 2 years after exit.</li> </ul>					
<b>Exit Strategy:</b>	South32 will sign a Grant Agreement as well as a Maintenance Agreement Plan with Gasegonyana, Gamagara and Joe Morolong Local Municipality following the completion of this project to indicate the end of South32's involvement.					

Table 83: LED Project 4

Project 4:		High Mast Lights and School Pedestrian Crossing				
Description	Strategic Driver	Beneficiary Community	Key Stakeholders	Key Actions	Implementation Years	Financial Commitment
<p>In order to enhance community safety and security in areas with high risk contexts, lighting and road safety measures will be installed including:</p> <ol style="list-style-type: none"> <li>1. High Mast Lights potentially being operated with solar/ batteries.</li> <li>2. Pedestrian raised crossings, with a focus on school children.</li> <li>3. Speed Bumps for high incident areas</li> </ol>	<ul style="list-style-type: none"> <li>• The need for public Safety and Security, especially for school children</li> <li>• The need to address loadshedding challenges causing increase in traffic accidents</li> <li>• Quality of safety and security measures in the communities</li> <li>• Several requests from different communities</li> </ul>	Joe Morolong and Ga Segonyana Local Municipality	<ul style="list-style-type: none"> <li>• Joe Morolong and Ga Segonyana Local Municipality</li> <li>• Department of Public works</li> </ul>	<ul style="list-style-type: none"> <li>• Undertake a needs assessment and feasibility study</li> <li>• Develop implementation plan</li> <li>• Implement the project</li> </ul>	Year 1	R3 500 000
<b>Impact Measurement:</b>	<ul style="list-style-type: none"> <li>• South32 will conduct impact measurement to ensure sustainability and measure positive outcomes. Impact metrics include: <ul style="list-style-type: none"> <li>○ Number of temporary jobs created during project implementation;</li> <li>○ Population size of the area served by the project;</li> <li>○ Utilisation of the infrastructure following South32's exit from the project;</li> <li>○ Skills development and other livelihood opportunities created as a result of this project.</li> <li>○ Quality of safety and security within the communities</li> <li>○ The reduction in accidents within the identified areas</li> </ul> </li> </ul>					
<b>Exit Strategy:</b>	<ul style="list-style-type: none"> <li>• South32 will sign a Grant Agreement as well as a Maintenance Agreement Plan with Gasegonyana and Joe Morolong Local Municipality following the completion of this project to indicate the end of South32's involvement.</li> </ul>					



Table 84: LED Project 5

Project 5:		Landfill Site and Recycling Infrastructure				
Description	Strategic Driver	Beneficiary Community	Key Stakeholders	Key Actions	Implementation Years	Financial Commitment
<p>Provision of support to the Joe Morolong Local Municipality to set-up a landfill site for waste to serve local communities and neighbouring mines and other commercial entities in order to reduce the distance for current waste removal facilities. The landfill will boast recycling facilities that can be managed by small local businesses and will also be linked to Enterprise and Supplier Development program for the small local businesses:</p> <ul style="list-style-type: none"> <li>• Support small business that do recycling (ESD integration)</li> <li>- Recycling and sorting facilities</li> </ul>	<ul style="list-style-type: none"> <li>• Various expressed needs for a landfill site that is closer than the current one in Kuruman</li> <li>• The importance of biodiversity and conservation management practices</li> <li>• Prioritising and looking after the environment</li> <li>• Quality of health and wellbeing services in the community</li> <li>• Support to small enterprises in the waste business</li> </ul>	<p>Potential site identified by Joe Morolong Local Municipality at London Farm</p>	<ul style="list-style-type: none"> <li>• Joe Morolong Local Municipality</li> <li>• Department of Environmental Affairs</li> <li>• </li> <li>• </li> </ul>	<ul style="list-style-type: none"> <li>• Undertake a needs assessment and feasibility study</li> <li>• Develop implementation plan</li> <li>• Implement the project</li> </ul>	<p>Year 1 - 5</p>	<p>R7 000 000</p>
<b>Impact Measurement:</b>	<ul style="list-style-type: none"> <li>• South32 will conduct impact measurement to ensure sustainability and measure positive outcomes. Impact metrics include: <ul style="list-style-type: none"> <li>○ job creation through Construction (temporary) and Recycling (permanent)</li> <li>○ Population size of the area served by the project;</li> <li>○ Cost saving for current logistics;</li> <li>○ Utilisation of the infrastructure following South32's exit from the project;</li> <li>○ Skills development and other livelihood opportunities created as a result of this project.</li> <li>○ Quality of health and wellbeing within the communities</li> <li>○ Monitoring and Evaluation will continue 2 years after exit.</li> </ul> </li> </ul>					
<b>Exit Strategy:</b>	<p>South32 will sign a Grant Agreement as well as a Maintenance Agreement Plan with Joe Morolong Local Municipality following the completion of this project to indicate the end of South32's involvement.</p>					

Table 85: LED Project 6

Project 6:		Early Childhood Development Centres: Three centres				
Description	Strategic Driver	Beneficiary Community	Key Stakeholders	Key Actions	Implementation Years	Financial Commitment
<p>Provision of three Early Childhood Development infrastructure, including:</p> <ul style="list-style-type: none"> <li>Classrooms;</li> <li>Playgrounds;</li> <li>Infrastructure and access to bulk services</li> </ul> <p>The equipment, furniture and operational management of the Centres will be provided by DoE as per agreement that will be put in place.</p>	<ul style="list-style-type: none"> <li>Aligned to Social Investment Initiatives</li> <li>Providing equal access to educational opportunities</li> <li>Proportion of feeder school students moving on to primary school opportunities</li> <li>Link to feeder schools</li> </ul>	<ul style="list-style-type: none"> <li>Gamagara, Ga Segonyana and Joe Morolong Local Municipalities</li> <li>Existing structure in Deaurwaard</li> </ul>	<ul style="list-style-type: none"> <li>Gamagara, Ga Segonyana and Joe Morolong Local Municipalities</li> <li>Department of Education</li> <li>Relevant TAs</li> </ul>	<ul style="list-style-type: none"> <li>Undertake a needs assessment and feasibility study</li> <li>Develop implementation plan</li> <li>Implement the project</li> </ul>	Year 3 - 4	R6 000 000
<b>Impact Measurement:</b>	<ul style="list-style-type: none"> <li>South32 will conduct impact measurement to ensure sustainability and measure positive outcomes. Impact metrics include: <ul style="list-style-type: none"> <li>Number of temporary jobs created during project implementation;</li> <li>Population size of the area served by the project;</li> <li>Utilisation of the infrastructure following South32's exit from the project;</li> <li>Skills development and other livelihood opportunities created as a result of this project.</li> <li>Quality of Early childhood development in the community</li> </ul> </li> <li>Monitoring and Evaluation will continue 2 years after exit.</li> </ul>					
<b>Exit Strategy:</b>	<ul style="list-style-type: none"> <li>South32 will sign a Grant Agreement as well as a Maintenance Agreement Plan with Gasegonyana, Gamagara and Joe Morolong Local Municipality or Department of Education following the completion of this project to indicate the end of South32's involvement.</li> <li>It is important for Department of Education to take ownership (teachers, equipment, consumables, etc)</li> </ul>					

Table 86: LED Project 7

Project 7:		Construction of a community multipurpose centre: One complete centre and the refurbishment of another established centre				
Description	Strategic Driver	Beneficiary Community	Key Stakeholders	Key Actions	Implementation Years	Financial Commitment
<p>Support for 2 multipurpose Centres – one is a refurbishment and upgrade and the other is a new facility that caters for multiple communities. The multi-purpose centres contribute substantively to the community's socio-economic development, including some of the following components:</p> <ol style="list-style-type: none"> <li>1. Public area for <b>Community Meetings, community halls and events</b></li> <li>2. Venues and resources for <b>Skills Development Training</b>.</li> <li>3. Small Business Incubation Support for <b>Local Entrepreneurs and SMMEs</b> through office space and ICT access</li> <li>4. Internet access points, hotspots and computer infrastructure.</li> </ol> <p>In consultation with the community and the TA's, the specifications will be refined and confirmed.</p>	<ul style="list-style-type: none"> <li>• Capacity and capability of SMEs to maximise procurement value</li> <li>• Proportion of business activity outside of mining and processing</li> <li>• Sustained employment rates</li> <li>• Household income rates</li> <li>• Social and recreational services for communities</li> </ul>	Ga Segonyana (new center) and Gamara Local Municipalities	<ul style="list-style-type: none"> <li>• Ga Segonyana and Gamara Local Municipalities</li> <li>• Relevant TA's</li> <li>• JTG District Municipality,</li> <li>• Other relevant government departments.</li> </ul>	<ul style="list-style-type: none"> <li>• Undertake a needs assessment and feasibility study</li> <li>• Develop implementation plan</li> <li>• Implement the project</li> </ul>	Years 4 – 5	R 20 000 000
<b>Impact Measurement:</b>	<ul style="list-style-type: none"> <li>• South32 will conduct impact measurement to ensure sustainability and measure positive outcomes. Impact metrics include: <ul style="list-style-type: none"> <li>○ Number of temporary jobs created during project implementation;</li> <li>○ Population size of the area served by the project;</li> <li>○ Utilisation of the infrastructure following South32's exit from the project;</li> <li>○ Skills development and other livelihood opportunities created as a result of this project.</li> </ul> </li> <li>• Monitoring and Evaluation will continue 2 years after exit.</li> </ul>					
<b>Exit and Sustainability Strategy:</b>	South32 will sign a Grant Agreement) as well as a Maintenance Agreement Plan with Gamagara, and Gasegonyana Local Municipality following the completion of this project to indicate the end of South32's involvement.					

Table 87: LED Project 8

Project 8:		Agriculture				
Description	Strategic Driver	Beneficiary Community	Key Stakeholders	Key Actions	Implementation Years	Financial Commitment
<p>Agriculture is a major economic activity in the JTG District. The feasibility studies have already been concluded and identified opportunities for implementation. Agriculture is also an important activity for life after mine. The agriculture project will focus on the following:</p> <ul style="list-style-type: none"> <li>Food Security for own consumption</li> <li>Increase in yields and quality of crops and animals</li> <li>Increase in household income for subsistence farmers'</li> <li>Commercialization of farming potential leading to local economic growth and diversifying the economy from mining</li> <li>Capacity building</li> <li>Focus on water supply and efficiency for agricultural activities and consumption</li> </ul>	<ul style="list-style-type: none"> <li>Largest economic activity in area</li> <li>Need for food security</li> <li>Existing farmers need support to increase yield and productivity</li> <li>Majority of JTG District residents are involved in agriculture and its value chain</li> </ul>	<p>Joe Morolong Local Municipality doorstep communities including:</p> <ul style="list-style-type: none"> <li>Maipeng</li> <li>Tsineng Village</li> </ul>	<ul style="list-style-type: none"> <li>Depart of Agriculture</li> <li>Joe Morolong Local Municipality</li> <li>Relevant TA's</li> <li>Farmers</li> <li>Farmers Union</li> </ul>	<ul style="list-style-type: none"> <li>Develop Implementation Plan</li> <li>Implement Plan</li> <li></li> </ul>	Year 1 - 5	R13 000 000
<b>Impact Measurement:</b>	<ul style="list-style-type: none"> <li>South32 will conduct impact measurement to ensure sustainability and measure positive outcomes. Impact metrics include: <ul style="list-style-type: none"> <li>Population size of the area served by the project;</li> <li>Skills development and other livelihood opportunities created as a result of this project.</li> <li>Food security in households</li> <li>Increase in household incomes</li> <li>Yield increase/quality and animal (livestock) health which impacts on commercial value</li> <li>Monitoring and Evaluation will continue 2 years after exit.</li> </ul> </li> </ul>					
<b>Exit Strategy:</b>	<ul style="list-style-type: none"> <li>Close links to Department of Agriculture and TA's handover</li> <li>Extension officers to continue supporting farmers</li> <li>Link up with Communal Properties Associations (CPAs)</li> </ul>					

## 5. Housing and Living Conditions (Regulation 46c (i))

### 5.1 Introduction

Regulation 46 c (iv) of the MPRDA requires that: "The contents of the Social and Labour Plan must contain the measures to address the housing and living conditions of the mine employees."

The Housing and Living Conditions Standard for Minerals Industry of 2019 stipulates its aim as being "To restore human dignity of mine employees in line with the Constitution by attaining the occupancy rate of one person per room, upgrading or conversion of hostels into family units, provision of home ownership options and balanced nutrition."

In line with the Housing and Living Conditions Standard for Minerals Industry of 2019, South32 commits to give effect to adequate and decent housing for mine employees' current and future housing needs, and the following principles will be considered:

- Develop social, physical, and economically integrated housing development within a mine community
- Measures to address the housing demand
- Involvement of mine employees in the housing administrative systems
- Promote best practices and compliance with minimum norms and standards in relation to the delivery and management of housing
- Promote the use of financing schemes in a transparent and accountable manner

### 5.2 Current Housing and Accommodation Plan

According to the South32 moto "My HMM, My Family, My Future", Hotazel Manganese Mines espouses one of its values of care supported by Breakthrough number 1, stating that: "We guarantee that everyone goes home safe and well."

Through this moto, HMM supports living conditions suitable for families and in particular, home ownership. Housing provision at HMM has been approached in two ways. The first priority was to enable employees to own the homes that they live in. Through the Maatlafatso Home Ownership Scheme, 336 employees have been issued with grants to enable them to develop properties which they own. Out of this group, 276 housing projects have been completed.

The second approach is to provide decent accommodation for employees who may not wish to own homes in the local area. HMM provides 732 subsidized housing units to employees in Hotazel, Kuruman and Kathu. HMM has a minimum standard for decent accommodation and only provides accommodation that meets these criteria. Hostels in Hotazel town were eliminated and no employees are accommodated in hostel type residences. HMM has further started the process of drafting the second phase of the Home Ownership Scheme.

HMM also provides transport to 1074 employees (approximately 85% of the permanent workforce) and 38 contractor employees within a radius of 80km from Hotazel town. This supports and promotes family living as families can continue to work at HMM while living in the surrounding areas with their immediate families. This contributes to family stability by eliminating absentee parents/guardians.

South32's existing housing and accommodation plan has been drafted in consultation with organised labour and was signed off by organised labour representatives in 2019.

#### 5.2.1 Maatlafatso Home Ownership Scheme Statistics

South32's Maatlafatso Home Ownership scheme provides grants to employees to help them develop properties that they own. South32's achievements through this scheme thus far are summarised in Figure 15 below.

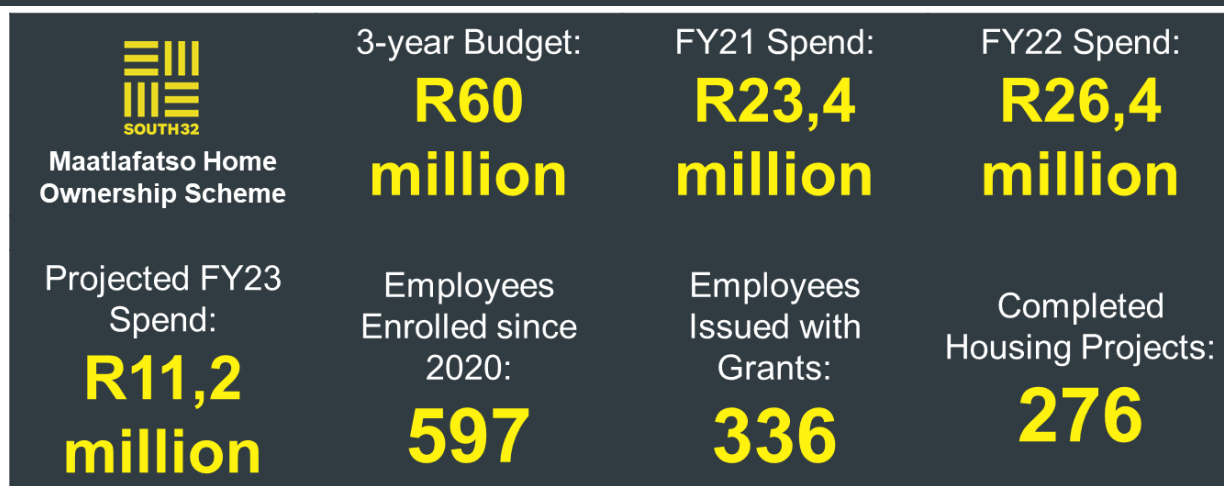


Figure 15: Maatlafatso Home Ownership Scheme

## 5.2.2 Current Housing Profile

HMM's consolidated housing profile as of November 2022 is presented below.

Table 88: Current Housing Profile

Employees enrolled in Maatlafatso Home Ownership Scheme	597
Employees issued with housing grants	336
Completed employee housing projects	276
Employees in subsidized housing units	732
Employees utilising company transport (direct and indirect)	1112

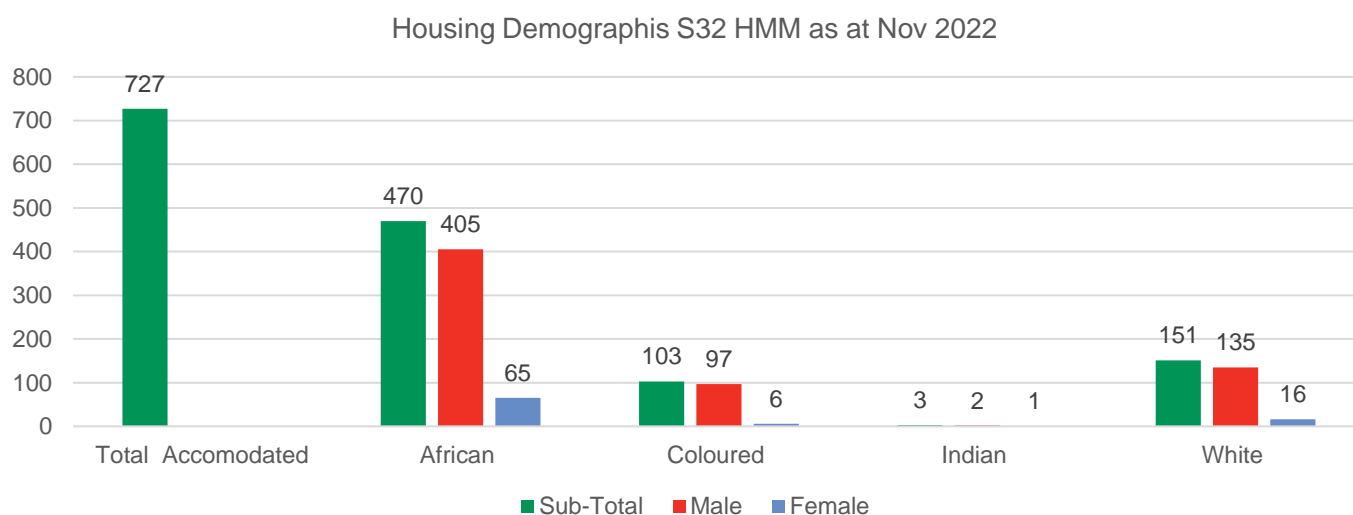


Figure 16: HMM Housing Demographics

## 5.3 Housing and Living Conditions Implementation Strategy

In order to continue prioritising the safety and wellbeing of our employees, South32 will revise and update its housing strategy on a regular basis, and in full consultation with organised labour. Table 89 summarises the Housing Implementation strategy for the 2023 – 2028 SLP period.

Table 89: Housing and Living Conditions Implementation Strategy

Key planned activities	Milestone	Submission due to DMRE
Draft and sign off Housing ownership options for L3/L4	31 March 2023	July 2023
Draft and sign off revised Maatlafatso Home Ownership Scheme	30 April 2023	July 2023
Tender for construction of houses in Hotazel	28 February 2023	TBD
Commence construction of houses in Hotazel	1 July 2023	TBD

## 5.4 Nutrition and Health Care

In line with ensuring adequate Housing and Living Conditions Standard for South32 employees, the following initiatives have been implemented to address nutrition and health care:

- Continue utilising the services of a health practitioner and dietician to distribute information to employees and family members on appropriate diets, food preparation methods and eating habits to achieve the objectives;
- Introduction of fatigue products (Nutri go-shakes and nutri mining bar) to help keep blood sugar levels constant for 3 to 4 hours;
- Assisting HIV positive employees as well as Aids patients to develop and adhere to supportive diets through the Lifeworks HIV/Aids programme that is available to all employees;
- Monitoring results and applying changes/updates where necessary;
- To continue to identify employees with specific health requirements;
- To monitor these employees on a scheduled, weekly basis and to provide guidance in the following aspects:
  - An eating plan that would assist in lowering the incidence of hypertension and diabetes amongst employees; and
  - An eating plan that would assist HIV/Aids positive employees and family members to remain healthy.

## 6. Procurement, Enterprise and Supplier Development (Regulation 46c (vi))

### 6.1 Introduction

The Broad-Based Black Economic Empowerment Charter for the Mining Industry ("Mining Charter") was amended and released by the Department of Mineral Resources and Energy (DMRE) in September 2018. The Mining Charter 2018 requires that mining companies submit a new five-year Procurement plan, indicating annual targets which progressively increase towards complying with the new procurement targets of the Mining Charter 2018.

According to the Mining Charter, Local Procurement, Supplier Development and Enterprise Development are one of the key instruments to achieve both competitiveness and transformation in the mining industry.

### 6.2 Procurement Baseline

The table below reflects the baseline for Procurement as at 30 June 2022.

Table 90: Procurement Baseline (Form T) as at 30 June 2022

Element	Measure	MC Target	Weight	Target Score	Actual Score	Actual Score
<b>A minimum of 70% of the total mining goods procurement spend must be spent on South African manufactured goods must be sourced from a B-BBEE compliant manufacturing companies. Calculation of goods and services spend does not include spend on utilities (electricity and water), fuels, lubricants and land rates</b>	Percentage of the total mining goods procurement spend on South African Manufactured goods from 50% + 1 vote Historically Disadvantaged Persons owned and controlled companies.	21%	5%	5	5	14%
	Percentage of the total goods procurement spend on South African manufactured goods from companies with a minimum of 50% + 1 vote women owned and controlled and/or 50% + 1 vote youth ownership.	5%	5%	5	5	21%
	Percentage of the total goods procurement spend on South African manufactured goods from companies that are at least at level 4 BEE + 26% ownership.	44%	5%	5	5	10%
<b>A minimum of 80% of the total spend on services must be sourced from South African based companies</b>	Percentage of the total services procurement spend on South African based companies that are 50% + 1 vote Historically Disadvantaged Persons owned and controlled companies	50%	5%	5	5	7%
	Percentage of the total services procurement spend on South African based companies with a minimum of 50% + 1 vote Black women owned and controlled	15%	5%	5	5	10%
	Percentage of the total services procurement spend on South African based companies with a minimum of 50% + 1 vote youth ownership.	5%	5%	5	3	3%
	Percentage of the total services procurement spend on South African based companies that are	10%	5%	5	5	45%



	at least at level 4 BEE + 25% +1 HDP ownership					
<b>Samples</b>	100% of samples analysed by SA companies	2.5%	5%	2.5	2.5	<b>20%</b>
<b>R&amp;D</b>	70% of R&D budget spent in SA	2.5%	5%	2.5		-

Table 91: Procurement breakdown for the analysis of the procurement baseline (as at 30 June 2022)

Type of Product Procured	Total Procurement from SA Suppliers	Total Procurement from Multinational Suppliers	Total Spend Per Annum	Non-Discretionary	Discretionary Spend	Spend with BEE Entities
Mining Goods	829 869 173	-	829 869 173	-	829 869 173	696 540 662
Services	2 802 339 406	7 332 354	2 809 671 760	1 706 405 024	2 809 671 760	2 515 009 334
<b>Total</b>	<b>3 632 208 580</b>	<b>7 332 354</b>	<b>3 639 540 934</b>	<b>1 706 405 024</b>	<b>3 639 540 934</b>	<b>3 211 549 996</b>

## 6.3 Procurement Targets

Table 92: Five Year Targets for Procurement

ELEMENT	MEASURE	MC Target	2023/24	2024/25	2025/26	2026/27	2027/28
<b>Procure 70% locally manufactured mining goods with a 60% local content</b>	21% of total mining goods procurement budget must be spent on South African manufactured goods produced by Historically Disadvantaged Persons owned and controlled company	<b>21%</b>	21%	21%	21%	21%	21%
	5% of total mining goods procurement budget must be spent on South African manufactured goods produced by women owned and controlled company or youth owned and controlled company	<b>5%</b>	5%	5%	5%	5%	5%
	44% of total mining goods procurement budget must be spent on South African manufactured goods produced by BEE compliant company	<b>44%</b>	44%	44%	44%	44%	44%
<b>80% Services</b>	50% of total services budget must be spent on services supplied by Historically Disadvantaged Persons	<b>50%</b>	50%	50%	50%	50%	50%
	15% of total services budget must be spent on services	<b>15%</b>	15%	15%	15%	15%	15%

	supplied by women owned and controlled companies						
	5% of total services budget must be spent on services supplied by youth owned and controlled companies	5%	5%	5%	5%	5%	5%
	10% of total services budget must be spent on services supplied by a BEE compliant company	10%	10%	10%	10%	10%	10%
<b>Research &amp; Development</b>	A minimum of 70% of total research and development budget to be on South African based research development entities	70%	70%	70%	70%	70%	70%
<b>Sample Analysis</b>	Utilise South African based facilities or companies for the analysis of 100% of all mineral samples across the mining value chain.	100%	100%	100%	100%	100%	100%

## 6.4 Procurement Implementation Plan

Implementation Plan: Close the Gap of Services from Youth Owned Suppliers
Leverage ESD programme to ensure a sustainable pipeline of women and youth owned businesses that provide goods and services in line with procurement requirements
Develop and implement the tracking and reporting of Youth Owned procurement
Include Youth Owned in evaluation criteria for procurement
Maintain our compliance to the Mining Charter Elements for Procurement

## 6.5 Enterprise and Supplier Development Programme

Local procurement is a key focus area for South32. We believe in empowering our local communities to be able to provide for as much of our supply chain as possible. Enterprise Development Program provides selected local entrepreneurs with the necessary infrastructure and skills to develop into viable enterprises, to enable them to feed into our supply chain.

Enterprise and supplier development is done through the implementation of the following:

- Facilitate supplier communication sessions in order to communicate development opportunities, orientation to the process of selecting suppliers for development and to capacitate regarding procurement target and criteria
- Establishing a procedure for the evaluation of suppliers and enterprises for the identification of potential development
- Ensure that the required Enterprise/ Supplier development contracts are in place

Interventions implemented by South32 include the following:

- Support access to improved cash flow through 7-day payment terms to black owned EME's
- Support access to capital through sponsorship of FRCs to qualifying black owned EME and QSEs
- Work experience & technical skills development
- Procuring of contracted labour requirements from the local community
- Managerial and entrepreneurial skills training

- Access to markets and capability building through:
  - Sub-contracts
  - Set asides
  - Managerial and Legal training
  - Technical training
  - Training through Original Equipment Manufacturers
  - Monitoring and access to continued business

South32 is committed to developing an Enterprise Supplier Development (ESD) process that is capable of supporting transformation in an effort to make a meaningful contribution to the social and economic development of South Africa. This is in line with South32's aspirations to create value beyond compliance which is a philosophy driving towards generating positive impact to enterprises and communities whilst meeting legislative requirements.

To enable this, South32 has developed an ESD process that aims to improve awareness of South32's value systems and opportunities to any qualifying enterprises and suppliers whilst providing positive value and impact to the enterprises and their communities.

In order for applying enterprises or suppliers to qualify for ESD support, they must meet at a minimum the following criteria:

- Be at least 51% black owned Exempted Micro Enterprises, Qualifying Small Enterprises
- Candidates must have an existing enterprise that is registered in South Africa
- You are local and from the John Taolo Gaetsewe (JTG) district
- The enterprise must conform with all legal requirements to operate e.g. licenses as well as generally be in good legal standing
- The enterprise must be a good cooperate citizen committed to transformation, skills development and empowerment of the communities

South32 has structured their ESD programme to provide different types of support based on the enterprises stage of business maturity and existing operating gaps including the following:

- Loans
- Grants (where applicable)
- Shorter payment terms
- Incubation support through Business Development Support and programmes

South32 appreciates the critical importance of ESD to the advancement of local economic development (localisation), transformation, job creation and socio-economic growth and prosperity of the people within its operating ecosystem. South32 is fully committed to developing small and medium black enterprises and creating growth opportunities for black enterprises in the local communities in which South32 operates. To execute on this commitment, South32 aspires to spend the 1% of Net Profit after Tax (NPAT) on Enterprise Development (ED) and 2% of NPAT on Supplier Development (SD).

South32 has established walk-in business support centres to assist local businesses in the areas in which South32 operates. In the Northern Cape, our centre is based at the Eldorado Hotel in Kuruman. The specific support offered includes:

- Business Development Support Programmes
- Business Compliance
- Financial Management support
- Tender Readiness
- Technical Skills and Mine Safety requirements
- Connecting Enterprise Development to Supplier Development

The South32 Supply team hosts events for the identification of ESD candidates and new suppliers. These events include:

- Supplier Days and Events – on an annual basis, EMEs and QSEs are given the opportunity to meet end-users at the South32 operations and share information on the products and services that they provide. South32 has the opportunity to engage with potential beneficiaries and better understand their requirements

Invitations to the above-mentioned events are advertised in the local newspapers.

South32 has been successful in supporting local businesses through our ESD programme for many years through business development support and asset funding opportunities.

## 7. Downscaling and Retrenchment (Regulation 46d)

### 7.1 Establishment of a Future Forum

#### 7.1.1 Overview

The establishment of a Future Forum (FF) is required under Regulation 46 (d)(i) of the MPRDA. A FF is a site specific labour management body that will focus on the implementation and monitoring of the SLP. The purpose is to provide a formal vehicle, where all affected parties can discuss challenges and possible solutions to problems facing the South32 that may have the potential of leading to possible retrenchments in the future.

The strategies and the mechanisms for implementing the above objectives will largely be managed through a FF. The key mandate for the FF will be to:

- Identify and analyse issues, problems, challenges and solutions surrounding job losses and retrenchment management in good time for mine closure;
- Provide a channel of communication between management, employees and their representatives;
- Ensure valuable inputs from the key stakeholders are utilised to develop an appropriate and, more importantly, acceptable plan of action for production and employment turnaround strategies as well as the inevitable downscaling period;
- To implement this plan of action agreed upon by both the employer and worker parties; and
- To continuously assess and report on, the success and progress on all job loss management and retrenchment management programmes implemented during the closure, and subsequently the post-closure period, through the Annual SLP Reports.

South32 has established a Future Forum which meet on a monthly basis, and matters on the agenda includes:

- The mine's safety performance
- Operational status and production levels
- HR related matters
- LED projects

The current Future Forum comprises of the following representatives:

- Chairperson (Operations Manager);
- Representatives (appointed by the Operations Manager of Hotazel Manganese Mine representing the Mine);
- Representatives (appointed by recognized unions)

### 7.2 Mechanisms to Save Jobs and Avoid a Decline in Employment

#### 7.2.1 Overview

"Organisations have to retrench workers from time to time for economic reasons and to remain globally competitive. It is therefore important that employers should first make sure that no other viable options to achieve operational requirements are available before considering downscaling of workers" - *SLP guidelines for the mining and production industries*.

In the event of potential challenges that South32 may face, which may lead to downscaling or retrenchment, South32 will develop and implement turnaround strategies and mechanisms to save jobs, prevent unemployment and avoid downscaling. This will be done through:

- Seeking to prevent retrenchments from taking place, where possible;
- Utilising the FF to identify strategies to prolong the life of mine or avoid retrenchments and downscaling;
- Consulting with the Department of Labour (DoL), the DMRE, and surrounding mining companies to assess any potential opportunities to mitigate the effects of retrenchment or closure;
- Certain processes will be followed when prevailing economic conditions cause the profit-to-revenue ratio of South32 to drop:

- Consultations – the consultation process in terms of Section 52 (1) of the MPRDA;
- Implementing Section 189 of the Labour Relations Act, 1995 (Act No 66 of 1995)– the process to implement Section 189 of the Labour Relations Act, 1995 (Act No 66 of 1995);
- Notification to the Minerals and Mining Development Board – the notification process to the Board in terms of Section 52 (1) (a) of the MPRDA; and
- Complying with ministerial directive – compliance with the Minister’s directive and confirming how corrective measures will be taken.

### **7.2.2 Consultation Process**

The consultation process regarding saving jobs, avoiding job losses and a decline in employment will be managed by South32 in accordance with the provisions of sections 189 and 189A of the Labour Relations Act as amended.

### **7.2.3 Implementing Section 189 of the Labour Relations Act, 1995 (Act No 66 of 1995) (As Amended)**

Any downscaling or retrenchment will be done in accordance with Sections 189 and 189(A) of the Labour Relations Act. In this regard the following will apply:

- Regarding the Section 189 and 189(A) requirements, South32 needs to enter into an agreement with unions representing the workforce that specifically addresses the following:-
  - Prevention of forced retrenchments;
  - Voluntary separations (early retirement and voluntary retrenchment packages);
  - Redeployment of employees;
  - Company assistance to alleviate the negative effects of retrenchment include:-
    - Pursuing alternative employment opportunities;
    - Financial advice;
    - Counselling services;
    - Provision of entrepreneurial skills;
    - Training opportunities including re-skilling; and
    - Assistance with continuing medical care ;and
  - Recall of retrenched employees, if required by South32.

### **7.2.4 Notification to Government Authorities**

In the event of large-scale job losses, downscaling and retrenchment, the DoL and the DMRE (specifically the Minerals and Mining Development Board in accordance with Section 52(1) (a) of the MPRDA) will be notified.

The government authorities will be given notice of the time-frame for the downscaling or closure process as well as the ongoing consultation through the FF structure. Regular progress reports will subsequently be distributed to the necessary departments, including the Social Plan and Productivity Advisory Council and the Department of Provincial and Local Government. Compliance to the Board’s directive will be adhered to in order to meet the corrective measures as stipulated by the Board.

### **7.2.5 Strategic Plans for Providing Job Security**

South32’s strategy for providing job security is as follows:-

- Ensuring that the business remains viable by keeping the cost structure as low and competitive as possible;
- Ensuring a productive workforce through training and motivation;
- Making continuing adjustments to production methods to remain competitive; and
- Seeking ways of growing and extending the business to ensure enhanced future sustainability.

## **7.3 Mechanisms to provide alternative solutions and procedures for creating job security where job losses cannot be avoided**

### **7.3.1 Overview**

After considering all other alternatives for prolonging the life of the mine, an appropriate retrenchment proposal will be formulated in consultation with the relevant parties and finalised 4 months before this eventuality.

This phase will be implemented in partnership with the DoL and the representative unions. Here, affected employees will be helped to maximise their chances of re-employment. During this phase, South32 will regularly communicate with the FF to direct the retrenchment process and establish a Job Advice Centre, which will provide counselling and support to employees in locating alternative employment e.g. through the formulating of employee CVs, interaction mechanisms with potential employers, interview strategies etc.

Names of employees whose positions become redundant (the “affected employees”) will, as from the date of redundancy, be placed on the Human Resources database for twelve (12) months. The main purpose for the creation of the database of affected employees is to ensure that when opportunities arise, people on the list will be considered for permanent positions before the employment of external candidates.

Additional measures that South32 may take include, amongst others:-

- Assistance, prior to retrenchment date, with retraining, portable skills training and other courses to enhance further employment practices;
- Assistance in accessing available and suitable jobs with other local mines or companies;
- Informing neighbouring mines of the retrenchment process and ascertaining any job vacancies in existence;
- Assistance with accessing outplacement and/or career transition counselling from relevant consultancies or job advice centres in the community;
- Assistance with completing job application and other relevant forms;
- Financial planning advice as well as advice and support in accessing pension/provident fund pay-outs and Unemployment Insurance Fund claims or other state assistance; and
- Personal counselling for individuals and groups to be able to deal with the trauma associated with retrenchment. This will be extended to both retrenched employees and those left behind.

## **7.4 Mechanisms to ameliorate the social and economic impact on individuals, regions and economies where retrenchment or closure of the mine is certain**

The Baseline Socio-Economic Survey and Socio-economic impact assessment will be utilised to predict impacts until closure.

### **7.4.1 Overview**

A Social Closure Plan will be formulated two (2) years before planned closure, and will consist of the following:-

- Undertaking a Socio-economic Baseline Survey to determine the social dynamics between South32 and the affected regions, the workforce and the affected local municipalities;
- Predicting the likely socio-economic impact on employee households, communities and the region;
- Identifying critical issues affecting the ongoing sustainability of employees and communities during closure, by means of a detailed consultation process;
- Identification of alternative livelihood and socio-economic development opportunities and projects, which may become sustainable over the long term;
- Mitigating and managing the adverse impacts of closure; and
- Providing alternative livelihood options.

South32 will make every effort to ameliorate the social and economic impact on its employees where retrenchment and closure of the mine are certain. Should downscaling and retrenchment take place, South32 will assist affected employees in finding alternative employment or livelihood opportunities. This will be done where employees cannot be integrated or redeployed to any of the other mining operations, and where they are not of retirement age.

The primary mechanism that will be employed to promote opportunities for alternative livelihoods and employment in other sectors of the economy will be to implement South32's HRD Programme on a consistent basis throughout the life of the operation. Through the implementation of Skills Development Programmes and the creation of LED opportunities for employees and their households in local communities, the negative socio-economic impacts of downscaling, closure and retrenchment should be minimised. This will enable the employee to access alternative livelihood opportunities in other sectors of the economy.

## 7.5 Financial Provision for Downscaling and Retrenchments

Funds have been set aside by South32 for the unplanned or unforeseen event of its operations entering a downscaling and retrenchments phase.

The value of the fund has been based on the total number of employees who have been identified to require upskilling (Patterson Grade C1 and lower), which is a total of 561 at R12,500 per employee.

An amount of R1,402,500 will be placed in an interest-bearing bank account on an annual basis, resulting in a total of R7,012,500 at the end of the 5-year cycle

*Table 93: Financial provision (interest-bearing facility) for the management of downscaling and retrenchments*

Management of Downscaling and Retrenchments	2023/24	2024/25	2025/26	2026/27	2027/28	Total
Total in interest-bearing facility	R1,402,500	R1,402,500	R1,402,500	R1,402,500	R1,402,500	<b>R7,012,500</b>



## 8. Financial Provision (Regulation 46e)

The table below contains the financial provision for the three elements detailed in this SLP for the 5-year period.

Table 94: Total SLP financial provision for 2023 to 2028

Financial provision	2023/24	2024/25	2025/26	2026/27	2027/28	Total
<b>Human Resource Development</b>	R46,005,057	R63,043,388	R59,460,734	R59,808,393	R74,670,556	<b>R302,988,128</b>
<b>Local Economic Development</b>	R26,000,000	R39,500,000	R25,000,000	R17,000,000	R14,000,000	<b>R121,500,000</b>
Local Economic Development: <i>Infrastructure</i>	<i>R23,400,000</i>	<i>R36,900,000</i>	<i>R22,400,000</i>	<i>R14,400,000</i>	<i>R11,400,000</i>	<i>R108,500,000</i>
Local Economic Development: <i>Non-infrastructure</i>	<i>R2,600,000</i>	<i>R2,600,000</i>	<i>R2,600,000</i>	<i>R2,600,000</i>	<i>R2,600,000</i>	<i>R13,000,000</i>
<b>Downscaling and Retrenchments</b>	R1,402,500	R1,402,500	R1,402,500	R1,402,500	R1,402,500	<b>R7,012,500</b>
<b>Total</b>	<b>R73,407,557</b>	<b>R103,945,888</b>	<b>R85,863,234</b>	<b>R78,210,893</b>	<b>R90,073,056</b>	<b>R431,500,628</b>

## 9. Undertaking (Regulation 46f)

Undertaking by Responsible person

I, \_\_\_\_\_, the undersigned and duly authorized thereto by South32 Hotazel Manganese Mines, undertake to adhere to the information, requirements, commitments, and conditions as set out in this social and labour plan.

Signed at \_\_\_\_\_ on this day of \_\_\_\_\_ 2023

Signature: \_\_\_\_\_

Designation: \_\_\_\_\_

## 10. References

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