

NATIONAL PORTLAND CEMENT SALDANHA

SOCIAL AND LABOUR PLAN

MR 30/5/1/2/2/322MR

2021 TO 2025
(REVISED SEPTEMBER
2020)

EXECUTIVE SUMMARY

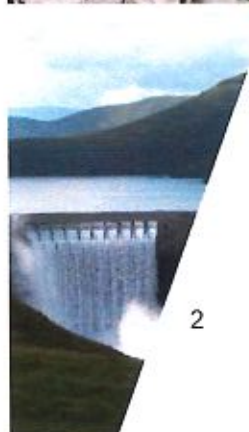


The Social and Labour Plan has been compiled as a commitment to contribute towards the advancement of the Socio-economic welfare of South Africans with special focus on the social and economic impact that the operation has on the surrounding communities. The SLP makes further provision for the development of historically disadvantaged employees as well as assisting members of the surrounding communities through different training interventions.

This plan has been developed in terms of MPRDA Regulation 46 (a-f) of the MPRDA.

In alignment with the spirit of the Mining Charter, this SLP will cover the following:

- Human Resources Development,
- Employment Equity,
- Procurement,
- Housing, Local Economic Development,
- Management of Downscaling and Retrenchments.



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Abbreviations and Acronyms

AET	Adult Education and Training
BBBEE	Broad-Based Black Economic Empowerment
BEE	Black Economic Empowerment
BO	Black Owned
BWO	Black Women Owned
CLAS	Cement, Lime, Aggregate and Sand
CSR	Corporate Social Responsibility
DTI	Department of Trade and Industry
DMR	Department of Minerals Resources
EDR	Employee Development Review
EE	Employment Equity
EME	Earthmoving Equipment
EVP	Employee Value Proposition
FEL	Front-end Loader
FET	Further Education and Training
FML	First Management Level
GCC	Government Certificate of Competency
GDP	Gross Domestic Product
GET	General Education and Training
HDASA	Historically Disadvantaged South African. (African, Indian and Coloured employees)
HET	Higher Education and Training
HRD	Human Resources Development
IEB	Independent Examination Board
IDP	Integrated Development Plan
KPI	Key Performance Indicator
LED	Local Economic Development
MERSETA	Manufacturing, Engineering and Related Sector Education and Training Authority
MML	Middle Management Level
MPRDA	Mineral and Petroleum Resources Development Act
MQA	Mining Qualifications Authority
NML	Non-Management Level
NPC	National Portland Cement Company (Pty) Ltd
NQF	National Qualifications Framework
OEE	Overall Equipment Effectiveness
PIC	Public Investment Corporation Soc Ltd
RSC	Regional Services Council
SETA	Sector Education and Training Authority
SHE	Safety, Health, Environment
SHEQ	Safety, Health, Environment, Quality
SML	Senior Management Level
SMMEs	Small, Micro and Medium Enterprises
SSC	Shared Services Centre
SSLAs	Supply and Service Level Agreements
TCO	Total Cost of Ownership
TML	Top Management Level
UIF	Unemployment Insurance Fund
VDM	Pindulo VDM (Pty) Ltd
WCA	Workmen's Compensation Act
WPSP	Work Place Skills Plan



Glossary

Historically Disadvantaged South African (HDSA)	Refers to any person, category of persons, or community disadvantaged by unfair discrimination before the Constitution of the Republic of South Africa, 1993 (Act No. 200 of 1993) came into operation.			
Integrated Development Plan (IDP)	A plan aimed at the integrated development and management of a municipal area as contemplated in the Municipal Structures Act (Act 117 of 1998). For the purposes of this Social and Labour Plan, IDP means the IDP for the Saldanha Municipality.			
Major labour-sending area	The major labour-sending area is the Saldanha Municipality.			
Management levels	Description	Company level	Hay grade	Paterson grade
	Top management	TML	H14 – H15	F
	Senior management	SML	H11 – H13	E
	Professionally qualified and experienced specialists and mid-management, academically qualified workers, junior management and supervisors	MML	H9 – H10	D
	Skilled technical and academically qualified workers, foremen and superintendents	FML	H7 – H8	C
	Semi-skilled and discretionary decision-making	NML	H5 – H6	B
	Unskilled and defined decision-making	NML	H2 – H4	A
Municipality	For the purposes of this Social and Labour Plan, a municipality is defined as a metropolitan municipality that has exclusive municipal executive and legislative authority in its area which is described in Section 155 (1) of the Constitution as a category A municipality.			
The Company	Refers to National Portland Cement Company (Pty) Ltd, a wholly owned subsidiary of AfriSam (South Africa) Properties (Pty) Ltd as explained more fully in Section 1.1 which details the BEE shareholder structure.			



1.REGULATION 46 (A)

INTRODUCTION AND BACKGROUND INFORMATION ON THE OPERATION

Name of applicant/company	National Portland Cement Company (Pty) Ltd [hereafter referred to as NPC], a wholly owned subsidiary of AfriSam (South Africa) Properties (Pty) Ltd [hereafter referred to as the Company]
Name of operation	Tabakbaai Quarry (hereafter referred as Tabakbaai)
Name of contact person	Gavin Venter Project Manager Saldanha
Physical address	Corner Good Hope and Katonkel Streets, Diazville, Saldanha
Postal address	P.O. Box 6367 Weltevredenpark Roodepoort 1715
Telephone	011 670 5500
Facsimile	011 670 5060
Location	Farm number and registration division: See list under Justification lower on the page Magisterial district: Metropolitan Municipality: Province: Western Cape <i>See also Section 1.1</i>
Commodities mined	Limestone and Shale
Life of mine	> 30 years
Financial year-end	31 December
Reporting Period	by 31st March of each year.
Name of contact person	Gavin Venter Project Manager Saldanha
Name of contact person (VDM)	Mr John Cockrell
Geographic origin of Employees	Saldanha Bay Local Municipality

JUSTIFICATION: National Portland Cement Company (Pty) Ltd is the holder of mining rights to mine Limestone and Shale from the following farms:

Ptn 15 (a portion of portion 11) Kliprug 282

Ptn 8 (a portion of portion 4) Kliprug 282

Ptn 23 (formally a portion of portion 3) Kliprug 282

Ptn 9, 19 and 15 of Kliprug 282

Ptn 7 and 9 of Jacobs Bay 109

AfriSam is in process of consolidating the above farms into a single property for mining and a single property for conservation purposes.

1.1. AfriSam overview

The AfriSam story begins over 85 years ago with the launch of a seemingly small and insignificant building materials business: Anglovaal Portland Cement Company Ltd. This would lay the foundation for becoming the leading supplier of superior quality construction materials and technical solutions in Southern Africa today.

In 1935 AfriSam built the first cement plant in Roodepoort and just a year later the construction of AfriSam's first limestone operation commenced. Steady and stable growth was already part of the AfriSam DNA.

AfriSam's merger with Atlas Cement in 1937 meant that the company could build on expertise and provide even better service to consumers, cementing South Africa's future and helping to build the country as we know it today.

Between 1966 and 1977 we had commissioned three cement kilns at Dudfield Cement Factory and in 1996 AfriSam extended its reach into East Africa by acquiring majority shares in Tanga Cement Company PLC, trading under the name Simba Cement. This extension allowed AfriSam to develop, produce and distribute cement as far as the Democratic Republic of Congo (DRC), Malawi, Rwanda and Burundi.

After several name changes, mergers, company expansions, technological innovations, and adding a Slagment business to the company's portfolio, the AfriSam brand was born in 2008. Throughout all this time AfriSam has been building legacies and providing consistent quality, versatility and proven strength to builders, architects, engineers, contractors and DIY enthusiasts throughout the company's supply footprint.

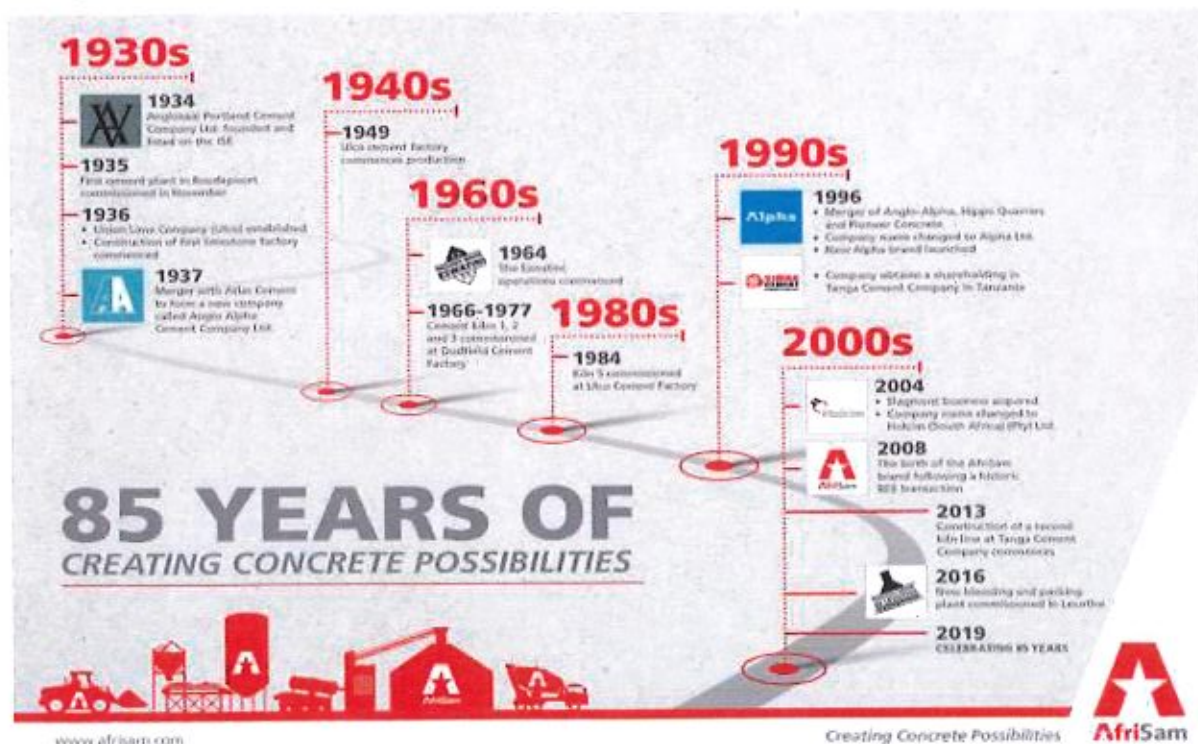


Figure 1: The AfriSam Timeline

1.1.1. Shareholder Structure

National Portland Cement is 100% owned by AfriSam, which in turn is owned by the following shareholders (as set out in figure 2):

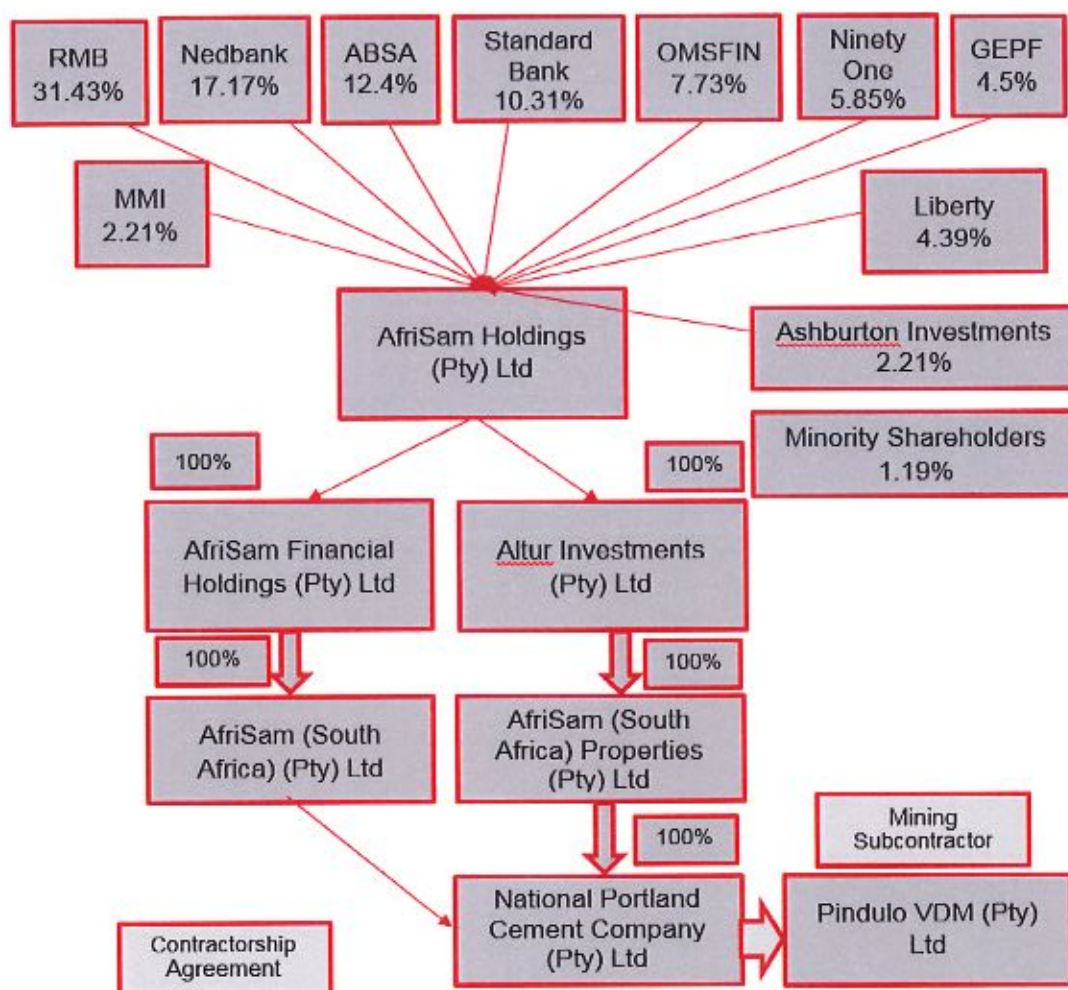


Figure 2: Company Ownership Structure and Subcontractor

1.1.2. Company operations

AfriSam currently employs in excess of 1 500 people. Its annual production capacity includes 4.5 million tons of cement, 2 million cubic metres of Readymix concrete, 10 million tons of Aggregate and 800 thousand tons of Slag. In Southern Africa, AfriSam owns and operates two fully integrated cement factories, one milling operation, three blending plants, a Slagmill milling facility, 11 cement depots, 16 quarries and aggregate plants and 40 Readymix concrete batching plants. These operations are located throughout Southern Africa including Botswana, Lesotho and Eswatini. AfriSam has its main administration offices in Roodepoort, Gauteng.

AfriSam is also the majority shareholder in Tanga Cement Company PLC in Tanzania, which is listed on the Tanzanian Stock Exchange. Facilities in Tanzania include a fully-integrated cement plant, a commercial office as well as 10 strategically located distribution centres.

AfriSam is currently busy with a Section 189 process thus the above values may be affected in the near future.



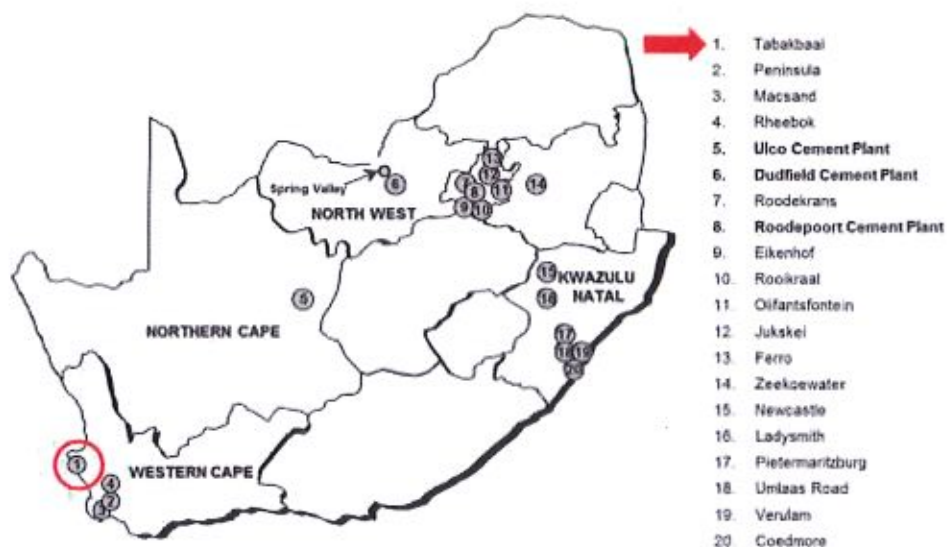


Figure 3: Aggregate and Cement Locations

1.1.3. Update on company performance

From 2016 the Company has faced extremely challenging market conditions. In South Africa, the country's economy showed very little growth and this impacted negatively on infrastructure development and construction activities.

The international COVID-19 pandemic in 2020 further impacted negatively on the economy. As a result, construction activities in South Africa decreased significantly. This in turn has resulted in a low demand for AfriSam's products and services. In addition, the number of players in both the cement and construction materials industries have caused a fiercely competitive environment, which has placed downward pressure on prices for the products manufactured.

The above pressures on business viability have forced AfriSam to restructure in order to remain economically stable in the market and as such the Company has embarked on a Section 189 process in late 2020. At the time of the submission of this document, this process has not yet been finalised and thus will impact values in the near future. Simultaneously VDM has also initiated a Section 189 process for their own restructure.

1.2. Overview of NPC

NPC and its mining contractor, VDM have embarked on the development of a new SLP for the period 2021 - 2025. VDM is currently mining 40 000 tons per annum (tpa) of limestone in terms of a new order mining right held by NPC over a limited footprint of the existing Tabakbaai Quarry area. In terms of the Sale of Business Agreement entered into between Holcim (South Africa) (Pty) Ltd and AfriSam (South Africa) (Pty) Ltd the business enterprise, including employees of the Holcim (South Africa) (Pty) Ltd, were transferred to AfriSam (South Africa) (Pty) Ltd effective 1 June 2007.

The owner of the property and the holder of the new order mining right and the Section 102 application is NPC. A Mining Contract Agreement, copy included in this submission, has been entered into between NPC and AfriSam (South Africa) (Pty) Ltd whereby AfriSam (South Africa) (Pty) Ltd has appointed NPC



to supply limestone and clay to its future cement factory. NPC, in turn, has entered into a sub-contract mining agreement with Pindulo VDM (Pty) Ltd, which is conducting the mining operations at Saldanha Bay. A copy of the sub contract mining agreement is included in this submission.

Currently VDM purchases 100% of the limestone mined in order to produce agricultural lime products. Currently the minimum equipment is moved onto site on an ad-hoc basis, according to demand for product. This will change to a continuous mining operation on the commissioning of the AfriSam cement factory. The final processing of the lime product takes place on VDM's industrial premises about 8km from the mine as will the future crushing of limestone for raw milling for cement manufacture, which will take place on the AfriSam cement factory site, also about 8km away.

AfriSam (South Africa) (Pty) Ltd, as the operating Company of the AfriSam Group of Companies will provide financial and technical guarantees and social plan initiatives as applicable.

1.3. Background information on Pindulo VDM

VDM was started in 1967. Its main business is the handling and transportation of goods, warehousing and containerization. Part of this business includes mining activities as a subcontractor. VDM is currently 30% black woman owned.

VDM is contracted by Lime Sales Ltd to mine Agricultural and Feed Lime for various clients at Tabakbaai Quarry. Agricultural Lime and Feed Lime requires further processing. These products are mined with an excavator, hauled to the crushing plant and processed off site. The processed product is then hauled in bulk or bags of 50 kg or 1 ton bags to customers.

Actual production (40 000 tons per annum) takes place for, on average, 4 working days per month. This means that during a normal month, the operators will only be onsite for 4 days excavating and loading the required tonnage as per market demand. Due to the current economic conditions, the previously anticipated increase in production is not likely. For this reason, production is anticipated to remain at 40 000 tons for the next 5 years.

1.4. Locality of the operation

Tabakbaai Quarry is situated on the outskirts of Diazville (Saldanha town) in the Saldanha Bay Local Municipality, Western Cape Province – see figure 4 below.



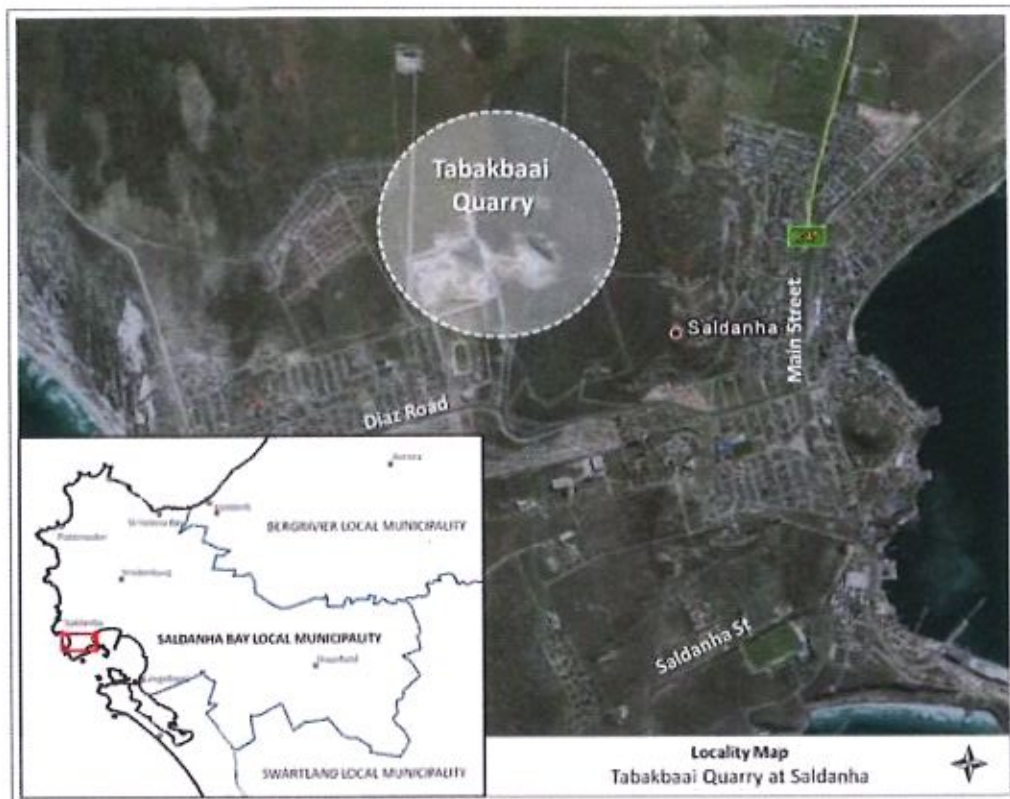


Figure 4: Tabakbaai Locality Map



Figure 5: Operational Workflow



1.5. The demographics of the workforce

The NPC Board consists of 2 Directors, based in Johannesburg. NPC – Saldanha and its contractors employ the equivalent of 7 people and all of them come from the West Coast District Municipality. This Metro Municipality is situated in the province of Western Cape and details of the labour sending areas are indicated in Table 1.

Table 1: Labour-sending Areas

Suburb	City/Town	Municipality	Province	No. of employees
Saldanha Bay	Saldanha Bay	Saldanha Bay Municipality	Western Cape	3
Vredenburg	Vredenburg			3
Moorreesburg	Moorreesburg	Swartland Municipality	Western Cape	1
Total				7



2.Regulation 46 (b) (i) - Skills Development Plan



2.1.Compliance with Skills development Legislation

Name of SETA	Transport SETA (TETA)
Registration number with SETA	L180702252
Confirmation of having appointed a Skills Development Facilitator	Mr Marius Basson
Proof of submission of workplace skills plan and date of submission	Submitted as part of the appendices.

2.2. Saldanha Workforce

There are seven (7) people currently in the employ at Saldanha. Only one employee (Excavator Operator) is working permanently at the Quarry for a period of four days per month, while the Front End Loader Operator, who is permanently employed at VDM, works only when required at the mine and spend the rest of his time serving the other operational needs of VDM. The one Artisan and one Artisan assistant are only used for preventative maintenance and breakdowns on the excavator as and when needed. The Supervisors oversees the Quarry, the plant and other VDM operational activities. The following table illustrates their occupational categories. (RED = Part Time only as needed)

Table 2: Occupational categories

Job title	African		Coloured		Indian		White		TOTAL
	M	F	M	F	M	F	M	F	
Supervisor	-	-	-	-	-	-	3*	-	3
Excavator Operator	-	-	-	-	-	-	1	-	1
Artisan	-	-	-	-	-	-	1	-	1

Artisan Assistant	1	-	-	-	-	-	-	-	1
Front End Loader Operator	-	-	1	-	-	-	-	-	1
Total	1	-	1	-	-	-	3	-	7

3* Supervisor role is a full time equivalent role fulfilled by 3 Supervisors on a rotational shift basis, whilst this inflates the number of individuals in a supervisory role only one person is on shift at any given time at the operation.

2.3. Skills Development Plan

2.3.1. Current situation

VDM supports the spirit and purpose of the Skills Development Act which is:

- a) to develop the skills of the South African workforce.
- b) to encourage the employers:
 - i. to use the workplace as an active learning environment;
 - ii. to provide employees with the opportunities to acquire new skills;
 - iii. to provide opportunities for new entrants to the labour market to gain work experience; and
 - iv. to employ persons who find it difficult to be employed.
- c) to encourage workers to participate in learnership and other training programmes.
- d) to improve the employment prospects of persons previously disadvantaged by unfair discrimination and to re-dress those disadvantages through training and education.
- e) to increase the levels of investments in education and training in the labour market and to improve the return on that investment.

VDM falls under the ambit of the Transport SETA (TETA). The Company embraces and complies with the skills development legislation. A Workplace Skills Plan and Training Report are submitted on an annual basis and monthly skills development levies are paid. The Company appointed Skills Development Facilitator is Mr Marius Basson from REKO Chartered Accountants in Vredenburg, an external service provider.

2.3.2. Training and Development Policy

The purpose of the VDM's comprehensive training and development program is to:

1. Create a motivated and professional work force. High levels of employee motivation are instilled through training and development, focusing on:
 - a) increasing professionalism and ensuring a high level of performance;
 - b) fostering a sense of pride in own contribution;
 - c) ensuring and understanding of the Company's strategic objectives;
 - d) formulating individual objectives that lead to the attainment of career goals;



- e) understanding cost structures and constraints, and the need for cost containment mechanisms and practices; and
- f) having an insight into the Company/branch financial results and market position.

2. Develop Superior Technical Skills

For the Company to increase its competitive edge in the industry it is necessary that its employees possess a recognizably higher standard of technical competence than its competitors. All employees must at least have the technical skills that match their operating levels. Increased technical knowledge in their own area of expertise as well as multi skilling in other areas will have a positive effect on achieving high work standards.

3. Bridge Gaps and Create Equity

The Company seeks to create a working environment that is equal and fair to all its employees. Training will be focused on the bridging of social, educational, professional and technical gaps in striving towards the achievement of a business ethic and work standard that is internationally acceptable.

VDM, as employer, views training and development of its employees, in an integrated way, as making an important contribution to its competitive advantage and efficiency, and aims to:

- a) encourage employees to attend relevant external training courses, seminars and courses of study which will develop their knowledge and skills;
- b) improve the capabilities of employees thereby enhancing their abilities to attain the highest possible standards in their jobs; and
- c) realize the potential of employees by developing and preparing them for increased responsibility and promotion.

The benefits of a successful training and development program are multifold. The employee receives the opportunity to grow, the employer meets its objectives and contribution is made towards the upliftment of the people of South Africa.

Training and development in its broadest sense is the thread that runs through all facets of human resource management, influencing the growth and development of employees in the workplace.

VDM acknowledges that portable skills are essential to equip employees with life and portable skills enabling them to cope with socio-economic challenges and changes should their formal employment be terminated. Employees will be offered the opportunity to acquire portable skills.

2.3.3. Targets

The following table provides five year targets for skills training programmes and portable skills for the Saldanha Quarry employees.

Table 3: Tabakbaai Skills Training Programme

Training courses	Number of employees				
	2021	2022	2023	2024	2025
Job specific	2	1	2	1	2



First aid	1	-	3	1	-
Health & Safety	-	3	-	-	3
Portable skills	1	-	1	1	-
*Supervisory skills	-	-	-	-	-
Total	4	4	6	3	5
Budget	R 3 600	R 4 140	R 7 141	R 4 106	R 7 870

**See career progression plan*

Table 4: Skills Training Action Plan

Action	Target date
Await allocation for discretionary grants from TETA	4 th Quarter 2020
Develop Training Methodology for Portable Skills and sources and relevant Service Providers if required	1 st Quarter 2021

2.4. Learnership Plan

2.4.1. Current situation

VDM is unable to offer learnerships at its quarry as there is technically only one position/occupation active that of an Excavator Operator, however VDM does offer learnerships within its transport business.

2.4.2. Targets

VDM, for the purposes of this Social and Labour Plan, will offer twenty professional driving learnerships within its transport business over the five-year period. Each learnership program takes place over a period of 12 months. The following table provides a five year learnership programme specifically for the transport business as learnerships are impractical for the quarry operation.

Table 5: Tabakbaai Learnership targets

Learnership	Number of employees				
	2021	2022	2023	2024	2025
15 x HDSA male	3	3	3	3	3
5 x HDSA female	1	1	1	1	1
Budget	R 96 000	R 96 000	R 96 000	R 96 000	R 96 000



Table 6: Learnership Action Plan

Action	Target date
Enquire from TETA about the availability of funds for learnerships	4 th Quarter 2020
Sign learnership agreement and apply for Learnership Grant from TETA	4 th Quarter 2020
Advertise and identify external (18.2) candidates for learnerships	4 th Quarter 2020
Sign a learnership agreement between VDM, training provider and learner	1 st Quarter 2021
Register learnership with TETA	1 st Quarter 2021

2.5. Adult Basic Education and Training (ABET)

2.5.1. Current situation

There are currently two employees below ABET 4. The Company will approach the individuals and ascertain their interest in pursuing higher levels of education. Should they be willing to take part in the training, we will investigate different suppliers to provide the required training which we will plan to start in 2021.

2.5.2. Targets

Table 7: ABET Action Plan

Action	Target date
Determine whether employees are interested in this training	4 th Quarter 2020
Source service provider that will provide the training	1 st Quarter 2021
Training to be initiated	1 st / 2 nd Quarter 2021



Table 8: Number and Education Levels of Employees as per Form Q – As at October 2020

Band	NQF Level	Description	Male				Female				Total	
			A	C	I	W	A	C	I	W	Male	Female
General Education and Training (GET)	1	No schooling/Unknown	-	-	-	-	-	-	-	-	0	0
		Grade 0/Preschool	-	-	-	-	-	-	-	-	0	0
		Grade 1/Sub A	-	-	-	-	-	-	-	-	0	0
		Grade 2/Sub B	-	-	-	-	-	-	-	-	0	0
		Grade 3/Std 1/ABET 1	-	-	-	-	-	-	-	-	0	0
		Grade 4/Std 2	1	1	-	-	-	-	-	-	2	0
		Grade 5/Std 3/ABET 2	-	-	-	-	-	-	-	-	0	0
		Grade 6/Std 4	-	-	-	-	-	-	-	-	0	0
		Grade 7/Std 5/ABET 3	-	-	-	-	-	-	-	-	0	0
		Grade 8/Std 6	-	-	-	-	-	-	-	-	0	0
Further Education and Training (FET)	2	Grade 9/Std 7/ABET 4	-	-	-	-	-	-	-	-	0	0
		Grade 10/Std 8/N1	-	-	-	1	-	-	-	-	2	0
		Grade 11/Std 9/N2	-	-	-	-	-	-	-	-	0	0
		Grade 12/Std 10/N3	-	-	-	3	-	-	-	-	3	0
		Certificates	-	-	-	-	-	-	-	-	0	0
Higher Education and Training (HET)	6	First degrees/Diplomas	-	-	-	-	-	-	-	-	0	0
		Honours/Higher diplomas	-	-	-	-	-	-	-	-	0	0
		Masters/Doctorates	-	-	-	-	-	-	-	-	0	0
		Total	1	1	0	5	0	0	0	0	7	0

2.6. Hard-to-fill vacancies – Form R

Tabakbaai does not have the vacancies that the Mine Operation has been unable to fill for a period longer than 12 months.



3.Regulation 46 (b) (ii): Career Progression Plan and its Implementation in line with the Skills Development Plan



3.1. Career Progression Planning

3.1.1. VDM Promotion Policy

The promotion of employees within the Company should be based on long term career planning and advancement for the individuals as well as the strategic requirements of the Company in terms of its strategic planning. It is imperative that the Company ensures that there is no unfair discrimination in the promotion of employees. All promotional decisions shall reflect what is best for an individual and for the Company at any point in time.

Criteria for Promotion

In order to eliminate any form of discrimination in promotional decisions, the following steps should be taken:

- a) the criteria for promotion shall be fair and reasonable in terms of the skill requirements of the job;
- b) motivations of promotions need to be substantiated by thorough reasons justifying the promotion;
- c) the person who receives a promotion should be adding additional value to the Company. The new position should be with more responsibilities and more accountability attached; and
- d) promotions shall be handled separately from the annual increases and separate promotion letters will be issued.

3.1.2. Guidelines

The motivation for the promotion of an employee should be the outcome of a process of objective observation and professional judgments and should be based on the most current performances appraisal of the individual under consideration. Should an employee's promotion involve changes to his/her conditions of employment, the employee must be issued with a revised letter of appointment that specifies the conditions pertaining to the new position.

Career path development will facilitate career progression.



3.1.3. Talent pool management

Due to the very small workforce and lean management structure there are limited opportunities for progression at the quarry.

VDM has already identified a potential candidate to undergo training. The potential candidate presently occupies the post as Excavator Operator at our railway operations and he will be trained to become a Loader Operator which will be followed by supervisory training. We hope to promote the employee to assistant supervisor by 2021.

The initial Front End Loader training has been completed in the previous cycle with the supervisory training due to start in the 1st Quarter of 2021. See training plan in Table 3 as well as mentoring plan as indicated in Section 4.1.

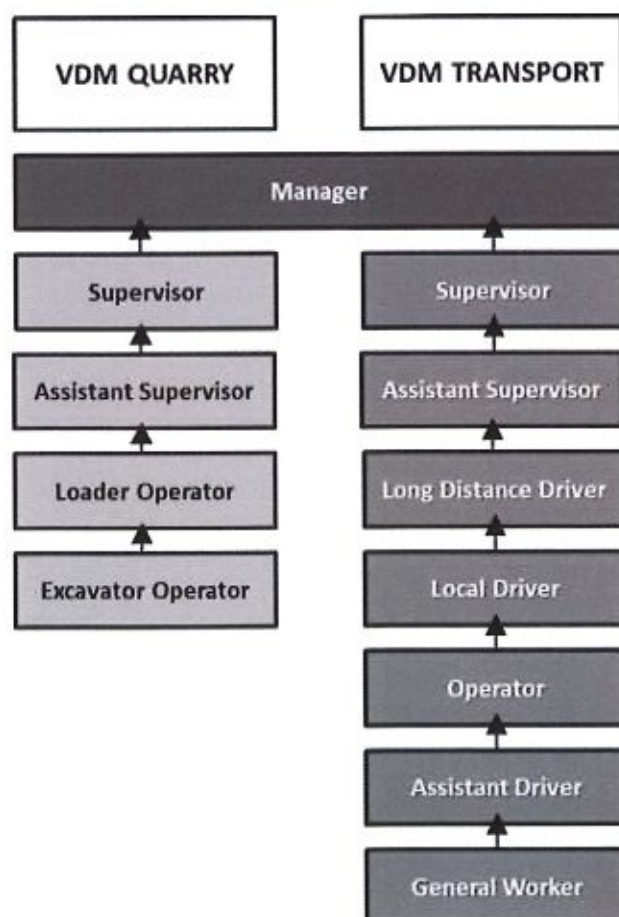
The Company does provide career growth opportunities within other divisions and employees at the quarry can be developed into positions for instance in the transport business.

Table 9: Career Progression Plan

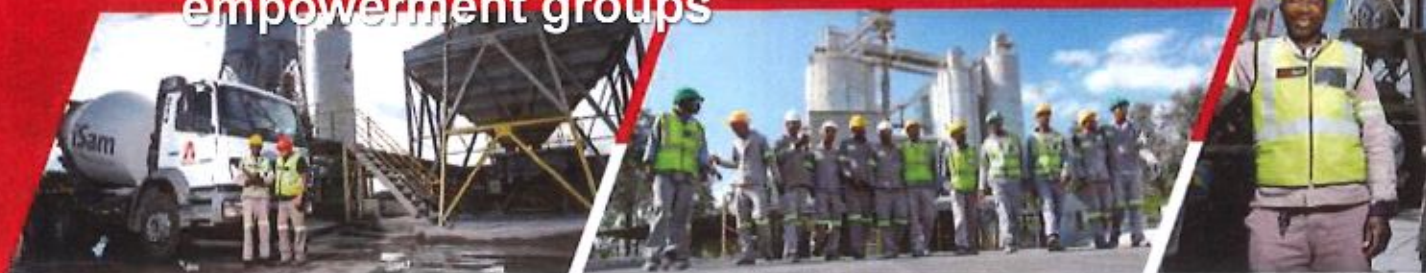
Present Position in 2020	Gender	Educational status	Training and development interventions	Envisaged future position
Excavator Operator (@ VDM Railway Operations)	M	FET	Front End Loader Operator Accredited Training; Supervisory Training	Assistant Supervisor (@VDM Quarry)

3.1.4. Career Progression (path) Plan

Figure 6: Career progression matrix/path



4.Regulation 46 (b) (iii): Mentorship Plan and its implementation in line with the Skills Development Plan and the needs of empowerment groups



4.1.Employee Mentorship

Mentorship in a small business environment is more hands-on and relies more on on-the-job training and monitoring of the skills transfer that should follow from formal training. Each employee has a training plan and mentoring is focused on attaining the skills objectives as embedded in the skills plan. The focus of mentoring is to ensure that the employee receives all the assistance required to perform at an acceptable standard.

4.1.1. Current situation

The line manager is responsible for mentoring all subordinates reporting to him/her. Training objectives are set by the line manager and execution is planned in conjunction with the employee. Adherence to the training plan is ensured by making funds available, encouraging the employee to attend training and to implement the skills learned in the working environment.

The Excavator Operator at the quarry will be mentored by the Supervisor as per his Career Plan.

Table 9: Identified mentees and mentors

Mentee	Mentor
Excavator Operator (@ VDM Railway Operations)	Supervisor

4.2.HDSA partner/vendor Mentorship

4.2.1. Current situation

VDM has already established an employee Share Ownership Trust for HDSA's and has appointed Mr Gideon van der Merwe, Mr Brent Williams (HDSA male) and Abraham Basson (HDSA male) as Trustees of the Trust. Mr Brent Williams is the representative of the Trust and a director at VDM. He is being mentored by the Chief Financial Officer, Mr Riaan Luckhoff and the Chief Executive Officer Mr Gideon van der Merwe.



5. REGULATION 46 (B) (IV): THE INTERNSHIP AND BURSARY PLAN AND ITS IMPLEMENTATION IN LINE WITH THE SKILLS DEVELOPMENT PLAN



5.1. Internship and Bursary plan

5.1.1. Current situation

VDM does not currently offer any bursaries to persons looking to obtain educational qualifications. Instead it offers learnerships to qualifying individuals within the Saldanha Bay Municipal area.

5.1.2. Targets

Table 10 shows planned targets in this regard. AfriSam will sponsor one local HDSA student per annum (starting in 2021) to study at a FET college in Saldanha.

Table 10: Internship and Bursary targets

Description	Sponsor	Number of individuals supported per annum				
		2021	2022	2023	2024	2025
Bursary/ Sponsorship at local FET college	AfriSam	1	1	1	1	1
*Internships	VDM	0	1	1	1	1

**Note that internship opportunities arise from time to time and the Sponsor can accommodate the payment of one person per annum.*

Table 11 Internship and Bursary Action Plan

Action	Target date
Source candidates, visit schools and other local training institutions	1 st Quarter 2021



6.Regulation 46 (b) (v) Employment Equity



6.1.Introduction

The EE Act deals with achieving equality in the workplace through promotion of equal opportunity for all employees who were previously disadvantaged. It attempts to do this through the elimination of unfair discrimination and through the process of forcing employers to implement measures to ensure equitable representation in all occupational categories and levels within the Company.

6.2.VDM Employment Policy

As part of its renewal strategy, the Company declares its intention to give effect to the objectives of employment equity. The purpose of this policy is to achieve equity in the workplace and in so doing to foster a productive and fair work environment.

The implementation of this policy requires application of the following principles, objectives and related management practices:

- **Absence of all forms of unfair discrimination**

This policy demands the complete removal of all forms of unfair discrimination and a commitment to actions which will result in a work environment in which opportunity, treatment and expectations are based on practices which do not relate to race, religion, gender or any other unfair discriminatory ground.

Where differentiation does occur, this should be related only to factors that are inherent to the requirements of the job and/or the market practices for the job concerned.

- **Affirmative action**

This requires the implementation of measures to address the skew representation of historically disadvantaged groups in the composition of VDM's overall workforce as well as measures to accelerate the employment, training and promotion of employees from these groups. Affirmative action is not an end in itself, but a process whereby individuals are given the opportunity to attain equity.

- **Equal opportunities**

The removal of unfair discriminatory practices and the implementation of affirmative action measures will foster an environment which is conducive to creating equal access to job opportunities, thereby enabling employees to develop their full potential according to the operational requirements of the business.



- **Valuing diversity**

This requires the development of an organizational culture that encourages understanding and appreciation of the diversity in background of all employees.

- **Responsibilities**

The management of the Company commits themselves to the successful implementation of the employment equity policy.

- **Rights of employees**

As a general policy, the Company undertakes to refrain (as far as is operationally possible) from prejudging the job security of those who are effective in their jobs on the ground of the implementation of this policy.

- **Rights of employer**

The rights of the employer must be maintained. These, amongst other, include the right to:

- a) supply job opportunities and make appointments in accordance with the operational needs of the Company without negating the principles in this document;
- b) demand sufficient production output according to job requirements;
- c) manage the Company to ensure that its business philosophy, purpose and objectives are enhanced, without deviating from the principles in this policy; and
- d) ensure that the existing skills base of employees is not eroded.

- **Recruitment and Selection policy**

- a) The Company values its employees as its most important strategic resource and therefore the Company aims to appoint the right person for the right position to meet objectives and standards.
- b) The Company will support, train and develop its employees to perform to their maximum potential. The Company regards the key factors for job success to be a combination of education, work experience, personality and attitude relative to the inherent job requirements. In selecting the best person for the position, the Company will base its decisions on an assessment of all these factors.
- c) The Company subscribes to a non-discriminatory and equal opportunity approach to all stages of the recruitment and selection process. There will be no discrimination directly or indirectly against an employee or an applicant on any arbitrary ground including, but not limited to, race, gender, ethnic or social origin, colour, sexual orientation, age disability, religion, conscience, belief, political opinion, culture, language, marital status or family responsibility.
- d) The Company is committed to internal recruitment and selection for all vacant positions before undertaking any external recruitment. External candidates may only be appointment once internal recruitment and selection processes are unsuccessful. External recruitment should be as wide as possible and not based on referrals or word of mouth alone.
- e) Selection criteria should be appropriate for the needs of the job and the employer, and should focus on the inherent job requirements.
- f) Selection will be based on competencies and competency-based interviews will be conducted for this purpose.



6.3. Women in Mining

6.3.1. Current situation

At the Saldanha Quarry there are currently no females employed.

6.3.2. Targets

Although there are seven employees involved in the operation of the quarry, only one person is in a permanent capacity at the quarry. VDM will offer learnerships to females over the five year period as indicated in Table 5 in Section 2.4.2.

VDM will make every effort to ensure that a minimum of 10% women are employed in the future.

6.4. HDSA'S in Management

6.4.1. Current situation

There is currently one person (white male) at a managerial level at the Saldanha Quarry. VDM has recently added 2 HDSA's as directors of the Company, one being female.

Note that the VDM Transport has adequate representation of HDSAs in Management and the Company will continue to promote the advancement of HDSA employees into managerial positions where appropriate.



Table 12: Employment Equity Statistics as per Form S in Annexure II of the MPRDA Regulations

Occupational Levels	Male				Female				Total		Disabled	
	African	Coloured	Indian	White	African	Coloured	Indian	White	Male	Female	Males	Female
Top management Paterson F	-	-	-	-	-	-	-	-	-	0	-	-
Senior management Paterson E	-	-	-	-	-	-	-	-	0	0	-	-
Professionally qualified and experienced specialists and mid- management Paterson D	-	-	-	-	-	-	-	-	0	0	-	-
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents Paterson C	-	-	-	4	-	-	-	-	4	0	-	-
Semi-skilled and discretionary decision- making Paterson B	1	1	-	1	-	-	-	-	3	0	-	-
Unskilled and defined decision-making Paterson A	-	-	-	-	-	-	-	-	0	0	-	-
Total	1	1	0	5	0	0	0	0	7	0	-	-

7.Regulation 46 (C) (I) and (II) (A) The social and economic background, and key economic activities in the area in which the Operation operates.



7.1.Social and economic baseline information of the mine community

The Saldanha Quarry is situated in Saldanha Bay Municipality (SBM), a local municipality located on the West Coast of South Africa, approximately 140 kilometres north of Cape Town. It forms part of Middelpoos Ward 1, Diazville Ward 4, White City Ward 3 and Saldana Ward 5.

7.1.1. Demographics

The SBM covers an area of 2 015 km² (approximately 166 565,48 hectares) and has a coastline of 238km. In total 6.5% of the geographical land are urban land and 93.5% rural land. Overall SBM constitutes 6.4% of the entire West Coast District making it the smallest municipal area in the district. The area includes the towns of Hopefield, Langebaan, Saldanha, Jacobsbaai, Vredenburg, Paternoster and St Helenabaai. The Municipality is currently structured into 14 Wards.

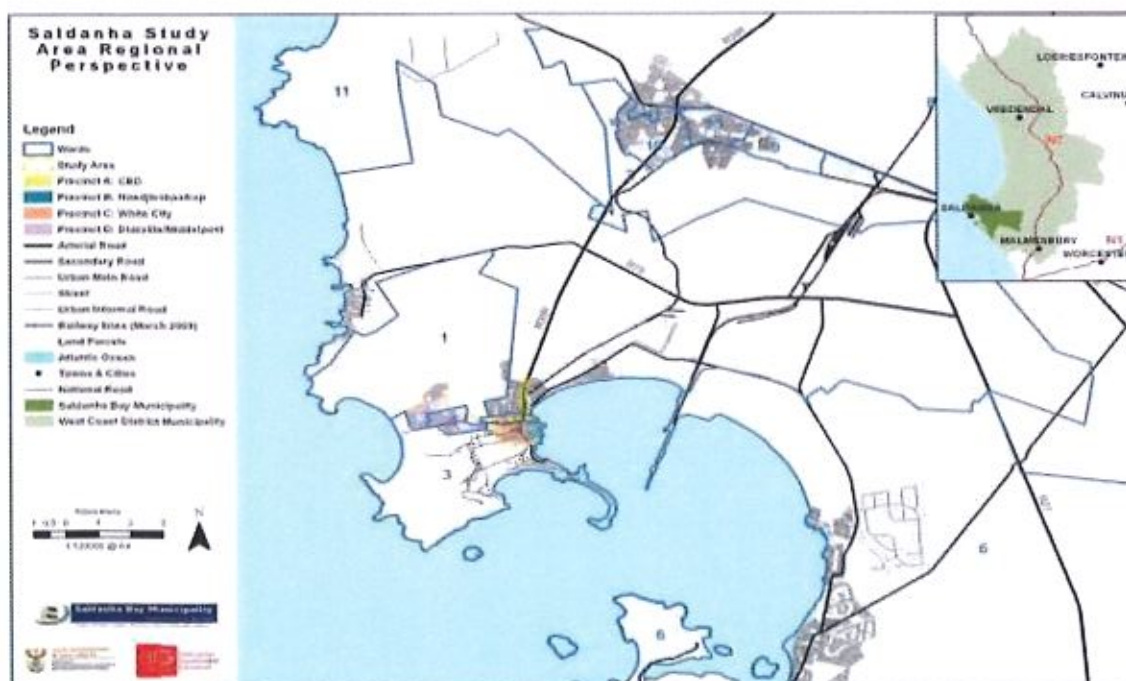
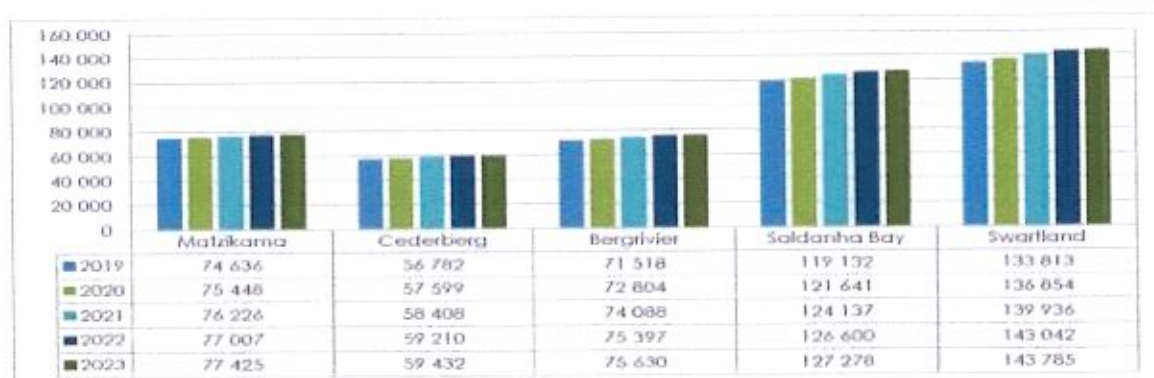


Figure 7 Saldanha Municipal Ward Map



7.1.2. Population

SBM has the second largest population at 119 132 (2019) in the West Coast District according to the 2019 Municipal Economic Review and Outlook (MERO) Survey conducted by the municipality. The total population is estimated to increase to 127 321 by 2024 which equates to average annual growth rate of 1,7%. The population estimated growth rate of Saldanha Bay is therefore slightly above the estimated population growth of the WCD OF 1,5 % according to MERO survey 2019. The 2016 community results revealed a strong concentration of persons within the age category of 15-34 years at 40 696 in comparison to the 2011 Statistics which reflected a total of 36 264 people.



Source: Western Cape 014_2019 Socio Economic Profile – Saldanha Bay Municipality

Figure 8 Population Profile of Saldanha Bay

The overall sex ratio (SR) depicts the number of males per 100 females in the population (Moultrie et al., 2013: 9). As per above table, there are in general less males than females in Saldanha Bay. The SR for Saldanha Bay does however slightly increase towards 2023 which can be attributed to a wide range of factors such as a decrease in male mortality rates and the potential inflow of working males. The variance in life expectancy between males and females can in turn also be attributed to a variety of social and behavioural dynamics (Stats SA, 2018: 23).

West Coast District: Sex Ratio (SR), 2019 – 2023					
Municipality	2019	2020	2021	2022	2023
Matzikama	100.6	100.8	101.1	101.2	101.8
Cederberg	101.3	101.5	101.8	101.8	101.9
Bergrivier	92.9	92.7	92.6	92.5	92.0
Saldanha Bay	98.3	98.5	98.6	98.6	98.5
Swartland	98.5	98.6	98.7	98.6	98.5
West Coast District	98.2	98.3	98.4	98.4	98.4

Source: Western Cape 014_2019 Socio Economic Profile – Saldanha Bay Municipality

Figure 9 West Coast District sex ratio

The table below depicts Saldanha Bay's population composition per age cohorts. These groupings are also expressed as a dependency ratio which in turn indicates who are part of the workforce (Age 15 - 64) and those, who are depending on them (children and seniors). A higher dependency ratio means a higher pressure on social systems and the delivery of basic services. Between 2019 and 2025, the largest population growth was recorded in the aged cohort which grew at an annual average rate of 4.0 %. The child and working age cohorts in turn only grew by 1.4 and 1.6 % respectively. The notable increase in



the aged cohort is expected to increase the dependency ratio onwards from 2022 to 2025.

Saldanha Bay: Age Cohorts, 2019 – 2025				
Year	Children 0 – 14 Years	Working Age 16 – 65 Years	Aged 65+	Dependency Ratio
2019	32 701	81 148	5 283	46.8
2022	34 167	86 373	6 060	46.6
2025	35 459	89 244	6 683	47.2
Growth	1.4%	1.6%	4.0%	-

Figure 10 Saldanha Age Profile

7.1.3. HIV/AIDS

Saldanha Bay's total registered patients receiving ART's is steadily rising between 2017 and 2018 (increase of 450 patients). In addition, the number of new antiretroviral patients increased to 709 in 2018 from 558 in 2017. Saldanha Bay, at 3 408 patients, represent 32.2 % of the patients receiving ART in the WCD. This could be an indication that the prevalence of HIV is increasing or an indication that more people are being tested and receiving access to treatment.

7.1.4. Education

Municipal matric pass rates improved from 81.3 % in 2016 to 84.3% in 2017 but regressed sharply to 79,8 in 2018 as per the Western Cape Education Department. Saldanha Bay had the second lowest pass rate in the District. Learner enrolment in Saldanha Bay increased by 8.4% for the period between 2016 – 2018 from 16 886 to 18 314 the highest in the District when compared to other municipal areas. Economic connectivity to surrounding areas and perceived economic opportunities may be additional factors to the surge.

The Saldanha Bay retention rate while not spectacular, has regressed year-on year from 70.5 % in 2016 to 67.7 % in 2018. While not exhibiting the lowest retention rate in the District, as the economic powerhouse of the region coupled with the vast investment wave currently setting upon the region, the retention rates becomes an important proxy for future labour trends and employment outlook in years to come.



Source: Western Cape 014_2019 Socio Economic Profile – Saldanha Bay Municipality

Figure 11 West Coast District Educational Profile

In 2017, Saldanha Bay received an additional school bringing the total number of public ordinary schools



to 23. The low number of schools in relation to high learner enrolment relative to the other areas in the district further accentuates the need for additional schools in the Saldanha Bay area. Given the tough economic climate, schools have been reporting an increase in parents being unable to pay their school fees.

7.1.5. Housing

Since no new household survey information is available, this section highlights housing and household services access levels from the most recent available information from Statistics South Africa community Survey of 2016.

Table 13: Saldanha Bay services profile

Community Survey 2016	Saldanha Bay	West Coast District
Total number of households	35 550	129 862
Formal main dwelling	26 592 74.8%	111 389 85.5%
Water (piped inside dwelling/within 200m)	35 363 99.5%	125 336 96.5%
Electricity (primary source of lighting)	30 496 85.8%	120 155 96.5%
Sanitation (flush/chemical toilet)	30 745 86.5%	122 205 94.1%
Refuse removal (at least weekly)	30 748 86.5%	108 311 83.4%

Source: Western Cape 014_2019 Socio Economic Profile – Saldanha Bay Municipality

The table below indicates access to housing and services in the Saldanha Bay Municipal area. With a total of 35 550 households, 74.8 % have access to formal housing. Access to all services were significantly higher than access to formal housing, at 99.5 % for water, 86.5 % for sanitation and refuse removal and 85.8 % for electricity. The proportion of households with access to water and refuse removal services were higher than at District level.

Table 14: Saldanha Dwelling Profile

Dwelling Type	Saldanha Bay	%	WCD	%
House or brick structure on a separate stand or yard	26 342	78.2	95 324	79.8
Traditional dwelling/hut/structure made of traditional materials	155	0.5	722	0.6
Flat in a block of flats	396	1.2	2 207	1.8
Town/cluster/semi-detached house (simplex, duplex or triplex)	456	1.4	5 111	4.3
House/flat/room in a backyard	288	0.9	1 609	1.3
Informal dwelling/shack	5 686	16.9	12 154	10.2
Room/flatlet not in a backyard but on a shared property	141	0.4	858	0.7
Other/unspecified/NA	222	0.7	1 457	1.2
Total	33 686	100.0	119 443	100.0

Source: Western Cape 014_2019 Socio Economic Profile – Saldanha Bay Municipality

Access to decent formal housing is regarded as a basic human right and an important indicator of the



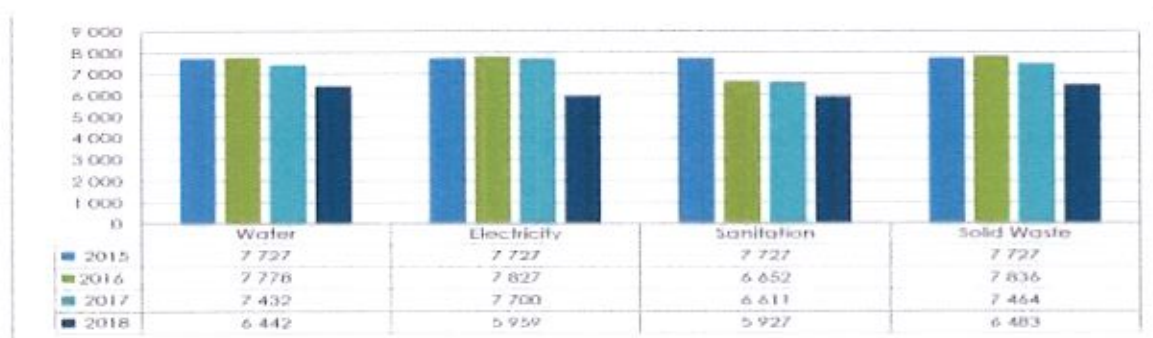
level of human development within an economy. While most households in the WCD and the Saldanha Bay municipal area reside in a house or brick structure on a separate stand or yard, a total of 12 154 (10.2 %) and 5 686 (16.9 %) households respectively still reside in informal dwellings or shacks.

7.1.6. Service Delivery

In 2018, the Saldanha Bay had 6 517 indigent households; 1 183 households less than compared to 2017. In line with the decline in indigent households, free basic services across all categories declined between 2017 and 2018. The largest decline was recorded for sanitation (1 800 households) and electricity (1 768 households) services.

Saldanha Bay offers basic services that include, but are not limited to the provision of water, sewage collection and disposal, refuse removal, municipal health services, street lighting, parks and recreation facilities. Government however provides a basket of free basic services (water, sanitation, refuse removal and electricity) which aims to improve the lives of the poorest and most vulnerable communities. In order to qualify for the basket of free basic services, a household must be classified as an indigent household as per criteria determined by individual local municipalities.

In general, a household is classified as indigent when the occupants in said households earn a combined income of less than a certain amount (poverty threshold) defined by the indigent policy of a municipality at that point in time. Municipalities review their indigent policies (and as such the determined amount) on an annual basis to bring the defined amount in line with reigning socio-economic conditions. According to Statistics South Africa, in 2017 most municipalities classified an indigent household as a family earning a combined income of less than R3 200 per month.



Source: Western Cape 014_2019 Socio Economic Profile – Saldanha Bay Municipality

Figure 12: Saldanha Bay Income Profile

In 2018, the Saldanha Bay had 6 517 indigent households; 1 183 households less than compared to 2017. In line with the decline in indigent households, free basic services across all categories declined between 2017 and 2018. The largest decline was recorded for sanitation (1 800 households) and electricity (1 768 households) services.

7.1.7 Anti-social behaviour in the municipality

The 2018/19 crime statistics released by SAPS and Stats SA indicate that murder has increased by 3.4 % to over 21 002 cases recorded in 2018/19. This gives South Africa a rather alarming 58 murders a day and a rate of 36.4 people murdered per 100 000 population. Within the Western Cape Province, murders have increased by 6.6 % (245) from 3 729 to 3 974, in 2018/19.



Within the Saldanha Bay area, the number of murders decreased from 39 in 2018 to 30 in 2019; the murder rate (per 100 000 people) decreased from 34 in 2018 to 25 in 2019, while the murder rate for the WCD decreased from 29 in 2018 to 28 in 2019. The murder rate in Saldanha is amongst the lowest in the WCD.

Table 15: Saldanha Bay murder statistics

Municipal Area		2016/2017	2017/2018	2018/2019
Actual Number	Saldanha Bay	32	39	30
	West Coast District	110	129	127
Per 100 000	Saldanha Bay	29	34	25
	West Coast District	25	29	28

Source: Western Cape 014_2019 Socio Economic Profile – Saldanha Bay Municipality

The rate of sexual offences in South Africa is amongst the highest in the world. With respect to the crime statistics released by SAPS and Stats SA, sexual offences increased by 4.6 % in 2018/19 compared to the previous financial year. SAPS and Stats SA further revealed that a total of 52 420 sexual offences were reported in this observed financial year, an increase of 3 212 compared to 2017/18. In 2019, there were 108 sexual offences in the Saldanha Bay area; when comparing to the broader District, at 92, Saldanha Bay's sexual offences rate (per 100 000 people) was significantly lower than the District's 114.

Table 16: Saldanha Bay Sexual Offences Profile

Municipal Area		2016/2017	2017/2018	2018/2019
Actual Number	Saldanha Bay	92	131	108
	West Coast District	556	514	512
Per 100 000	Saldanha Bay	82	114	92
	West Coast District	127	114	114

Source: Western Cape 014_2019 Socio Economic Profile – Saldanha Bay Municipality

According to the 2018/19 crime statistics, the Western Cape Province has the highest rate of drug related in the country at 1 203 per 100 000. However, the 2018/19 stats showed figures were trending downwards since 2017/18. While in 2017/18, 36.2 % of all drug-related crimes in South Africa occurred in the Province, this year the Province recorded 34.96 % of all drug-related crimes in the country. Drug-related crime within the Saldanha Bay area decreased in 2019, from 1 508 cases in 2018 to 1 177 cases in 2019. The WCD's drug-related offences decreased sharply in 2019, from 8 188 in 2018 to 5 819 in 2019.

When considering the rate per 100 000 people, with 1 000 crimes per 100 000 people in 2019, the Saldanha Bay area is below that of the District and Province's rates of 1 292 and 1 203 respectively.

Table 17: Saldanha Bay Drug Related Crime Profile



Municipal Area		2016/2017	2017/2018	2018/2019
Actual Number	Saldanha Bay	1163	1508	1177
	West Coast District	7064	8188	5819
Per 100 000	Saldanha Bay	1042	1308	1000
	West Coast District	1616	1817	1992

Source: Western Cape 014_2019 Socio Economic Profile – Saldanha Bay Municipality

Residential burglaries and drug related crimes are the most prevalent crimes in SBM. Drug related crimes increased with 5% between 2015 and 2016. Substance abuse is the source and cause of many other crimes and is prevalent throughout the municipality.

Births to teenage mothers (<18 years) comprised 7% of all births in 2015. These births are largely unplanned and create an additional burden on the young parents and their support networks. The termination of pregnancy rate in SBM was higher than the District rate at 0.5% per 1,000 live births.



8.Regulation 46 (c) (ii) – Key economic activities



8.1. Overview

The economic performance in the Western Cape economy declined to just 0.2 % in 2018 from 1.2 % in 2017. The slowdown was largely due to the drought-related decline in output in the Agriculture, forestry and fisheries sector, which also weighed on output in the related agri-processing manufacturing sector. The Western Cape economy is forecast to rebound to 0.7 % in 2019 with an acceleration to 1.2 % expected in 2020. Over the medium term (2019 to 2023), growth is projected to average 1.6 % - lower than the growth recorded between 2013 and 2017 at 1.7 %. Over the forecast horizon, the Agriculture, forestry and fisheries sector is expected to rebound in 2019 following the deep contraction in 2018 but the rebound will be moderate.

The Wholesale and retail trade, catering and accommodation sector is expected to underperform in 2019 and 2020 but projected to rise more notably over the medium term on the back of better income and employment growth. The construction sector is set to contract in 2019 on the back of softer house price growth, and subsequent weaker residential demand, as well as lower infrastructure spending. Key risks for the Western Cape economy, in addition to the risks on a national level, include volatile and unpredictable weather patterns, which could make it increasingly difficult to produce what is considered traditional Western Cape produce; and the conditions which affect the consumer will typically be disproportionately reflected in Western Cape GDP growth such as changes in consumer confidence, employment growth, and the interest rate environment.

Saldanha Bay municipal area has the largest economy in the West Coast District. With its coastline of 238 km, the municipal area has a large fishing industry and a number of tourist towns. Saldanha Bay is known for its harbor and steel mill. GDPR and employment performance in 2017, the size of the Saldanha Bay municipal area's economy was R9.1 billion (in current prices), with 50 734 people employed in the region. It is estimated that the economy created 369 additional jobs in 2018. The value of the economy was estimated to be R9.3 billion in 2018. Given that the economy declined, the increase in GDPR (current price) was mainly due to inflation.

The Provincial Treasury's Socio-economic Profile of SBM indicates that Saldanha Bay is the fastest growing municipality in the district. The West Coast District Municipality's SDF (2014) identifies Saldanha Bay as a Major Regional Growth Centre and one three key development areas within the district (WCDM, 2014). Iron ore export and crude oil imports in the province take place exclusively.



8.2. Economic Sectors

The manufacturing sector was the main contributor to GDPR in Saldanha Bay municipal area in 2017, with a contribution of 21.9 %. The agriculture and forestry and fishing sector was also a significant contributor to GDPR in the municipal area, with a contribution of 18.4 % in the same year.

In the Saldanha municipal area, the local economy was dominated by the manufacturing sector (2.004 billion; 14.4 % followed by agriculture forestry and fishing sector (1.685 billion; 18.4 %; and wholesale & retail trade, catering & accommodation (1.328 billion; 14.4 %) in 2017. Combined these three sectors contributed R5.017 billion or 54.8% to Saldanha Bay's economy, estimated to be worth R9.142 billion in 2017.

The 10-year trend shows that the agriculture, forestry and fishing sector and the finance and business services sector registered the highest average growth rates (3.7 %), followed by the general government sector (3.1 %) and the community, social and personal services sector (2.9 %). A concern is that the manufacturing sector, with the largest contribution to the economy (21.9 %), registered a contraction of -0.5 % between 2008 - 2017.

Saldanha Bay GDPR performance per sector, 2008 - 2017									
Sector	Contribution to GDPR (%) 2017	R million value 2017	Trend		Average Real GDPR growth (%)				
			2008 - 2017	2014 - 2018e	2014	2015	2016	2017	2018e
Primary sector	18.9	1 731.8	3.5	1.1	5.2	0.1	-0.9	12.3	-10.9
Agriculture, forestry & fishing	18.4	1 684.9	3.7	1.2	5.2	0.1	-0.9	12.7	-11.0
Mining & quarrying	0.5	46.9	-1.4	-1.1	4.3	-2.3	-1.9	-0.6	-5.0
Secondary sector	27.8	2 546.0	-0.1	0.0	0.5	0.5	-1.0	-0.2	1.7
Manufacturing	21.9	2 003.9	-0.5	-0.2	0.1	-1.0	-1.5	-0.2	1.7
Electricity, gas & water	1.2	109.0	-0.8	-0.1	-1.2	-1.2	-1.2	0.9	2.4
Construction	4.7	433.1	2.5	0.8	3.4	2.4	1.6	-0.7	-2.7
Tertiary sector	53.2	4 864.6	2.5	1.8	2.9	1.8	1.8	1.3	1.4
Wholesale & retail trade, catering & accommodation	14.5	1 327.7	2.7	1.8	2.4	2.9	2.7	0.1	0.9
Transport, storage & communication	8.4	770.1	-1.1	-1.2	1.1	-2.6	-1.8	-0.7	-1.9
Finance, insurance, real estate & business services	14.4	1 313.8	3.7	3.4	3.8	3.5	3.0	3.3	3.3
General government	10.0	915.8	3.1	1.2	3.6	0.6	0.5	0.1	1.0
Community, social & personal services	5.9	537.1	2.9	2.5	2.8	2.3	2.9	2.6	1.7
Total Saldanha Bay	100.0	9 142.4	1.9	1.2	2.6	0.9	0.6	2.7	-0.9

Source: 4th Generation _Saldanha Bay Municipality_IDP 28.05.2020

Figure 13: Saldanha Bay GDPR performance 2008 – 2017

8.3. Employment

Since 2015, the unemployment rate has been rising steadily in the area, reaching 15.7 % in 2018. This is much higher than the district rate of 10.7 % in 2018, while lower than the provincial rate of 17.7 %. Saldanha Bay also has the highest unemployment rate when compared to the rest of the WCD. Unemployment remains a key challenge for the Saldanha Bay area, where rising population numbers and rapid urbanisation are contributing factors as workers move to the area to seek jobs. Up-skilling of the



labour force, implementation of levers such as local economic development strategies are all key in order to increase potential employment opportunities and boost economic growth in the area.

Unemployment Rates for the Western Cape (%)											
Area	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Saldanha Bay	9.8	11.7	13.6	14.3	13.7	13.0	13.8	12.7	14.1	15.4	15.7
West Coast District	6.8	8.2	9.6	10.0	9.7	9.2	9.8	8.6	9.6	10.5	10.7
Western Cape	12.7	14.0	15.4	15.5	15.6	15.5	15.9	15.9	17.1	17.8	17.7

Source: 4th Generation _Saldanha Bay Municipality_IDP 28.05.2020

Figure 14: Unemployment rates for the Western Cape

According to 2017 Labour Survey, there were 546 000 people employed in the formal sector in Western Cape (non-metro) areas compared to 87 000 people who were employed in the informal sector. 202 000 were employed in the agricultural sector. According to statistics Western Cape (non-metro) areas labour force was 1,103 million people with 895 000 were employed compared to 208 000 who are unemployed and 504 000 people were not economically active whereas 44 829 people are economically active (i.e. employed or unemployed but looking for work) in SBM, and of these, 23,4% are unemployed. In terms of the youth, aged 15-34, the unemployment rate is 30,4% among the 22 885 individuals who are economically active.

8.4. Employment Sector

The agriculture, forestry and fishing sector contributed the most jobs to the area in 2017 (18 388; 36.2 %), followed by the wholesale and retail trade, catering and accommodation sector (8 316; 16.4 %) and the finance and businesses (5 491; 10.8 %) sector. Combined, these three sectors contributed 32 195 or 63.4 % of the 50 734 jobs in 2017.

Saldanha Bay employment growth per sector 2008 – 2017									
Sector	Contribution to employment 2017	Number of jobs 2017	Trend		Employment (net change)				
			2008 - 2017	2014 - 2018e	2014	2015	2016	2017	2018e
Primary sector	36.4	18 443	-2 837	-116	-356	1 530	-614	-493	-183
Agriculture, forestry & fishing	36.2	18 388	-2 818	-110	-356	1 528	-614	-491	-177
Mining & quarrying	0.1	55	-19	-6	0	2	0	-2	-6
Secondary sector	13.9	7 027	-462	227	127	140	60	-22	-78
Manufacturing	9.8	4 948	-734	-56	29	122	-53	-46	-108
Electricity, gas & water	0.1	73	23	4	1	1	2	2	-2
Construction	4.0	2 006	249	279	97	17	111	22	32
Tertiary sector	49.8	25 244	4 479	3 363	736	815	436	746	630
Wholesale & retail trade, catering & accommodation	16.4	8 316	2 326	1 409	192	395	185	428	209
Transport, storage & communication	2.7	1 357	198	-62	-46	52	-61	13	-20
Finance, insurance, real estate & business services	10.6	5 491	1 456	963	154	230	137	172	270
General government	9.4	4 772	1 038	252	277	-65	103	-135	72
Community, social & personal services	10.5	5 328	1 461	601	159	203	72	268	99
Total Saldanha Bay	100	50 734	3 180	3 474	507	2 488	-118	231	349

Source: Western Cape 014_2019 Socio Economic Profile – Saldanha Bay Municipality

Figure 15: Saldanha Bay employment growth per sector 2008 - 2017



Several sectors experienced net job losses between 2014 - 2018, with the agriculture, forestry and fishing sector shedding the most jobs in the last 3 years (-1 282). This can be attributed to the effects of the prolonged drought in the district. This is a cause for concern considering the significant contribution of this sector to the Saldanha Bay economy. The sectors which reported the largest increase in jobs between 2014 - 2018 were the wholesale, retail and trade (1 409), followed by financial and business services (963), and community and social services (801), illustrating the shift in the labour force to more skilled and semi-skilled workers. The majority of workers in the Saldanha Bay labour force in 2017 were semi-skilled (41.3 %), while only 18.1 % were skilled.

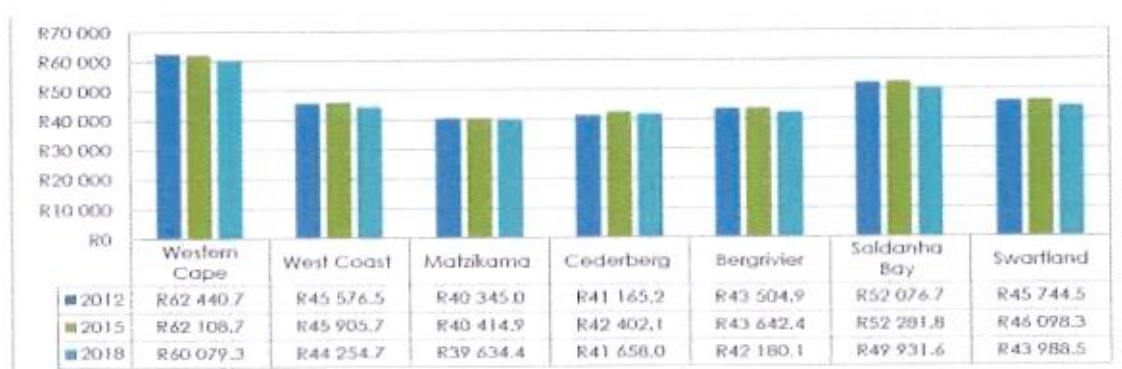
Saldanha Bay: Trends in labour force skills, 2006 - 2017				
Formal employment by skill	Skill level contribution (%)	Average growth (%)	Number of jobs 2016	
	2017	2014 - 2018e	2017	2018e
Skilled	18.1	3.2	6 926	7 126
Semi-skilled	41.3	1.8	15 858	16 106
Low-skilled	40.6	2.7	15 569	15 833
Total Saldanha Bay	100.0	-	38 353	39 065

Source: Western Cape 014_2019 Socio Economic Profile – Saldanha Bay Municipality

Figure 16: Saldanha Bay trends in labour force skills

8.5. Average Household Income

An increase in real GDP per capita, i.e. GDP per person, is experienced only if the real economic growth rate exceeds the population growth rate. Even though real GDP per capita reflects changes in the overall well-being of the population, not everyone within an economy will earn the same amount of money as estimated by the real GDP per capita indicator.

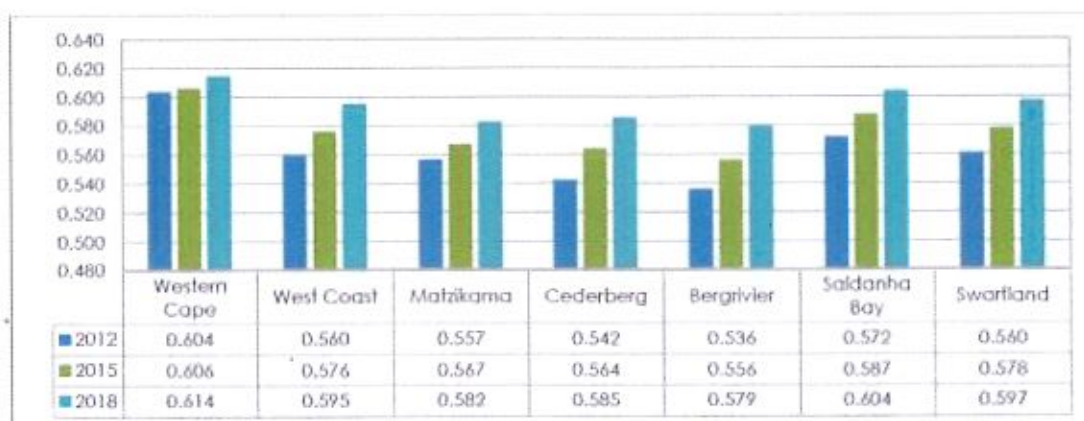


Source: Western Cape 014_2019 Socio Economic Profile – Saldanha Bay Municipality

Figure 17: Average household income per municipality in the West Coast district



The National Development Plan (NDP) has set a target of reducing income inequality in South Africa from a Gini coefficient of 0.7 in 2010 to 0.6 by 2030. Income inequality has increased in Saldanha Bay between 2012 and 2018 with the Gini coefficient increasing from 0.572 in 2012 to 0.604 in 2018.



Source: Western Cape 014_2019 Socio Economic Profile – Saldanha Bay Municipality

Figure 18: Targets for reducing income inequality per municipality

Furthermore, income inequality levels were marginally higher in Saldanha Bay for 2018 with a Gini coefficient of 0.60 when compared to neighbouring municipalities across the WCD and the Western Cape.

8.6. Mining companies operating in the area

Larfage (Pty) Ltd

Kumba Iron Ore (Pty) Ltd

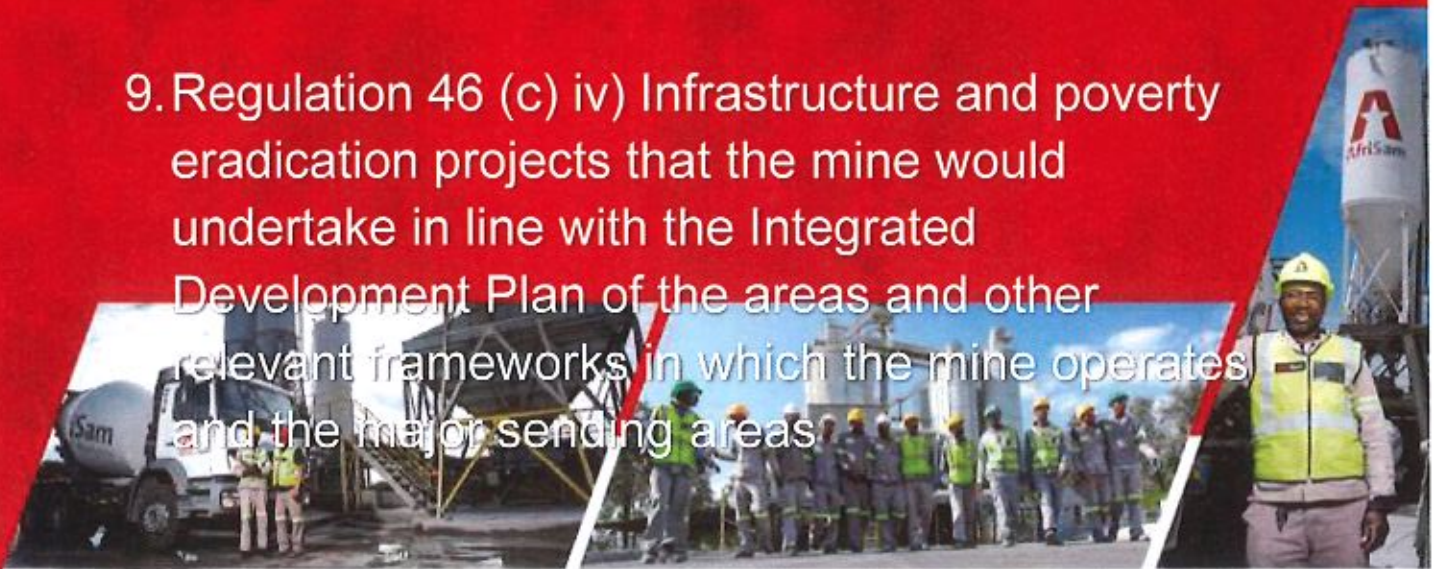
Tronox Mineral Sands (Pty) Ltd

8.7. Negative impact of the mining operation

The mine is situated close to an informal settlement which has a potential to grow in the near future which could impact the mining operation negatively. This will result in an influx of people moving into the area.



9. Regulation 46 (c) iv) Infrastructure and poverty eradication projects that the mine would undertake in line with the Integrated Development Plan of the areas and other relevant frameworks in which the mine operates and the major spending areas



9.1. Introduction

The Local Economic Development (LED) Programme for the Saldanha Quarry, which will be supported and managed by AfriSam, is described in this section.

LED projects have always been part of AfriSam's commitment. The projects in this programme are part of the current LED Programmes of the Company's Social and Labour Plan's LED component for its operations within the Western Cape Province. The projects will be co-ordinated, managed and implemented through the Company's Corporate Social Responsibility (CSR) department.

The primary objective of AfriSam's LED programme is to ensure infrastructure development, poverty eradication and social upliftment in the communities surrounding its Tabakbaai operation. This programme includes sustainable projects that the Company supports financially or otherwise in conjunction with the local municipality.

The Company believes that it is imperative to be socially involved in the communities where its operations are located. The CSR mission emphasise the approach that seeks "to understand the needs of society and communities in areas where we do business to make meaningful and sustainable contributions to their upliftment."

The Company's LED initiatives are designed to ensure:

- a) alignment with the business objectives of the Company and ensuring that the Company's corporate identity is positively projected;
- b) alignment with the Integrated Development Plans (IDPs) of local governments in the areas where the Company is a leading role player;
- c) that it works in close collaboration with stakeholders; and
- d) establishment of partnerships and joint ventures

Through its programmes the Company aims to:

- a) empower people and local communities to become self-reliant and participate effectively in the economy and society;
- b) develop and mobilise resources that improve the social well-being of communities and which lead to a better life for all; and
- c) build capacity and skills for long-term social and economic development, growth and stability.



The Company's LED programme, therefore, focus on tangible and long term sustainable projects that include sharing of resources, infrastructure, time, expertise, product and hands-on participation in progress.

9.2. Needs of the area in order of priority

The Council of the Saldanha Bay Municipality has identified five game changers to serve as focus areas for achieving the vision and mission set for the municipality in the 4th Generation IDP of 2017 – 2022. The focus areas are: (1) Economic Development and Growth (2) Customer Care (3) Technology and Innovation (4) Cleanliness and (5) Youth. These focus areas serve as the foundation and framework on which the municipality will be able to realise its vision, help to drive National and Provincial Government's agenda, expand and enhance its infrastructure, and ensure that all residents have access to the essential services they require. ECD falls under youth which is one of the top priorities for Saldanha Bay municipality. *(Source:SBM Final 4th Generation IDP 2017 – 2022)*

9.2.1 Project background

Project: 1 – ECD Upgrades in White City Ward 3

With the ever increasing rates of unemployment, growing number of school dropouts and child mortality, escalating experiences of childhood food insecurity, and to an extent a blatant display of collective mass child neglect and disregard for their safety, the reality is that thousands of children aged 0-6 years are living in conditions of chronic trauma and suffering within the municipal area, to which combined stakeholder efforts and interventions provide the most logical vehicle to provide the necessary impact required for change.

Research has shown that if a child is unable to read or write by the age of 8, their chances of school completion drastically decreases. Quality early childhood education is thus not merely one of the ways to create future prosperity and economic growth, it is to a large extent the most guaranteed return on investment. As prescribed by South African law all ECD Centres are required to be registered for all children enrolled, and that they receive maximum benefits available for their emotional, cognitive, sensory, spiritual, moral physical, social and communication development from pre-conception to school going age.

To be approved for registration, documentation such as land use, building plan clearance certificate, fire and safety clearance certificate and food preparation and distribution certificate which need to be obtained, which currently presents one of the most difficult challenges for prospective ECD Centres due to the high cost associated with obtaining said documentation and certificate approvals. It is said that 64% of facilities within the municipality are unregistered with no proper infrastructure.

Saldanha Bay Municipality recognizes that Early Childhood Development historically, is both a locally based collective impact effort as well as a broader movement-building initiative through the adoption of a Whole of Society Approach (WoSA) Framework and the establishment of strategic ECD partnership



via WoSA to more easily target ECD initiatives to where they are needed the most and to coordinate childhood programs with other educational interventions.

Saldanha Bay Municipality has in conjunction with the Department of Social Development identified facilities in White City Ward 3 that are in desperate need of upgrades and resources assistance.



9.3. AfriSam undertakes to assist the municipality with implementation of the following projects:

Table 18: Upgrades of ECD centre Project: Information sheet

Project Name:	Upgrades of ECD centre
Classification of project:	Infrastructure: ECD Upgrades
Background to Project:	Compliance with legislative prescripts remains one of the major hurdles for facilities to deliver high quality early childhood development services. This is largely due to the inability of facilities to pay for the required infrastructural upgrades and certification, and considering the level of unemployment in the agreed upon ward, ward 3 White City Saldanha, the profitability of facilities is adversely impacted impairing their ability to pay for required upgrades to obtain certification. This in turn hampers their ability to access funding for assistance from the Department of Social Development adversely impacting their ability to deliver quality early childhood development services to children of ward 3.
Project Objectives:	The objective is to upgrade existing facilities, and improving access to adequately structured and equipped facilities to children in this ward who are deprived of accessing the quality ECD services they need.
ESD/SED optimization:	The strategy for the new cycle of SLPs is to ensure that all identified projects are selected with an ESD aspect in mind, AfriSam is committed to creating job opportunities in communities through procurement, as well as through SLP/LED/SED projects that are implemented in host communities.
Mile stones:	2022 - 2023 Obtain letter of support from the municipality Obtain Endorsement letter from DMR MOU Appoint project manager Drawings Project Plans Start with upgrades Complete the upgrades

Impact of the project:	The identified impact is as follows: There will be economic improvement, community capacity strengthening, combating poverty and the slew of social ills associated with it. This will narrow the achievement gap between advantaged and disadvantaged children, creating a healthier community as the first 1000 days, stresses the importance of early childhood development. Potential boost in family earnings by enhancing the earnings capacity of families, specifically mothers who are concerned about the wellbeing of their children will have opportunities to enter the job market.				
Provisional Project Start and End Date:	2022 – 2023				
Budget:	R 650 000				
Target Group/ Beneficiaries:	Youth		Project in which Local Community: Diazville		Saldanha Bay
Number of Beneficiaries impacted:	Male	Female	Youth	Total	
			TBC	100%	
Number of Jobs created	Classification of Jobs	Male Adults	Female Adults	Male Youth	Female Youth
	Short Term and Long Term				
Completion date and exit strategy	Exit Strategy - Hand over to Saldanha Bay Municipality - Department of Social Development				

10. Regulation 46 (c) (iv) & (v) - Measures to address the housing and living conditions of employees



10.1. Housing and living conditions

All employees are from the local community and as such reside in their own homes. VDM provides free transport to and from work to those that need it.

10.2. Measures to address nutrition

Not applicable

11. Regulation 46 (c) (vi) - The Procurement Progression Plan and its implementation for HDSA companies in terms of Mining Goods and Services



11.1. Procurement overview

11.1.1. Current situation at the Saldanha Quarry

The generic BEE scorecard of the DTI (applicable to VDM) requires that on average 50% of all procurement should be from companies that has a BEE status of Level Four and as such a scorecard of higher than 65%. This operation is outsourced to VDM, which is compliant at a Level Four of the DTI scorecard.

11.1.2. Procurement at AfriSam

AfriSam's procurement vision is to achieve world-class procurement throughout the AfriSam Group and to strengthen cost and market leadership. Procurement within the company consists of all third-party sourcing activities at strategic and operational levels to ensure minimum total cost of ownership. AfriSam uses a centrally managed, group-wide standard procurement process in collaboration with suppliers at all levels to optimise resources and workflows through centralised, regional and local procurement offices.

The company has a total annual spend of 5.2 billion with approximately 2800 suppliers, of which 98% is accounted for via the managed standard procurement processes within the company. 78% of the total spend is covered by a pricing agreement or contract and is seen as measured spend.

Due to the technical nature of the business, AfriSam has identified different categories of suppliers for all goods and services procured, namely:

- Strategic suppliers - (Key suppliers of critical commodities and services with longer term contractual commitments);
- Transporters - (Branded fleets and third party subcontractors delivering various products to AfriSam's customers and also transporting incoming material);
- Cartage Contractors;
- Local Suppliers - (Suppliers in the immediate radius where AfriSam has operations across South Africa. AfriSam supports the policy of local spend and investment in the local communities); and

- Import suppliers - (High-tech suppliers with no real value adding footprint within South Africa)

The Company's internal support functions for all operations are situated centrally at the Shared Services Centre at Head Office. SAP Master Data detail is managed centrally at the Shared Services Centre and kept up to date. All BEE related reports are standardized and drawn from this database for central, regional and plant reports.

Due to the fact that a part of AfriSam's business falls within the stipulations of the Mining Charter, AfriSam is required to maintain systems and reports to measure the progress on transformation of its own status as well as that of suppliers.

11.1.3. Preferential performance

AfriSam supports preferential procurement as a lever for economic transformation and Broad-Based Black Economic Empowerment (B-BBEE). The entire supply chain has a common understanding and buy-in of the transformation imperative. AfriSam is committed to support and grow B-BBEE and Small, Micro and Medium Enterprises (SMMEs) in South Africa with emphasis being placed on procurement from empowered companies. The company is committed to work with its existing suppliers to enable their transformation, as well as sourcing products and services from new suppliers that embody the principles of transformation.

By using its buying power, AfriSam has been instrumental in influencing many of its suppliers to produce their own B-BBEE scorecards and submitting these for the verification of their B-BBEE status. The number of new verification certificates and the improvement in the Group's own preferential procurement score demonstrate that suppliers have an improved understanding of their status and can take further steps to improve their BEE scores.

For transformation within Procurement to be sustainable, prices and service levels need to be competitive. AfriSam therefore assists its suppliers to be competitive through local and global benchmarking and sourcing processes where the entire supplier-offering is evaluated based on Total Cost of Ownership (TCO), including BEE contribution level, price, service, safety and quality.

Various BEE and B-BBEE targets are set annually on a national basis for the company and also broken down into targets for the various Procurement regions. The respective operations within the regions, such as the NPC Saldanha Quarry create action plans for local suppliers to achieve these regional targets.

Below are the targets for the NPC Saldanha Quarry:



Table 19: Procurement Progression Plan

Category	Description	Charter target	2021 Target	2022 Target	2023 Target	2024 Target	2025 Target	Comments
MINING GOODS	South African Manufactured Goods	70%	> 70%	> 70%	> 70%	> 70%	> 70%	Local Content verification process currently in progress
	Historically Disadvantaged Persons Controlled and Owned Company (51% BO)	21%	> 21%	> 21%	> 21%	> 21%	> 21%	
	Women Owned and Controlled Company 51% WO	5%	3%	4%	5%	> 5%	> 5%	
	OR							
	Youth Owned and Controlled Company - 51% Between 18 and 35)	5%	3%	4%	5%	> 5%	> 5%	
	BEE Compliant Company (Level 4 and 26% Historically Disadvantaged Persons owned)	44%	42%	43%	44%	> 44%	> 44%	
SERVICES	South African Based Companies	80%	> 80%	> 80%	> 80%	> 80%	> 80%	
	Historically Disadvantaged Persons Controlled and Owned Company (51% BO)	50%	30%	40%	50%	> 50%	> 50%	



	Women Owned and Controlled Company (51% WO)	15%	9%	12%	15%	> 15%	> 15%	
	Youth Owned and Controlled Company (51% Between 18 and 35)	5%	3%	4%	5%	> 5%	> 5%	
	BEE Compliant Company (Level 4 and 26% Historically Disadvantaged Persons owned)	10%	> 10%	> 10%	> 10%	> 10%	> 10%	
Research and Development Spend		70%	> 70%	> 70%	> 70%	> 70%	> 70%	
Analysis done at South African Based Facilities		100%	> 100%	> 100%	> 100%	> 100%	> 100%	



12. REGULATION 46 (D) (I), (II), (III) & (IV) – MANAGEMENT OF DOWSCALING AND RETRENCHMENTS



Downscaling and retrenchment In the event of retrenchment, VDM will pay severance pay of one week's pay for each completed year of service for employees on their payroll.

12.1. Introduction

All mining is currently subcontracted to VDM. A Future Forum has been established at the mining operation and will perform the following functions:

- a) promote ongoing discussions between the Company management and its employees in order to enhance performance, job satisfaction, morale and job security;
- b) identify problems, challenges and possible solutions with regard to productivity and employment;
- c) develop production and turnaround strategies if needed; and
- d) implement and monitor any turnaround or productivity improvement plans.

The 2 members representing the employees are elected for 2 years by the employees and the 2 members representing the Company are appointed by the directors for a period of 2 years. The 4 members will elect their own chairman and secretary.

The members of the forum for the first 2 year term are:

1. Management: Supervisor and Senior HR officer; and
2. Employees: Elections will take place in August every year.

The forum will meet every 2 months or as deemed necessary and will give feedback to all stakeholders in terms of decisions taken and/or progress made.



12.2. Mechanisms to save jobs and avoid job losses and a decline in employment

VDM monitors its profitability on an ongoing basis via its management system and with the assistance of our auditors will identify any trends that are indicative of a decline in profitability that might threaten job security.

Should the Company decide to embark on a restructuring exercise, which may result in retrenchments, it shall follow a fair procedure and shall be guided by the provision of Section 189 and 197 of the Labour Relations Act 66 of 1995. The Company will follow a consultative process including all stakeholders and will notify the Board in accordance with the provisions of Section 52 of the MPRDA. VDM endeavours to avoid job-losses and a decline in employment and keep employees in their jobs for as long as humanly possible. The mechanisms for saving jobs are stated below.

VDM will:

- a) support the necessary technical support provided by the Department of Labour through its designated institute to counter retrenchments;
- b) redeploy any employee that may be retrenched to any one of its other sites however it is not the intention to retrench any of our employees;
- c) offer voluntary severance packages to employees who so requires it at the minimum rates as stipulated by legislation; and
- d) offer early retirement or retirement on account of ill health to any employee falling into that category as stipulated in legislation.

When the Saldanha Quarry or VDM faces retrenchment or closure it will follow the process as stated below:

- a) notify both the Ministers of Minerals and Energy and Labour;
- b) mobilize the Department of Labour's Social Plan Services in terms of establishing a job advice centre for:
 - a. counselling the affected employees;
 - b. assisting our employees in claiming their unemployment insurance; and
 - c. training and placement of retrenched.

12.3. Mechanism to provide alternative solutions and procedures for creating job security where job losses cannot be avoided

Any possible retrenchment within the Company will only be as a result of one of the following:

- a) economical needs;
- b) technological needs; and
- c) structural needs.

The loss of any job will therefore not imply that the employee transgressed any Company rule. The Company will consider any appropriate way to:

- a) avoid dismissals



- b) to minimize the number of dismissals;
- c) to change the timing of dismissals;
- d) to soften the adverse effects of the dismissal; and
- e) to introduce a fair method of selecting the employees for dismissal.

No decisions in terms of retrenchments will be made without a proper consultation process. Other measures to avoid dismissals can be one of the following:

- a) reducing employees' wages or salaries;
- b) giving employees paid or unpaid leave for a time;
- c) placing a moratorium on the hiring of new employees;
- d) reducing or cutting overtime;
- e) re-deploying employees to other work sections;
- f) retraining employees for other work;
- g) asking for volunteers or part time employees to end their employment; and
- h) assistance in starting own businesses.

Criteria that will be considered:

- a) LIFO;
- b) work performance;
- c) attendance records;
- d) qualifications and skills;
- e) employer's operational requirements; and
- f) misconduct on record.

Notice will be given to employees and all affected parties as soon as possible. All monies due to the retrenched person will be paid on retrenchment. The Company will pay an employee who is dismissed for reasons based on the Company's operational requirements, severance pay equal to at least 1 (one) weeks remuneration for each completed year of continuous service with the Company. An employee, who unreasonably refuses to accept the Company's offer of alternative employment with the Company or any other Company, is not entitled to severance pay. The Company will consider retrenched employees first for re-employment, should any suitable vacancies arise within the period of (6) six months from the date when retrenchments had taken place.

When the quarry is to be scaled down (with the possible effect of job losses) or when mining is to cease, these processes will be followed:

- a) consultations in terms of Section 52 (1) of the MPRDA;



- b) the implementation of Section 189 of the Labour Relations Act, 1995;
- c) notifying the Minerals and Mining Development Board in terms of Section 52 (1) (a) of the MPRDA;
- d) implementation of an effective communication strategy, including:
 - a. informing employees of possible retrenchments;
 - b. informing other affected parties (sending areas, municipalities, etc) of the possible retrenchments at the operation; and
 - c. informing outside parties of the possible retrenchments at the quarry.

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

VDM will pursue initiatives to ameliorate the social and economic impact on individuals, regions and economies. These initiatives will focus on:

- a) assessment and counselling services for affected individuals; and
- b) comprehensive self-employment training programmes and re-employment programmes.
- c) Portable skills training, see 2.3.3.



13. FINANCIAL PROVISION - REGULATION 46 (E)

13.1. Financial provision for the implementation of the Social and Labour Plan



Table 20: Financial Provision for Human Resource Development Programme

Description	Forecast					
	2021	2022	2023	2024	2025	Total
Skills training	R 3 600	R 4 140	R 7 141	R 4 106	R 7 870	R 26 857
Learnerships	R 96 000	R 96 000	R 96 000	R 96 000	R 96 000	R 480 000
Internship & Bursaries	R 15 000	R 25 000	R 25 000	R 25 000	R 25 000	R 115 000
Total	R 99 600	R 125 140	R 128 141	R 125 106	R 128 870	R 621 857

Table 21: Financial Provision for Local Economic Development Programme

Type of Development	Forecast					
	2021	2022	2023	2024	2025	Total
ECD Upgrades - White City Project	R 0	R 325 000	R 325 000	R 0	R 0	R 650 000



14. Regulation 46 (f) - An undertaking by the holder of the mining right to ensure compliance with the Social and Labour Plan and to make it known to employees



I, Hannes Meyer, the undersigned and duly authorised thereto by National Portland Cement (Pty) Ltd undertake to adhere to the requirements and to the conditions as set in the approved Social and Labour Plan agreed to with the relevant Regional Manager: Mineral Development and to ensure compliance with the aforesaid plan and to make it known to the employees.

Signed at ROODEPOORT on this 26TH day of OCTOBER 2020

Signature of responsible person _____

Designation: Executive Cementitious

I, Kevin Changoo, the undersigned and duly authorised thereto by Pindulo VDM (Pty) Ltd, undertake to adhere to the requirements and to the conditions as set in the approved social and labour plan agreed to with the relevant Regional Manager: Mineral Development and to ensure compliance with the aforesaid plan and to make it known to the employees.

Signed at Cape Town on this 2nd day of November 2020

Signature of responsible person _____

Designation: Co-Executive Pindulo VDM (Pty) Ltd.

Approved

Signed at _____ on this _____ day of _____ 20____

Signature _____

Designation _____

