



SOCIAL AND LABOUR PLAN FOR GOEDEHOOP COLLIERY

MINING RIGHT:

MP 30/5/1/2/2/ 122 MR [Goedehoop Main]

SLP PERIOD: 2020 – 2024

APPLICATION FOR SECTION 102 FOR PERIOD: 2020 – 2024

Index Page

Section 1: Preamble

- 1.1 Thungela Resources Limited Group
- 1.2 Overview of Goedehoop Colliery
- 1.3 Objectives of the Social and Labour Plan
- 1.4 Definitions
- 1.5 Particulars of Mining Right Holder

Section 2: Human Resource Development Programme

- 2.1 Skills Development Legislation Compliance
- 2.2 Skills Development Plan
- 2.3 Hard-to-fill vacancies
- 2.4 Career Progression
- 2.5 Mentorship
- 2.6 Employment Equity

Section 3: Mine Community Economic Development

- 3.1 Social and Economic background information
- 3.2 Impacts of the mining operation
- 3.3 Local Economic Development Projects
- 3.4 Goedehoop Colliery Community Social Investment
- 3.5 Housing and Living Conditions

Section 4: Processes pertaining to Management of downscaling and retrenchment

- 4.1 Future Forum
- 4.2 Mechanisms to save jobs
- 4.3 Management of retrenchments
- 4.4 Mechanisms to ameliorate the social and economic impacts of downscaling or retrenchment

Section 5: Financial provision

Goedehoop Colliery SLP 2020-2024 | In compliance with Regulation 46 of the Mineral and Petroleum Resources Development Act No. 28 of 2002 and Regulations

PART ONE

BACKGROUND

1. INTRODUCTION

Effective 4 June 2021, Thungela Resources Ltd (“Thungela”) listed on the Johannesburg and London Stock, on the Exchanges, which follows the completion of the demerger of Thungela from Anglo American plc. The legal name change from Anglo Operations (Pty) Ltd (“AOPL”) to Thungela Operations Pty Ltd (“TOPL”) will officially be effective on 1 March 2022. In anticipation of the formal name change, where reference is made to Thungela it will mean AOPL as the mineral right holder. Thungela is the parent company of AOPL which will be changed to TOPL.

Thungela owns interests in and produces its thermal coal predominantly from six mining operations, namely Goedehoop, Greenside, Isibonelo, Khwezela, AAIC (operating the Zibulo colliery), Mafube Coal Mining (operating the Mafube colliery) and Butsanani Energy (operating the Rietvlei colliery). Thungela is the sole owner of each of these operations, except for AAIC, Mafube Coal Mining and Butsanani Energy, in which the Group has a 73%, 50% and 66.7% interest, respectively. The Group also has plans for two proposed mining operations in the form of the Elders Project and Dalyshope Project. The Elders Project, in which the Group has a 73% interest, is a proposed underground mine (at the exploration and technical study stage) and the Dalyshope Project is a proposed open cast mine for which a mining right application is pending approval. The Group also holds a 50% interest in Phola, which owns and operates the Phola Coal Processing Plant and a 23.22% indirect interest in RBCT, which owns and operates the Richards Bay Coal Terminal. Thungela also holds an interest of approximately 67% in Butsanani Energy, which in turn holds a 51% interest in RMC, which operates the Rietvlei colliery. Accordingly, the Company indirectly holds a beneficial interest of 34% in RMC.

Overview of Goedehoop Colliery

Goedehoop Colliery is situated about 17km south-west of Middelburg in the Mpumalanga province. The mining boundaries cover an area of some 28 000 hectares and falls within the Steve Tshwete Local Municipality.

The mine produces coal for the export market, and the saleable product is railed to the Richards Bay Coal Terminal. A total of 5,9 Million Tonnes (MT) Run Of Mine (ROM) was produced in 2019, yielding 3,95 MT of saleable product.

The 2020 configuration of the mine is as follows:

- Simunye shaft: an underground mine complex with 6 Continuous Miner sections. The 4 seam is predominantly being mined at the shaft.
- Bank 2 Plant: a coal processing plant situated alongside Simunye shaft.
- Support and Service departments located within the Goedehoop footprint.

Prime Section

The business improvement initiative called Prime Section was launched in April 2020 with an intention to step production through increasing direct operating hours. Prime Section forms part of AOPL's underground productivity improvement drive. It is also referred to as Continuous Miner (CM)1.5 million tonne initiative where the goal is to produce 1.5 Mt of safe coal from a single CM section during a single year

Goedehoop Colliery provides permanent employment to 798 employees and approximately 500 contractors based on site.

Operational structure

This SLP lodgement provides detailed commitments for Goedehoop Colliery as an entity with six associated mining rights. Therefore, the contents of the SLPs for the associated mining rights listed below will be similar to this lodgement:

- MP 30/5/1/2/2/38 MR [Van Dyksdrift]
- MP 30/5/1/2/2/57 MR [Bank (Roodepoort Welperdiend)]
- MP 30/5/1/2/2/124 MR [Bultfontein]
- MP 30/5/1/2/2/143 MR [Bank]
- MP 30/5/1/2/2/466 MR [Kleinfontein]

1.1 The purpose of this plan

In accordance with Regulation 42 (2) (b) of the Mineral and Petroleum Resources Development Act No. 28 of 2002, Anglo Operations Proprietary Limited ("AOPL") hereby compiles the amended SLP which addresses the issues listed in the Department of Mineral Resources and Energy ("DMRE") directive in term terms of Section 29 of the MPRDA.

The purpose of this Social and Labour Plan is to provide assurance to the Department of Mineral Resources and Energy (DMRE) on future contribution committed by the mine. This document therefore follows Regulation 46 of the Regulations of the Mineral and Petroleum Resources Development Act (2002) (MPRDA), which outlines the required contents of the Social and Labour Plan.

The aim of the Social and Labour Plan are:

- To promote employment and advance the social and economic welfare of all employees and to uplift all stakeholders within the communities in which we operate;
- To contribute to the transformation of our industry; and
- To ensure that the holders of mining rights contribute to the socio-economic development of the communities in which we operate, including labour sending areas.

1.2 Definitions

In the text that follows, these terms should be clearly understood:

Goedehoop Colliery SLP 2020-2024 | In compliance with Regulation 46 of the Mineral and Petroleum Resources Development Act No. 28 of 2002 and Regulations

- **Anglo Operations (Pty) Ltd, a member of the Thungela Resources Limited Group** includes all employees at head office, technical divisions and mining operations.
- AOPL operations include all operational and technical personnel but exclude staff from our head office.
- **Goedehoop Colliery:** it is a mine wholly owned by Anglo Operations (Pty) Ltd

1.3 Legislation and Regulations

The Following Legislation and Regulations are relevant to the Social and Labour Plan:

- MPRDA (Mineral Petroleum Resource Development Act)
- DMRE (Department of Minerals and Resources and Energy) Guidelines for Social and Labour Plans.
- Skills Development Act No 97 of 1998.
- Employment Equity Act No 55 of 1998.
- Labour Relations Act of 1995.
- Basic Conditions of Employment Act of 1997.
- Broad-based Black Economic Empowerment Act No 53 of 2003

The afore mentioned as amended from time to time.

1.4 Associated Documents

Guided Documents Related to the Social and Labour Plan are:

- Mine Closure Gap Analysis
- Mine Workplace Skills Plan
- Mine Employment Equity Plan
- Mine Recruitment Plan (working document)
- Integrated Development Plan and Local Economic Development Plan for Steve Tshwete Local Municipality
- Social Impact Assessments
- Environmental Impact Assessments
- National Development Plan
- Policies and procedures related to:
 - Employment Equity Policy
 - Human Resource Development Policy
 - Retrenchment Policy
 - BEE Specification Policy

Goedehoop Colliery SLP 2020-2024 | In compliance with Regulation 46 of the Mineral and Petroleum Resources Development Act No. 28 of 2002 and Regulations

- Preferential Procurement Principles Policy
- Learnership Procedure
- Mentorship Procedure

1.5 The particulars of the holder of the mining rights

Table 1

Name of the company	Anglo Operations (Pty) Ltd, a member of Thungela Resources Limited Group
Name of the mine	Goedehoop Colliery
Physical address	Mineral, Property Rights and Permitting Department
	25 Bath Avenue, Rosebank
	Johannesburg
Postal address	2196
	Anglo Operations (Pty) Ltd
	PO Box 1521
	Saxonwold
Telephone number	2132
Fax number	076 822 0399
Mine address	N/A
	Bank Farm
	1032
Mine postal address	Goedehoop Colliery
	Private Bag X410, Vandyksdrift
Telephone number	Mpumalanga, 2245
Mine fax number	+27 (13) 687 5320
Location of mine	N/A
	Goedehoop Colliery is situated about 17 kilometres south-west of the city of Middelburg in the Mpumalanga province. It is approximately 120 kilometres east of Johannesburg in the Republic of South Africa.
Commodity	Coal
Life of mine	Expires in 2038
Breakdown of employees per sending area	See section 2.6.5
Financial year	January to December
Reporting Year	31 March of each year
Responsible Person	General Manager

Goedehoop Colliery 2020-2024 | In compliance with Regulation 46 of the Mineral and Petroleum Resources Development Act No. 28 of 2002 and Regulations

PART TWO

Human Resources and Development

2. Human Resources and Development Programme

We believe that a workforce with the right skills, experience and training is one of the industry's most basic needs. We invest significant resources into developing the skills of our employees.

To reach our goal of becoming the Employer of Choice in the mining industry, we provide world class and sustainable education for employees across our business, while also extending our capacity building initiatives to members of our immediate communities.

Goedehoop Colliery will continue to focus on the following areas for the next five years:

- The Skills Development Plan
- Career progression and planning
- Mentorship plans
- The internship and bursary plan
- The employment equity plan

2.1 Skills Development Compliance

Goedehoop Colliery is registered with the Mining Qualifications Authority (MQA) which is the appropriate Sector Education and Training Authority (SETA) for the mining industry. The mine complies with the requirements of the Skills Development Act, which includes the submission of a Workplace Skills Plan and Annual Training Report as per the SETA's requirements.

Table 2.1 Compliance with legislation

Skills Development legislation	
Name of SETA	Mining Qualifications Authority (MQA)
Registration number with SETA	L 120714680
Confirmation of having appointed a Skills Development Facilitator	Tjintjane Musie Marcus Rapulana
Proof of submission of Workplace Skills Plan and date of submission	Annexure A: Proof of submission

Notes:

- a) Goedehoop Colliery has two Skills Development Facilitators (SDF's) being:
- Tjintjane Musie, Training Manager appointed by the General Manager into the role.
 - Marcus Rapulana, from the National Union of Mineworkers nominated from their Education sub-structure to fulfil the employee representative role.

Both SDF's are responsible for coordinating the Workplace Skills Plan and Annual Training Report for the operation on an annual basis. This process is done in consultation with the

Goedehoop Colliery 2020-2024 | In compliance with Regulation 46 of the Mineral and Petroleum Resources Development Act No. 28 of 2002 and Regulations

Employment Equity and Skills Development Committee.

- b) Goedehoop Colliery compiles and submits the Workplace Skills Plan (WSP) and Annual Training Report (ATR) to the MQA annually. The latest WSP and ATR (for the 2021 year) was submitted on the 30th April 2021, and approved by the MQA on the 2nd November 2021.

2.2 Skills Development Plan

2.2.1 Education Profile of Goedehoop Colliery

The education profile of Goedehoop Colliery is shown below in Table 2.2.

Table 2.2 Education profile: December 2019

BAND	NQF LEVEL	Description	MALE				FEMALE				TOTAL	
			African	Coloured	Indian	White	African	Coloured	Indian	White	Male	Female
General Education & Training (GET)	Below 1	No schooling / Unknown	29	0	0	0	0	0	0	0	29	0
		Grade 1 / Sub A	0	0	0	0	0	0	0	0	0	0
		Grade 2 / Sub B	0	0	0	0	0	0	0	0	0	0
		Grade 3 / Std 1 ABET 1	0	0	0	0	0	0	0	0	0	0
		Grade 4 / Std 2	0	0	0	0	1	0	0	0	0	1
		Grade 5 / Std 3 ABET 2	0	0	0	0	1	0	0	0	0	1
		Grade 6 / Std 4	30	0	0	0	5	0	0	0	30	5
		Grade 7 / Std 5 ABET 3	72	0	0	0	3	0	0	0	72	3
	Grade 8 / Std 6	38	0	0	0	3	0	0	0	38	3	
1	Grade 9 / Std 7 ABET 4	45	0	0	0	2	0	0	0	45	2	
Further Education & Training (FET)	2	Grade 10 / Std 8 / N1	57	0	0	15	3	0	0	2	72	5
	3	Grade 11 / Std 9 / N2	55	0	0	18	12	0	0	0	73	12
	4	Grade 12 / Std 10 / N3	345	2	4	94	154	1	1	10	445	166
Higher Education & Training (HET)	5	Diplomas / Certificates	31	1	1	30	35	0	0	3	63	38
	6	First Degrees / Higher Diplomas	30	1	1	8	16	1	0	3	40	20
	7	Honours / Masters degrees	5	0	0	2	5	0	0	0	7	5
	8	Doctorates	0	0	0	0	0	0	0	0	0	0
			737	4	6	167	240	2	1	18	914	261
											1 175	

Analysis of the table highlights the following key items:

- 81% of employees have a Further Education and Training (FET) or higher level of education
- 15% of employees have a Higher Education and Training (HET) level of education
- There are 182 employees who have lower than an ABET Level 4 education level
- Most employees with lower than ABET Level 4 education levels are in the 55 - 60 years of age group

2.2.2 Goedehoop Colliery Training Centre

Goedehoop Colliery has a training centre that is ISO 9001: 2015 certified. The Training Centre operates in partnership with the Thungela Learning and Development Centre, based in eMalahleni. This centre leverages from the expertise of the group to source, draft and present key competence and development courses for members of the AOPL workforce.

The Goedehoop Colliery training centre is responsible, inter alia, for the following:

- Maintaining and presenting the annual refresher training for mine personnel and business partners
- Managing the licensing system for Goedehoop Colliery employees and business partners
- Maintaining skills and training matrices for Goedehoop Colliery employees
- Ensuring that Goedehoop Colliery remains compliant with safety legislation in terms of training and competence
- Implementing directives from Anglo Operations (Pty) Ltd, a member of the Thungela Resources Limited Group that have reference to safety, training and competence

The Training Centre has a staff complement of 11 employees to fulfil its mandate. Outside training providers are made use of and where necessary additional consultants to ensure service delivery.

2.2.3 Goedehoop Colliery Training Strategy

The Goedehoop (GH) skills development strategy is based on the following:

- Development of the required operational/technical skills and competencies for all employees
- Monitoring and managing the development plans of employees identified as having the talent and potential to be promoted into more senior positions based on the Colliery development pipeline
- Providing opportunities for development to all employees to further their careers through appropriate training and part time studies

The following systems and policies are in place to support these objectives being achieved:

- The Learnership programme
- The Professionals In training programme
- The Bursary programme
- The Part Time Study Bursary Scheme
- Internal and External Leadership development programmes
- Competence and Skills enhancement and refresher programmes
- Talent Management and Mentorship programmes

Goedehoop Colliery 2020-2024 | In compliance with Regulation 46 of the Mineral and Petroleum Resources Development Act No. 28 of 2002 and Regulations

The table below indicates the skills development programmes planned for the SLP period:

Table 2.3 Number of skills programme participants for internal Core and Critical Skills training

Skills Area	2020	2021	2022	2023	2024	Total
Safety programmes	400	400	400	400	400	2000
Engineering skills programmes	100	100	100	100	100	500
Emergency Response skills programmes	55	55	55	55	55	275
Total number	555	555	555	555	555	2775
Budget	R370 000	R527 230	R553 591	R581 270	R610 333	R2 642 424

2.2.3.1 Adult education and training

The organisation has been running an Adult Education and Training intervention since 2000. The result is that most employees who did not have AET Level 4 qualifications and who wanted to obtain them have done so. This has resulted in no employee enrolments since 2010.

Those remaining do not want to embark on the journey to obtain a qualification; their reasons for this are varied and include:

- employees regard themselves as too old to start studying again
- employees not wanting to spend time after hours studying
- employees not seeing how they would benefit

Goedehoop Colliery will continue to support any employee who wishes to obtain an AET Level 1 to 4 qualification. An individually customised training plan will be drawn up for each employee who wishes to make use of the opportunity. This is addressed during the annual Induction process. There were no employees who made use of the AET facilities during 2019.

Goedehoop Colliery will extend support to any community member who expresses interest to obtain an AET Level 1 to 4 qualification within the area of influence. Goedehoop Colliery had AET facilities on site and it was underutilised. Hence the decision to support community members by paying for their tuition and study material at the AET facilities within Steve Tshwete Local Municipality and/or eMalahleni Local Municipality for community members.

Table 2.4 The budget for AET Level 1 to Level 4 :

AET Level 1 to Level 4	Plan				
	2020	2021	2022	2023	2024
Employees	0	2	2	2	2
Community Members	0	3	3	3	3
AET Total	0	5	5	5	5
Budget	R 0	R 50 000	R 50 000	R 50 000	R 50 000

Goedehoop Colliery 2020-2024 | In compliance with Regulation 46 of the Mineral and Petroleum Resources Development Act No. 28 of 2002 and Regulations

Note: Numbers in each year reflect the total number supported in the year and not necessarily new beneficiaries recruited.

2.2.3.2 Learnerships

Thungela has a long history of maintaining an extensive learnership programme for internal and external stakeholders. The global economic environment has adversely impacted this development programme; however, we still maintain a thriving and critical learnership pipeline within the company. The Learnership complement remains an important tool in addressing the equity profile of the mine inclusive of the host community.

The current economic climate has meant that we have not been able to reach our aspirational ratio of learners to artisans. The proposed learnership complement for the next five years is shown below:

Table 2.5a Internal Section 18.1 Learnerships Budget Plan: 2020 – 2024

Discipline	2020	2021	2022	2023	2024	Total
Electricians	1	1	2	2	2	8
Boilermakers	1	1	1	1	1	5
Instrumentation	1	1	1	1	1	5
Learner Miners	2	2	2	2	2	10
Total number	5	5	6	6	6	28
Budget	R1 250 000	R2 284 472	R2 398 695	R2 886 130	R3 627 225	R12 446 522

Note: Numbers in each year reflect the total number supported in the year and not necessarily new beneficiaries recruited.

Table 2.5b External Section 18.2 Learnerships Budget Plan 2020 – 2024

Discipline	2020	2021	2022	2023	2024	Total
Diesel Mechanics	0	1	2	2	2	7
Electricians	0	0	1	1	1	3
Fitters	4	2	5	5	5	21
Boilermakers	0	0	0	0	0	0
Instrumentation	1	0	1	1	1	4
Riggers	0	1	0	0	0	1
Auto Electricians	0	1	0	0	0	1
Millwrights	2	2	0	0	0	4
Total number	7	7	9	9	9	41
Budget	R1 750 000	R2 100 000	R2 205 000	R2 866 500	R3 009 825	R11 931 325

The guideline for future learnership recruitment is to have a 20% / 80% split between internal (s18.1) and external (s18.2) learners.

Note: Numbers in each year reflect the total number supported in the year and not necessarily new beneficiaries recruited.

2.2.3.3 Bursars, Internships and Community Scholarships

AOPL as a member of Thungela manages a bursary scheme designed to provide feedstock for the core and critical skills required by the organisation. In terms of this scheme, bursaries are awarded to candidates (sourced both from local communities and elsewhere) to study in key disciplines such as Mining Engineering, Electrical and Mechanical Engineering, Geology, Survey, Metallurgy, Human Resources and Finance. These bursars are managed centrally from one point for the entire division, and upon successful completion of their studies the graduates are placed across the various operations to complete a training (internship) period. This is referred to as the Professionals in Training programme and is designed to prepare graduates for a substantive appointment on one of the collieries. The colliery takes responsibility for the development of the graduates allocated to the mine each year.

Bursars

Thungela has a well-established bursary scheme which aims to develop suitable students who, once they have completed their studies, are afforded professional career opportunities within our organisation.

We aim to attract bursars in the areas that surround Goedehoop Colliery, and the scheme is open to the general public as well as the children and relatives of employees. We award bursaries to those interested in studying the following disciplines:

- Geology
- Metallurgical and chemical engineering
- Electrical and mechanical engineering
- Mining engineering
- Mine surveying
- Rock engineering
- Environmental management
- Finance and accounting

We offer experiential learning to a number of students, which not only affords them an opportunity to complete the practical component of their studies but provides us with a pipeline of students who could be offered bursaries and ultimately permanent employment.

Table 2.6: University of Science bursars:

UNIVERSITY OF SCIENCE BURSARS						
Discipline	2020	2021	2022	2023	2024	Total
	Budget	Budget	Budget	Budget	Budget	
Mining	2	2	2	2	2	10
Mechanical Engineering	1	1	1	1	1	5
Electrical Engineering	1	1	1	1	1	5
Metallurgy	1	1	1	1	1	5
Geology	1	1	1	1	1	5
Other	1	1	1	1	1	5
Total Number	7	7	7	7	7	35
Budget	R1 120 000	R1 164 800	R1 211 392	R1 259 848	R1 310 242	R6 066 281

Note: Numbers in each year reflect the total number supported in the year and not necessarily new beneficiaries recruited.

Table 2.7: University of Technology bursars:

UNIVERSITY OF TECHNOLOGY BURSARS						
Discipline	2020	2021	2022	2023	2024	Total
	Budget	Budget	Budget	Budget	Budget	
Mining	1	1	0	0	0	2
Other	0	0	1	1	1	1
Total	1	1	1	1	1	3
Budget	R150 000	R160 000	R170 000	R180 000	R190 000	R850 000

Note: Numbers in each year reflect the total number supported in the year and not necessarily new beneficiaries recruited.

Professionals In Training

Each year the company offers a number of graduate training positions (known as Professionals In Training) to some of the successful bursars. These bursars are then allocated across the various operating divisions of Thungela in order for them to complete the training programme. As mentioned before, this programme is managed centrally while the operational training and development is done by the operations sites. The budget for Professionals In Training for Goedehoop Colliery for the next five years is given below:

Table 2.8: Professionals In Training

PROFESSIONALS IN TRAINING						
Discipline	2020	2021	2022	2023	2024	Total
	Budget	Budget	Budget	Budget	Budget	
Mining	2	2	2	2	2	15
Engineering	3	3	3	3	3	15
Metallurgy	1	1	1	1	1	4
Geology	1	1	1	1	1	3
Industrial Engineering	0	0	0	0	0	4
Environmental	1	1	1	1	1	3
Rock Engineering	1	1	1	1	1	3
Other	2	2	2	2	2	6
Total	11	11	11	11	11	53
Budget	R6 600 000	R6 864 000	R7 138 560	R7 424 102	R7 721 066	R35 747 729

Note: Numbers in each year reflect the total number supported in the year and not necessarily new beneficiaries recruited.

Community Scholarships

We also have a Community Development Scholarship which was established solely for matriculants within our host communities; in the case of Goedehoop Colliery this would be from the Steve Tshwete Local Municipality. The SLP commitment is to keep three university scholarships in place for the duration of the SLP. These scholarships are awarded in various study fields not necessarily focusing on mining related courses. This is to develop skills for the country and other industries. There is also a project to fund FET scholarships to Steve Tshwete Local Municipality residents for the 2020 / 2021 period.

Goedehoop Colliery 2020-2024 | In compliance with Regulation 46 of the Mineral and Petroleum Resources Development Act No. 28 of 2002 and Regulations

These are shown in the tables below:

Table 2.9a: Community University Scholarship bursaries:

Area/Type of Training	Community Scholarship/Bursaries Targets & Timelines					TOTAL BUDGET
	2020	2021	2022	2023	2024	
Civil Engineering	0	0	1	1	1	1
Commerce / Procurement and Logistics Management	1	1	1	1	1	1
Medicine	1	1	1	0	0	1
Bachelor of Science	1	1	1	1	1	1
Chemical Engineering	1	1	0	0	0	1
Total number	4	4	4	3	3	18
Budget Provision	R550 000	R575 000	R600 000	R625 000	R650 000	R3 000 000

Note: Numbers in each year reflect the total number supported in the year and not necessarily new beneficiaries recruited.

Table 2.9b Community FET Scholarships

Area/Type of Training	Community Skills Development Targets & Timelines					TOTAL BUDGET
	2020	2021	2022	2023	2024	
FET College: Agriculture Meat Classification	8	8	0	0	0	8
FET College: Agriculture Mixed Farming	8	8	0	0	0	8
FET College: Civil Engineering	8	8	0	0	0	8
FET College: Water Treatment	11	11	0	0	0	11
FET College: Human Resources	0	3	0	0	0	3
FET College: Information Technology	0	1	0	0	0	1
FET College: Business Management	0	1	0	0	0	1
FET College: Electrical Engineering	0	1	0	0	0	1
FET College: Chemical Engineering	0	1	0	0	0	1
Learners Licence and Drivers Licence	0	13	0	0	0	13
Total number	35	55	0	0	0	55
Budget Provision	R956 463	R543 537	R0	R0	R0	R1 500 000

Note: Numbers in each year reflect the total number supported in the year and not necessarily new beneficiaries recruited.

2.2.3.4 Competency enhancement

Goedehoop Colliery is aware that even qualified employees may need further education, training and development after they have joined the organisation. There are two broad categories that are addressed:

- Technical competency
 - The primary focus here is on Engineering skills, and training is structured for skilled, artisan and supervisor levels
 - Most training interventions are presented at the Thungela Learning and Development Centre in eMalahleni.
 - Examples of such training includes:
 - Mechanical safety
 - Medium Voltage
 - Rigging
 - Diagram Reading
 - Operator training is also offered, which includes simulator experience
 - Six-monthly training schedules are compiled based on Training Needs Analyses submitted by each operation.

- Leadership Development

Leadership development and upskilling is driven through a number of different leadership programmes which are all in line with the latest global business trends and aimed at driving a high level of performance. A different level of leadership training is given to all levels of leadership. The following are some of the current leadership training programmes:

 - Frontline Leadership Development Programme:
 - This programme is aimed at supervisors from face boss, shift boss, foreman and mine overseer, or equivalent level.
 - Three main developmental areas are covered:
 - Occupational-specific skills and knowledge
 - Personal attributes
 - Interpersonal skills
 - All supervisors attended these programmes during 2019. Going forward, a composite course is being put together to cover new employees and to serve as refresher training.
 - A week long supervisory course called ‘**The day in the Life of a Supervisor**’ focuses on the face boss, shift overseer and mine overseer levels. The theoretical training is supplemented with practical coaching at the workplace to ensure the transfer of training from the classroom to the work area.

 - Thungela has launched the Thungela Resources Leadership Academy, the aim of which is to develop leaders who will re-imagine mining to improve people’s lives. It is designed to prepare the current and future leaders of the company to implement the operational and social vision of Thungela

Goedehoop Colliery 2020-2024 | In compliance with Regulation 46 of the Mineral and Petroleum Resources Development Act No. 28 of 2002 and Regulations

- There are six programmes which cover seven key themes:
 - Leadership Identity and Purpose
 - Industry Leadership
 - Safety Leadership
 - Innovation and Digitalization
 - Strategic Execution
 - Partnering for Social, Community and Customer commitment
 - Ownership of the Whole

Goedehoop aims to have at least two employees accepted onto these programmes in each year, as indicated below:

Table 2.10 Leadership Academy attendees

Leadership Academy nominations	2020	2021	2022	2023	2024	Total
Achievers Programme / GameChangers Programme / Programme for Management Excellence	2	2	2	2	2	2
Budget	R100 000	R100 000	R120 000	R120 000	R120 000	R560 000

In addition, a complete suite of Safety Organisational Risk Management Programmes is offered. These programmes have been compiled by subject matter experts, drawing on both in-house company expertise and global benchmarking. The A1.2, A2, A2 for Managers, A3 and Safety Leadership programme are targeted at different levels in the organisation, but all share the common message of contributing towards a zero-harm workplace.

2.2.3.5 Part Time Study Bursary Scheme

This scheme offers bursaries to employees who wish to further their qualifications by studying on a part-time basis. Bursaries are awarded for any discipline which has relevance to the mining industry. 100% of tuition, textbook and exam fees to a value of R30 000 p.a. are covered, with a co-sponsorship of costs in place for amounts above R30 000. Employees are required to complete their studies successfully, otherwise the bursary converts into a loan (as per the SARS tax legislation). While there is a specific amount included in our annual budget, each bursary application is considered on its merits and a decision made accordingly.

Table 2.11 Internal study bursaries

Fields of study	2020	2021	2022	2023	2024	Total
Accounting studies	1	1	1	1	1	5
HR studies		2	2	2	2	8
Business Administration	1	2	2	2	2	9
N2 courses	4	4	4	4	4	20
Office Administration	1	1	1	1	1	5
Occupational Health and Safety	3	1	1	1	1	7
Disaster and Safety Management		1	1	1	1	4
MBA studies		1	1	1	1	4
ETDP studies		1	1	1	1	4
Total number	10	14	14	14	14	66
Budget	R200 000	R200 000	R200 000	R200 000	R200 000	R1 000 000

Note: Numbers in each year reflect the total number supported in the year and not necessarily new beneficiaries recruited.

2.3 Hard To Fill vacancies

Thungela uses a combination of three primary sources to ensure the required supply of skills to mitigate against there being hard-to-fill vacancies on our operations. These are:

- Internal development and career progression of employees
- Bursaries and internship programmes
- External recruitment from without the business

The most significant of these initiatives are the Learnership programme, bursar scheme and Professionals InTraining strategy (which have been discussed earlier).

We strive to provide training and development opportunities to address the critical skills shortage in South Africa and have created internal trainee positions for surveyors, ventilation, environmental and safety officers to develop these scarce skills internally.

Hard to fill vacancies are addressed through bursary programmes, study assistance schemes and the provision of learnerships and skills programmes. Employees are encouraged to study in the fields where there is a scarcity of skills.

Goedehoop Colliery has not experienced vacancies that have not been able to be filled within less than 12 months.

2.4 Career Progression Planning

Thungela has a Talent Management Strategy and Policy that looks at succession planning and development planning for band 6 and above roles. These are reviewed yearly, through conducting annual operational talent reviews, discipline reviews and then concluded with a company review. In these sessions succession plans are amended and development actions agreed for individuals.

Formalized development plans are an area that is currently under review. The system is available where development plans for band 6 and above need to be captured and monitored. There has been a slow up take of this by individuals, however plans are in place for these to be completed and monitored to ensure development gaps are closed.

As part of development, we aim to achieve job enrichment, which is done through:

- Linear and non-linear career paths
- A continuous learning culture
- Career progression support through customized individual development plans and career experiences, enabled by defined capability mapping and coaching for excellence.
- Targeted development opportunities and stretch assignments

For our people, long-term career success is built on gaining experience and exposure to other disciplines by moving into lateral positions, as well as leveraging promotion opportunities.

Our learning culture encourages continuous learning through various learning methods so that Thungela employees self-drive their careers, which aligns with our values of Accountability and Entrepreneurship. We embrace an 'anywhere learning' principle, and support employees with ongoing career discussions, individually tailored development plans and opportunities through stretch assignments.

Thungela has always believed that Leadership Development is essential for the success of our leaders and their future. We have always sent our employees to the various leadership development programs that Coal SA partook in when we were part of Anglo American. In 2021 we have been busy designing the Leadership Academy for Thungela that has custom made leadership programs for Band 7 and above. These programs will be launched in 2022 Q1. Employees are nominated for these programs through the Talent Management Process. We are committed to the development and success of our females and as part of the Leadership Academy have also developed Women in Leadership Programs that will also be rolled out in 2022.

Our PIT Program provides a well-rounded development program for our bursaries that come into the business once they have completed their studies. Each PIT is provided with a Mentor that guides them through their program. They also have a detailed program that is reviewed and tracked in order to ensure progress and that the correct areas of development are being addressed. PIT's are provided

Goedehoop Colliery 2020-2024 | In compliance with Regulation 46 of the Mineral and Petroleum Resources Development Act No. 28 of 2002 and Regulations

with acting exposure as well as constant engagement with Management and HR. Goedehoop Colliery is aligned with this strategy and it is being implemented as guided by the Thungela centre.

Table 2.12 Training programmes within career progression paths

Training programmes within career progression paths	Core mining occupations	Position starting from	Targeted position working towards	Number of identified employees				
				2020	2021	2022	2023	2024
Leadership programmes and targeted exposure and experience	Engineering	GBF 6	GBF 5	2	2	2	2	2
Leadership programmes and targeted exposure and experience	Mining	GBF 6	GBF 5	1	1	1	1	1
Leadership programmes and targeted exposure and experience	Technical Services	GBF 6	GBF 5	1	1	1	1	1
Leadership programmes and targeted exposure and experience	Finance	GBF 6	GBF 5	1	1	1	1	1
Supervisory programmes and targeted exposure and experience	Engineering	C4#	GBF 6	2	2	2	2	2
Supervisory programmes and targeted exposure and experience	Mining	C4#	GBF 6	1	1	1	1	1
Graduate programme	Mining	GBF 7	GBF 6	2	2	2	2	2
Graduate programme	Engineering	GBF 7	GBF 6	2	2	2	2	2
Graduate programme	Other	GBF 7	GBF 6	2	2	2	2	2
Total				14	14	14	14	14

2.5. Mentorship Plan

In terms of mentorship, Goedehoop Colliery follows the Thungela Mentorship policy, and implements it as guided by the Thungela centre. This policy is in the process of review, to ensure it is fit for purpose for Thungela. By reviewing the policy, we will ensure more effective tracking of mentors. Assistance is given in linking employees with the correct mentor and this is reviewed in Manager once Removed (MoR) discussions.

The development of our employees is of the utmost importance to Thungela. We follow the 70/20/10 rule when it comes to development:

- 70% of learning is done on the job through:
 - Stretch assignments
 - Critical projects
 - Incorporating structured challenge into existing role
 - Cross borders move to build capability and meet critical business needs
- 20% of learning is through coaching and mentoring:
 - Executive mentor (imparts key knowledge and/or experience to mentee, acts as a sounding board)

Goedehoop Colliery 2020-2024 | In compliance with Regulation 46 of the Mineral and Petroleum Resources Development Act No. 28 of 2002 and Regulations

- Executive sponsor (enhances the visibility of individual; proactively promotes their capability and potential)
- Internal Mentors
- External Mentors
- 10% of learning is through formal learning
- Core leadership development programmes
- Focused learning solutions as appropriate to meet development and knowledge gaps

Employees are afforded the opportunity to participate in mentoring relationships with an individual they feel could add value to their growth and development. This occurs particularly at the following levels:

- All graduates brought into the organisation are assigned 'buddy' and technical mentors who provide support and guidance in the initial stages of their careers
- Middle to senior management – aimed at employees in Bands 5 and 6
- Senior leadership – aimed at Band 4 and above
- Executive leadership – aimed at members of the mine executive committee

The effectiveness of the mentoring relationship is monitored through our career development plans. We also use external coaches who are contracted to provide support and guidance to employees at various levels of the organisation.

Emphasis is placed on developing and coaching senior-skilled employees to progress to the level of first-line supervisors. The focus is specifically on HDP (Historically Disadvantaged Persons) employees and seeks to ensure that we prepare enough future leaders for the demands created by the growth of our company.

2.6. EMPLOYMENT EQUITY

One of our greatest assets is the diversity of our people and we have moved beyond simple transformation. Apart from the requirements of legislation, the organisation has in addition established several in-house diversity aspirations.

2.6.1 Workforce profile

The workforce profile for Goedehoop Colliery as at December 2019 is shown in table below:

Table 2.13 Workforce profile for GH as at 31 December 2021

Occupational Levels	Job grades	MALE				FEMALE				TOTAL		DISABLED		HDP	FEMALE
		African	Coloured	Indian	White	African	Coloured	Indian	White	Male	Female	Male	Female	%	%
Top management	N/A	1	0	0	5	1	0	0	1	6	2	0	0	38%	25%
Senior Management	GBF 4/5	1	0	0	4	1	0	0	1	5	2	0	0	43%	29%
Professionally Qualified and Middle Management	GBF 6	18	2	0	17	8	0	0	3	37	11	1	0	65%	23%
Technical and academically qualified and Junior Management	C4 - C4#	53	0	0	16	26	0	1	3	69	30	0	0	84%	30%
Semi-skilled and Discretionary decision-making	< C4 + NG +JG 5-8	394	1	4	65	169	1	1	10	464	181	1	0	90%	28%
Unskilled and Defined decision-making										0	0				
		467	3	4	107	205	1	2	18	581	226	2	0	87%	28%
										807					

The following salient points may be noted:

- The HDP % for the technically and academically qualified level has reached **77%**, up from 60% in 2014
- The HDP % for the management levels has reached **61,4%**; a significant increase from 36,3% in 2014
- The Women in Mining form **22,2%** of the workforce; another significant improvement from 15,6% in 2014. Women are well represented across the levels, particularly in the feedstock pipeline for supervisory and junior management positions.

2.6.2 HDPs in Management

At Thungela, we invest in the development of HDP employees. Preference is given to HDP candidates during the recruitment process and personal development plans are put in place to further the careers of employees so that they can participate in the management structures of our organisation.

The Goedehoop Colliery HDP in Management progression plan for the SLP period is aligned to the company's Employment Equity Plan for the period 2019 – 2023. The plan to reach these targets is summarised below:

Table 2.14 HDP in Management Plan

Occupational Levels	Target	2020	2021	2022	2023	2024
		Target	Target	Target	Target	Target
HDPs in Top Management	60%	33%	44%	55%	66%	66%
HDPs in Senior Management	60%	44%	56%	67%	67%	70%
HDPs in Professionally Qualified and Middle Management	60%	63%	65%	65%	65%	68%
HDPs in Technical and academically qualified and Junior Management	70%	72%	73%	74%	78%	80%
HDPs in Core & Critical Skills	60%	86%	86%	86%	87%	88%

The table indicates that the targets for HDPs in management will be met by 2022.

2.6.3 Women in Mining

Thungela recognises the strength in diversity to be gained from employing women and has successfully increased the number of women employed at our operations. We ensure that women are engaged in all aspects of our business and the integration of women into previously male dominated roles is a priority. Our objective is to attract, retain and advance women in all disciplines an at all levels of the organisation.

The Women in Mining progression plan for the 2020 - 2024 period is shown below

Table 2.15 Women in Mining budget

Occupational Levels	Target	2020	2021	2022	2023	2024
		Target	Target	Target	Target	Target
Females in Top Management	25%	11%	11%	11%	22%	24%
Females in Senior Management	25%	0%	11%	22%	33%	35%
Females in Professionally Qualified and Middle Management	25%	27%	27%	27%	27%	30%
Females in Technical and academically qualified and Junior Management	30%	18%	19%	24%	30%	32%
Total Females in Workforce		22%	23%	24%	25%	25%

The plan indicates that all the Goedehoop Colliery onsite targets will be met by 2023, excluding the target on EXCO Females in Top Management.

2.6.4 People with Disabilities

The Employment Equity Plan sets a target of 1,5% of the workforce to be represented by people with disabilities. As at December 2019 the people with disabilities percentage for Goedehoop Colliery stands at 0,2%. The Employment Equity Plan submitted by the mine for the 2019-2023 period sets out incremental improvements reaching 1% by 2023.

The Goedehoop Inclusion and Diversity Committee has been tasked to identify positions on the mine which could be filled by people with disabilities so that recruitment for these positions (when a vacancy arises) can be made preferential for people with disabilities.

Table 2.16 People With Disabilities plan

People with disabilities	Target	2020	2021	2022	2023	2024
		Target	Target	Target	Target	Target
% of workforce	1,5%	0,3%	0,4%	0,5%	1,0%	1,5%

2.6.5 Goedehoop Colliery Labour Sending Areas

The number of migrant labourers in the Goedehoop Colliery workforce remains around 3%. As part of our focus on uplifting the people who surround our coal mining operations within our zones of influence, we make every effort to source labour from our local communities. Goedehoop Colliery's permanent workforce distribution is as follows:

Table 2.17 Breakdown of Goedehoop Colliery labour sending areas

Country of origin	Province	No of employees	% per area
Burundi		1	0,1%
Lesotho		18	1,5%
India		1	0,1%
Swaziland		3	0,3%
Mozambique		3	0,3%
Zambia		4	0,3%
Zimbabwe		5	0,4%
Sub-Total Migrant Labour only		35	3,0%
South Africa	Gauteng	10	0,9%
South Africa	Mpumalanga	551	46,9%
South Africa	Eastern Cape	140	11,9%
South Africa	KwaZulu-Natal	20	1,7%
South Africa	Free State	124	10,6%
South Africa	Limpopo	203	17,3%
South Africa	North West	92	7,8%
South Africa	Northern Cape	0	0,0%
South Africa	Western Cape	0	0,0%
Sub Total RSA Only		1140	97,0%
Total Strength		1175	100,00%

2.6.7 Goedehoop Colliery Employee Nutrition

Goedehoop Colliery has been complying with the Fatigue Management policy negotiated with employee representatives with implementing various Be Well initiatives which cover the following Pillars:

- Physical Wellness
- Psychological Wellness
- Fatigue Management
- Financial Wellness
- Social Wellness

In addition, Goedehoop Colliery provides the following:

- Educational programmes (induction, Daily Safety Bulletin and peer education) for all employees on basic hygiene, Be Well Pillars, fatigue management and nutrition;
- Free Morvite to all employees on a weekly basis

PART THREE

Local Economic Development Programme

3. Local Economic Development

Goedehoop Colliery falls within the Nkangala District Municipality, and more particularly within the Steve Tshwete Local Municipality which is one of six local municipalities within the district municipality.

3.1 Socio-economic background

According to Statistics South Africa (2011), the Nkangala District Municipality (NDM) has a total population of 1,308 129 people living in Nkangala District. This is an increase of 287,542 people in a decade (from 2001). The same (2011) census indicated that as at 2011, there were 356,911 households in Nkangala, up from 245,429 in 2001 with 160 towns and villages.

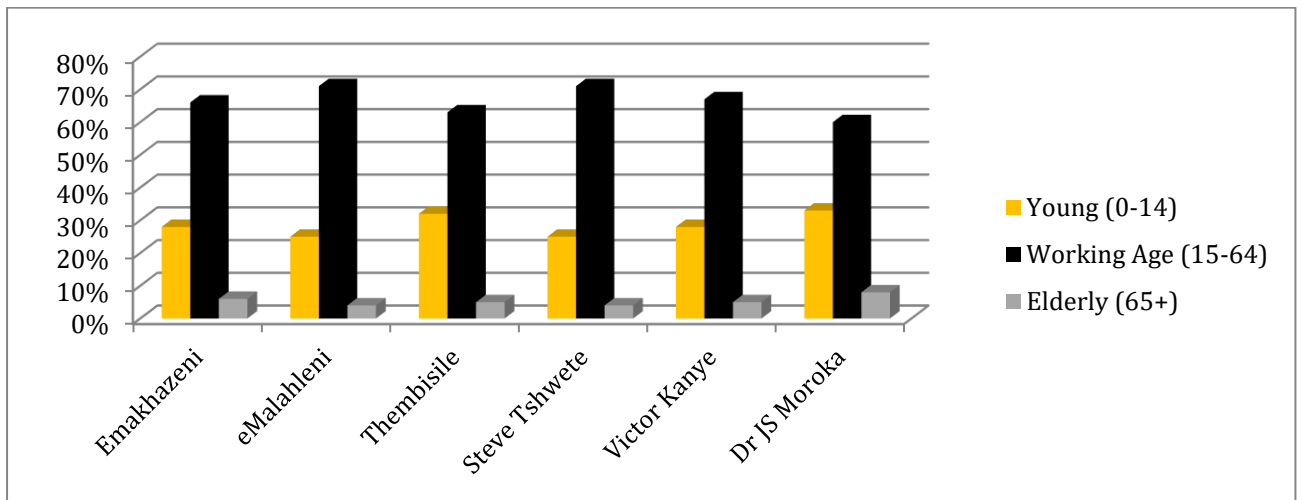
Table 3.1 Population size and growth

Local Municipalities	Size (Squared Km)	Population	Population Density/Squared Km
Victor Khanye	1576	75453	47.9
Steve Tshwete	3976	229831	57.8
Emalahleni	2677	395466	147.7
Emakhazeni	4736	47216	10.0
Dr JS Moroka	1416	249706	176.3
Thembisile Hani	2384	310457	130.2

(Source: Nkangala District Municipality: LED 2014/2019)

On age, majority of the population in the district are within the working age bracket (between 15-64 years). Emalahleni and Steve Tshwete municipalities record the highest numbers of the working age (71%) followed by Victor Khanye and Emakhazeni, while Thembisile and Dr JS Moroka feature lower working age population compared to the other municipalities in the District. The implication is that this population requires job opportunities, failing which high levels of unemployment will be inevitable. The elderly population hovers around 7%, while those less than 15 years old average 30%. Job creation initiatives should aim at absorbing the unemployed, but also proactively seek to absorb the incoming labour force, who are currently under 15 years.

Figure 3.1: Age bands in Nkangala District by Local Municipalities



Source: Statistics South Africa (Census 2011)

Table 3.2 Education Levels

Local Municipalities	No Schooling Aged 20+	Matric Aged 20+	Higher Education Aged 20+
Victor Khanye	12%	27%	8%
Steve Tshwete	7%	35%	14%
Emalahleni	6%	31%	14%
Emakhazeni	15%	29%	7%
Dr JS Moroka	17%	25%	7%
Thembisile Hani	18%	26%	5%

(Source: Nkangala District Municipality: LED 2014/2019)

The education levels indicate there is a high number which matriculated than any other education level within the District.

Goedehoop Colliery 2020-2024| In compliance with Regulation 46 of the Mineral and Petroleum Resources Development Act No. 28 of 2002 and Regulations

Table 3.3 Income Categories in the District

INCOME	Victor Khanye	Emalahleni	Steve Tshwete	Emakhazeni	Thembisile Hani	Dr JS Moroka
No Income	15%	14%	13%	12%	14%	16%
R1 – R4,800	4%	3%	3%	3%	6%	6%
R4,801- R9,600	6%	5%	4%	5%	10%	10%
R9,601-R19,600	17%	11%	11%	21%	20%	25%
R19,601-R38,200	21%	17%	16%	22%	24%	22%
R38,201-R76,400	16%	18%	17%	16%	15%	11%
R76,404-R153,800	20%	14%	14%	11%	7%	6%
R15.,801-R307,600	6%	11%	7%	6%	3%	3%
R307,601-R614,400	3%	6%	2%	3%	1%	1%
R614,001-R1,228,800	1%	2%	1%	1%	0%	0%
R1,228,801-R2,457,600	0%	1%	0%	0%	0%	0%
R2,2457,601+	0%	0%	0%	0%	0%	0%

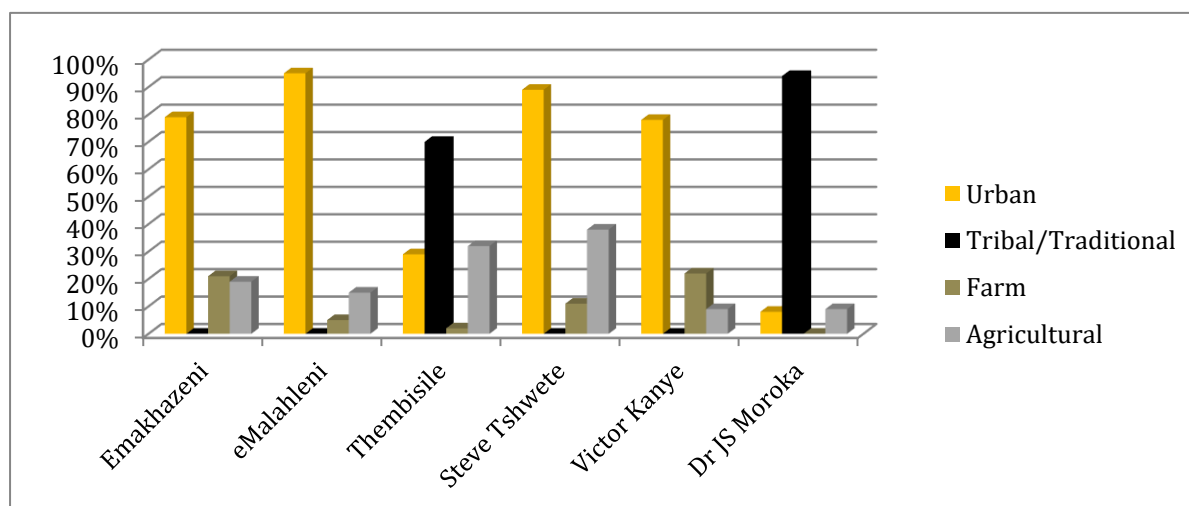
(Source: Nkangala District Municipality: LED 2014/2019)

The income category information on the above indicate that an average of 14% in each Municipality have no source of income. It also suggests that at least one in every ten households.

3.1.1 Settlement Types

As indicated in the graph below, Nkangala District is mainly urban with rural areas mainly found in Dr JS Moroka and Thembisile. Farm settlements seem higher in Emakhazeni and Victor Kanye than the rest.

Figure 3.2: in Nkangala District by Local Municipalities



(Source: Nkangala District Municipality: LED 2014/2019)

3.1.2 Basic Services (Water, Sanitation, Electricity)

Table 3.4: Basic Services (Water, Sanitation, Electricity)

Local Municipalities	Flush toilet connected to sewage	Weekly refuse removal	Piped water inside dwelling	Electricity for lighting
Victor Khanye	71%	74%	48%	85%
Steve Tshwete	82%	85%	62%	91%
Emalahleni	69%	67%	55%	73%
Emakhazeni	74%	72%	55%	84%
Dr JS Moroka	13%	14%	14%	97%
Thembisile Hani	7%	5%	16%	92%

3.1.3 Key Economic Activities

Table 3.5 below provide details of Economic Indicators: Contribution by Local Municipal Areas to Nkangala's industries (GVA constant 2005 prices)

INDUSTRY	Victor Khanye	Emalahleni	Steve Tshwete	Emakhazeni	Thembisile Hani	Dr JS Moroka
Agriculture	30.8%	13.0%	42.8%	6.8%	2.0%	4.6%
Mining	2.4%	52.8%	40.6%	3.3%	0.8%	0.0%
Manufacturing	1.4%	19.0%	74.9%	1.7%	2.4%	0.6%
Utilities	0.3%	74.1%	20.9%	1.2%	1.9%	1.7%
Construction	4.4%	52.5%	27.7%	3.9%	6.7%	4.8%
Trade	5.8%	46.1%	26.0%	3.2%	14.7%	4.3%
Transport	8.5%	48.3%	25.9%	9.9%	4.8%	2.6%
Finance	5.1%	48.9%	39.6%	2.3%	2.3%	1.9%
Community services	6.6%	34.5%	26.1%	3.6%	14.9%	14.3%

- Contribution to Nkangala economy 45.2% - largest of the 6 municipal areas.
- Dominant contributions especially in utilities (74.1%), mining (52.8%) and construction (52.5%), to relevant district industries.
- Leading industries in terms of % contribution to eMalahleni economy – mining (34.9%), finance (14.2%) and utilities (13.3%).
- Increasing role/share of finance & transport and decreasing role/share of mining (but still more than one-third of the local economy).

At district level eMalahleni contributes 45% of the GDP of the region. This clearly indicates the nature of concentration of economic activities in the area followed by Steve Tshwete (at 39%). Emakhazeni, Dr JS Moroka, Thembisile Hani and Victor Khanye (Delmas) have the least contributions.

Seeing that Steve Tshwete is second to eMalahleni on economic dominance within Nkangala this has the potential of attracting population migration from nearby localities thereby putting a strain on the provision of job opportunities and basic services. Growth and development within neighboring municipalities is therefore a key priority at the district level.

The Economy of the municipality is driven by the Mining sector which contributed more than 50% in 2009 followed by Electricity at 12.1% and Finance at 10.8%.

Electricity has also had significant contribution as well, although marginal decline was experienced. However, Agriculture's contribution to the economy of Steve Tshwete has increased as well compared to the other sectors of the economy. It is critical to investigate and establish the current state of the primary agricultural activities and the value chain activities associated with the sector. The other sectors with potential include Finance, Trade and the green economy (given the dominance of mining and electricity and their environmental degradation potential).

From the socio-economic analysis, it is evident that Steve Tshwete faces a number of challenges that should be addressed by growing certain sectors of the economy that are capable of generating employment opportunities, reduce poverty as well as the poverty gap in line with the terms of the New Growth Path. This is the challenge that must be addressed through the development of the Steve Tshwete LED plan. The following sectors have the potential to grow the economy:

Potential development sectors and investment opportunities

- Mining
- Manufacturing
- Agriculture and rural development
- Tourism and hospitality
- SMME and cooperative development

Other energy companies in the area:

- BHP Energy Coal South Africa
- Glencore
- Exxaro
- Komati
- Transnet
- Eskom

Table 3.6 SWOT analysis of the NDM

Strengths	Weaknesses
Maputo corridor transverses the district	Low skills levels
Existing steel cluster	Deteriorating rural infrastructure
A number of government initiatives in the area	Spatial inequalities
Availability of natural resources	Underdeveloped sector opportunities
Culturally diverse communities	Uncoordinated development implementation
Opportunities	Threats
Exploiting export opportunities	The impact of HIV and AIDS on the population
Development of SMMEs	Unemployment (increasing)

Scope for large-scale tourism development	Poverty (increasing)
Close location of Gauteng markets	Unbalanced (only urban) development
Opportunities for comprehensive steel and chemical development	Dependence on limited large sectors

Table 3.7 Strategic interventions to facilitate Local Economic Development in NDM

Focus Area	Proposed Intervention
SMME Development	Support to emerging businesses in the textile industry
	Enable wider business linkage centre between big business and SMMEs
	Government/private sector procurement process should prioritize local SMMEs
	Enable access to funding for emerging businesses
	Enable targeted support aimed at cooperatives
	Enable Tourism facility and product audit (Study)
	Promote tourism, arts and craft industry
	Upgrading of tourism routes should be prioritized
Tourism Development	Use Zithabiseni tourism belt for development in Dr. JS Moroka and Thembisile Hani rural municipality
	Revitalization of nature reserves in the (Loskop – Zithabiseni Tourism belt)
	Upgrade and develop cultural and historical sites
	Link the blue IQ and Zithabiseni tourism belt and introduce practical and implementable projects
	Facilitate linkages between emerging farmers with markets
Agricultural Development	More effective coordination of Agricultural Development Programmes Training of farmers
	Explore and enable agricultural opportunities in the Northwest region Resuscitate goat farming project
	Develop local farmers cooperatives and provide input support Alternate water supply for agriculture
	Develop local farmers cooperatives and provide input support Alternate water supply for agriculture
	Establish mentorship programmes for rural communities Revitalise the KwaMhlanga Abattoir
Encourage iron and steel beneficiation incubators Attract local and foreign direct investment into the region	

Big Business and Industrial Development	Improve cooperation and participation by private sector to wide initiatives (CSI) Fast-track implementation of Anchor projects and Kusile Project in particular
	Support from industry and suppliers to EPWP Learner Contractors Facilitate access to land for business development
	Invest in infrastructure in rural areas (Shopping complex, Skills, Marketing stalls)
	Encourage the development of (Mid-Wit) corridor
Skills Development	Establishment of learnerships & financial support for scarce skills development Influence education curriculum in primary, secondary, tertiary training institutions to match economic demands
	Develop women development strategy Skills development & support for youth, women and the disabled
Programmes	Municipalities should consider establishing of forums dealing with disabilities, youth, the elderly, women, children and other vulnerable groups
	Encourage iron and steel beneficiation incubators Attract local and foreign direct investment into the region
Big Business and Industrial Development	Improve cooperation and participation by private sector to wide initiatives (CSI) Fast-track implementation of Anchor projects and Kusile Project in particular
	Support from industry and suppliers to EPWP Learner Contractors Facilitate access to land for business development
	Invest in infrastructure in rural areas (Shopping complex, Skills, Marketing stalls)
	Encourage the development of (Mid-Wit) corridor
Spatial Planning	Moloto Rail Development Project should be used as the economic development and spatial integration catalyst
	Integration of urban and rural areas between the local municipalities Upgrading of informal settlement
	Mechanism to fast track tenure upgrading process and township establishment must be developed Improve social and economic infrastructure in rural areas
	Use local rural facilities for government programmes and activities Government should have a 20-year plan to change the material condition of rural settlement and communities
	Develop youth farms and provide support of extension officers Clarify land ownership in rural villages

(Source: Nkangala District Municipality: IDP 2011-2016)

3.2 Impacts of the Mining Operation

3.2.1 Environmental and Communities

Goedehoop Colliery extends over 14,000 hectares and encompasses the immediate mining community as well as surrounding communities comprising of farming communities and informal settlements. To involve and inform these communities affected by the mining operations, a stakeholder forum has been established which addresses impacts on these communities as well as mechanism to address concerns raised by the communities.

Goedehoop Colliery subscribes to the Thungela Code of Conduct, which sets out values and ethical policies and procedures that guide us in the conduct of our business. In respect of communities, Goedehoop Colliery will:

- Aim to promote strong relationships with, and enhance the capacities of, the communities of which we are part.
- Seek regular engagement about issues which may affect them.
- Support community projects which will reflect the priorities of local people, sustainability, and cost effectiveness.
- Increasingly seek to assess the contribution we make to local social and economic development and to report upon it.

Goedehoop Colliery is ISO14001 certified and thus has a management system that makes the link between their activities and potential impacts. There are informal settlements and communities around the areas where Goedehoop Colliery is operating and are in one way or the other affected by dust from the mine, the use of clean water and blast and ground vibrations. Goedehoop Colliery has committed itself to monitor dust around the mine and nearby communities as per chapter 6 of the approved EMPR. Currently the mine has installed 13 monitoring stations for dust control and consultants manage these stations. In terms of social and environmental responsibilities, Thungela Resources Limited Group publishes an annual report to society and a sustainable development booklet on its commitment and activities towards attaining its goal on social and environmental aspects. The mine is also monitoring blast and ground vibration around the area. Water entering and leaving the mine is monitored on a monthly basis to ensure compliance with the EMPR. The results are recorded monthly and discussed in the Environmental Management Systems meeting.

3.2.2 Mine Community Development

Thungela has a sustainable mining plan strategy which responds to community needs raised through the various other engagement platforms, the National Development Plan as well as the IDP/LED of the Local Municipality. This outlines the strategic objectives that will maximise benefits for both local surrounding communities and the business.

3.2.3 Community Socio-Economic Assessment Engagements

To improve our understanding of both the positive and negative impacts of our operations on our host communities, the Community Socio-Economic Assessment engagements held in 2018 - 2020, facilitated a more structured dialogue with our stakeholders.

This three-year process involved the profiling of communities as well as gathering information on the impact of our operations. Management responses to the concerns and priorities of stakeholders were published in a report, which was distributed to all stakeholder groups, including local, provincial; non-governmental organisations and interested and affected parties. The implementation of the

management responses generated by the process is taken forward through three-year Community Engagement Plans, which are updated annually.

During this engagement process, stakeholders are identified, and engagement takes place through formal and informal meetings and interviews. Negative impacts and opportunities for LED projects identified by Stakeholders were as follows:

Table 3.8 Key issues raised during the 2018-2020 engagements

NO.	STAKEHOLDER GROUP REPRESENTED	ENGAGEMENT METHOD	KEY ISSUES RAISED
1.	Farmers and landowners	Focus group interviews	<ul style="list-style-type: none"> • Open-ended lease agreements/ Servitude agreements; • Tenure security; • Environmental impacts (dust, water supply, traffic); • Insecure water supply; • Need for basic services; • Rehabilitation impacts • Closure impacts; and • Graves;
2.	Local school	Focus group interviews	<ul style="list-style-type: none"> • Closure impacts (continued support for the school); • Need for basic services (access to water, electricity, sewer); • Infrastructure and maintenance; • Safety and security; and • CSI initiatives.
3.	Steve Tshwete Local Municipality	One on one interviews	<ul style="list-style-type: none"> • Local Economic Development/Integrated Development Plan Objectives; • Budgetary constraints, • Local employment/Skills Development (Bursaries/FET College Training, Scholarships etc.); • Local procurement; • Unemployment; • Land access; • CSI & SLP initiatives; • Environmental impacts (dust, water supply, traffic); • Social ills and • Mine Closure impacts on delivering basic services (water, electricity, housing, health care systems in remote areas).
4.	Communities in informal settlements surrounding the mine (including farm dwellers)	Focus group interviews	<ul style="list-style-type: none"> • Need for basic services (access to water, clinic, electricity, housing etc.) • Local employment; • Rehabilitation impacts; • Request for salvage materials from rehabilitation programme; • Human rights; • Security of tenure; and • Environmental impacts (dust, water supply).
			<ul style="list-style-type: none"> • Local/inclusive procurement;

NO.	STAKEHOLDER GROUP REPRESENTED	ENGAGEMENT METHOD	KEY ISSUES RAISED
5.	SMMEs	Focus group interviews	<ul style="list-style-type: none"> Local employment; Unbundling of contracts/ Subcontracting; Need for more engagement with the mine; Request for more information to be shared; and Skills development.
6.	Community Policing Forum	Focus group interviews	<ul style="list-style-type: none"> Potential for community unrest; Increase in levels of crime; Rehabilitation and demand for salvage material; and Safety and security.
7.	SAPS	One on one interviews	<ul style="list-style-type: none"> Potential for community unrest; Increase in levels of crime; Rehabilitation and demand for salvage material; and Safety and security.
8.	Contractors	One on one interviews	<ul style="list-style-type: none"> Local employment; Local/inclusive procurement; Skills development; Need for more engagement; and Closure impacts.
9.	United Association of South Africa and National Union of Mine Workers	Focus group interviews	<ul style="list-style-type: none"> Closure impacts; Management of downscaling; CSI & SLP initiatives; Skills development; DMR regulation compliance.
10.	Department of Gender and Social	One on one interviews	<ul style="list-style-type: none"> Access to basic services; Local employment; Skills development (Bursaries and Scholarships); Increase in levels of crime; and Safety and security; Increase in social challenges (Gender Based Violence, Child Headed Homes, Orphans, Substance abuse etc.)
11.	Department of Education	One on one interviews	<ul style="list-style-type: none"> CSI & SLP initiatives; Skills development (Bursaries and Scholarships); Quality of Education and access to educational resources; Teambuilding and ablution maintenance; and Classrooms due to overcrowding.

Thungela subscribes to the Social Performance Management System, which sets out minimum standards across more than 10 elements of social performance management systems. It covers all activities that have the potential to impact on communities during the entire life cycle of the operations – from exploration through to project design, development, operation, decommissioning, closure and post closure.

Goedehoop Colliery undertakes assessments of the level of compliance against the various Environmental Social Governance Framework key performance indicators, and based on this, develops social way improvement plans to assist in its aim of achieving compliance in the next reporting periods

2020 - 2024.

3.2.4. Stakeholder consultation and involvement

The Thungela Code of Conduct and principles promotes strong relationships with the communities that surround our operations through regular engagements on issues or impacts that may affect them. The company purpose supported by the values, ensure proactive, transparent, and inclusive stakeholder engagement and management to establish strong, constructive, and effective healthy relationships with our surrounding communities and stakeholders.

We have quarterly stakeholder engagement forums, including directly and indirectly affected parties, interested parties and authorities. These enable our stakeholders to bring issues to our attention so that they can be resolved promptly, furthermore Goedehoop shares future information with communities around our area of influence. Some of our stakeholders include the following but not limited to:

- **Union associations**
 - The National Union of Mineworkers
 - The United Association of South Africa
 - Solidarity
- **Permanent employees**
 - Management
 - Officials
 - Senior-skilled
 - Skilled
- **Contractor employees**
- **Suppliers or service providers**
- **Communities**
 - Representatives of Steve Tshwete Local Municipality, Nkangala District Municipality
 - Farmers
 - Farm Dwellers
 - Interested and Affected Parties
- **Authorities**
 - The Mpumalanga Department of Education
 - The Mpumalanga Department of Agriculture
 - The Department of Water Affairs
 - The Department of Mineral Resources and Energy
 - The Department of Health and Welfare

Goedehoop Colliery 2020-2024 | In compliance with Regulation 46 of the Mineral and Petroleum Resources Development Act No. 28 of 2002 and Regulations

- The Department of Labour
- The Department of Roads and Transport
- The Steve Tshwete Local Municipality
- **Non-governmental organisations**
 - Local environmental and health services groups
 - HIV/AIDS-related groups
 - Tourism groups
 - Recreational and sporting groups
 - Organisations dedicated to the care and upliftment of women and children
 - Youth groups
 - Traditional Council
 - Schools
 - Local business: Small, medium and micro enterprises
 - Neighbouring Mines

3.2.5 Job creation

We are committed to uplifting the lives of the people in our host communities and therefore we source labour wherever possible and as required from the same host communities. Goedehoop Colliery's workforce plan for 2020 comprises 798 permanent employees and some 500 permanent contractors.

3.3 Local Economic Development projects

The SLP projects for 2020-2024 period have been agreed with Steve Tshwete Local Municipality as indicated in the table below:

Table 3.9: Budget breakdown for LED projects

LED Project		2020	2021	2022	2023	2024	Total
		Budget	Budget	Budget	Budget	Budget	Budget
1	Water supply sustainability: boreholes and tanks	R0	R1,000,000	R1,000,000	R2,000,000	R0	R4,000,000
2	Procuring Mobile Clinic	R0	R500,000	R500,000	R2,000,000	R0	R3,000,000
Total		R0	R1,500,000	R1,500,000	R4,000,000	R0	R7,000,000

Goedehoop Colliery 2020-2024| In compliance with Regulation 46 of the Mineral and Petroleum Resources Development Act No. 28 of 2002 and Regulations

PROJECT 1: SUSTAINABLE ALTERNATIVE WATER SUPPLY (BOREHOLES AND JOJO TANKS)

Project Name	Water and Sanitation: Water Supply (Boreholes and Jojo Tanks)		Classification of project: Basic Services				
Background	Steve Tshwete Local Municipality experiencing limited source and water loss due to ageing infrastructure and remoteness of farm dwellers. Fresh water is becoming one of the scarcest commodities. Goedehoop Colliery needs to find sustainable water solutions for areas where mine is directly providing water to communities and farmers to reduce closure liabilities and enable thriving surrounding communities. This will align with the National Development Plan, Mpumalanga vision 2030, the Municipality IDP/LED Plans, the United Nations Sustainable Development Goals and objective						
Objectives	<ul style="list-style-type: none"> To contribute towards building thriving communities Manage closure impacts Improve provision of clean water in rural communities and communities around the Steve Tshwete Local Municipality area 						
Geographical location of project	Nkangala District Municipality	Steve Tshwete Local Municipality	Community Name: STLM Communities, Including Farm Dwellers	Project Start Date 2020		Project End date 2024	
Output	Key Performance Area Number of Boreholes and Jojo Tanks installed	Key Performance indicator X2 Boreholes and X2 Jojo Tanks	Responsible entity Goedehoop Colliery and Steve Tshwete Local Municipality Water and Sanitation Department	Year 1 Feasibility study and Stakeholder engagements	Year 2 Develop detailed scope and start Procurement process to appoint service	Year 3 - 5 Implementation: sign off MoA and project implementation; completion and handover	Budget R4m
Classification of jobs	No of jobs to be created N/A	Male Adults	Female Adults	Male Youth	Female Youth	Total	

Goedehoop Colliery 2020-2024 | In compliance with Regulation 46 of the Mineral and Petroleum Resources Development Act No. 28 of 2002 and Regulations

<p>Completion date 2024.</p> <p>Exit Strategy: Goedehoop Colliery will endeavor to alignment with Steve Tshwete Local Municipality requirements in order to ensure smooth handover for future inspections, maintenance and repairs of the boreholes and jojo tanks as well effective usage of the boreholes installed for the communities' benefit. All the boreholes will be identified with the Municipality and agreed upon.</p> <p>The implementation process will include the following:</p> <ul style="list-style-type: none"> a) Meeting with the Steve Tshwete Local Municipality Water and Sanitation Department, STLM Infrastructure Department and STLM LED Department; b) Establishing a MOA between Goedehoop Colliery and Steve Tshwete Local Municipality; c) Review the designs with Steve Tshwete Local Municipality Water and Sanitation Department and STLM Infrastructure Department and endeavor to align with their technical requirements; d) Appointing expert technical team for the project; e) Appoint responsible project manager to ensure quality standards and safety standards are adhered to; f) Handover to STLM Water and Sanitation Department once completed for further inspections, maintenance and effective usage. 	
---	--

Goedehoop Colliery 2020-2024| In compliance with Regulation 46 of the Mineral and Petroleum Resources Development Act No. 28 of 2002 and Regulations

PROJECT 2: PROCURING MOBILE CLINIC

Project Name	The name of the project: Procuring mobile clinic		Classification of project: Health and Welfare				
Background	According to the Health Baseline study conducted in 2019, community members indicated the limited number of health facilities within Steve Tshwete Local Municipality to service the growing population within our host communities. Support in a form of providing a facility that will greatly improve the immediate access to primary health care in a dignified manner This will align with the National Development Plan, Mpumalanga vision 2030, the Municipality IDP/LED Plans, objectives, the United Nations Sustainable Development Goals and the World Health Organization goals and objectives						
Objectives	<ul style="list-style-type: none"> • To deliver on Sustainable Development Goals for health and wellbeing • Building thriving communities • Deliver on the National Development Plan 						
Geographical location of project	Nkangala Municipality	District	Steve Tshwete Local Municipality	Community Name Steve Tshwete Local Municipality Community including Ward 4	Project Start Date 2020		Project End date 2024
Output	Key Performance Area: Number of Mobile Clinics Procured	Key Performance indicator: 1 Mobile Clinic	Responsible entity Goedehoop colliery and Department of Health	Year 1 Q3: Feasibility study and Stakeholder Engagements	Year 2 Q3: Developing scope of work and MoA to be drafted; start procurement process	Year 3 - 5 Q2: MoA to be agreed upon by all parties and signed off; Handover	Budget R3m
Classification of jobs	Feasibility study & Scope of work completed Designs completed	Male Adults	Female Adults	Male Youth	Female Youth	Total	No job creation planned ; once-off purchase of the clinic

Goedehoop Colliery 2020-2024 | In compliance with Regulation 46 of the Mineral and Petroleum Resources Development Act No. 28 of 2002 and Regulations

Completion date is 2023.

Exit Strategy: Goedehoop Colliery will enter into Memorandum of agreement with the Department of Health and once project is handed over the Department will ensure staffing, maintenance, registration and licensing of mobile clinic as well as fully utilizing the equipment for the communities' benefit.

The implementation process will include the following:

- a) Meeting with the Steve Tshwete Local Municipality Community Services, STLM Infrastructure Department and Department of Health;
- b) Establishing a MOA between Goedehoop Colliery, Department of Health and Steve Tshwete Local Municipality;
- c) Review the designs with Department of Health and Steve Tshwete Local Municipality and endeavor to align with their technical requirements to ensure ease of handover to the Department of Health;
- d) Appointing an expert technical team for the implementation of the project;
- e) Appoint responsible project manager to ensure quality and safety standards are adhered to;
- f) Handover to Department of Health once completed to ensure staffing, maintenance, allocation of the resource and effective usage for community benefit.

3.4 Corporate Social Investment (CSI)

All the projects identified are aligned with the Local Economic Development and Integrated Development plans of our local municipalities, while also being driven by the needs arising from our stakeholder engagement process.

Our CSI spend is channelled into the following priority areas and must ideally maximise benefit both to society and our business:

- Education
- Enterprise development
- Safety, Health and welfare
- Agriculture
- Environment and Climate Change
- Infrastructure development
- Capacity Building and Skills development

All future CSI spend will be determined by the community development policy and stakeholder needs.

3.5 Housing and living conditions

3.5.1 Preferred requirements to address housing:

Goedehoop Colliery continues to offer a market-related housing allowance to all its employees in order to encourage home ownership and enable employees to buy their own properties in developed areas. The adjusted allowances were determined against national property market price indices for entry-level to middle- and higher-income level housing to ensure that all employees are able to afford houses within these price ranges.

No employees at Goedehoop Colliery reside in hostel accommodation. All employees receive a housing allowance and provide for their own accommodation.

3.5.2 Steve Tshwete Local Municipal strategy to address housing

In 2016 the population of Steve Tshwete Local Municipality was sitting at 278 749 and is projected to grow to an estimated 410 000 by 2030. This translates into an additional estimated 60 000 households. A large portion of the population (40%) is in the 20-39 age category which indicates a young working age population presenting an opportunity to grow the economy or a huge social challenge if job prospects are constrained.

There is mushrooming of informal settlements in areas close to work opportunities due to insufficient serviced land that is being made available for housing. Municipal owned land is insufficient to meet

demand for proclaimed and serviced land. The municipality with provincial human settlements department has purchased 557 Ha of land recently with 6 000 housing opportunities.

Housing and Living Conditions Plan

The Aim of the Housing and Living Conditions Plan is:

- To promote home ownership with the long-term goal of meeting the requirement that all employees live in sustainable human settlements;
- To promote independence of all employees in terms of accommodation and ensure that employees are accommodated in their own formal accommodation;
- To enhance the social and economic long-term sustainability of the regions where Goedehoop Colliery operates through a housing model that is integrated within the districts and aligned to the Integrated Development Plans for those districts;
- To contribute to the transformation of our industry; and
- To meet the objectives and principles as outlined in the Housing and Living Conditions Standard for the Minerals Industry.

3.5.3 Housing breakdown at Goedehoop Colliery

The table below gives the housing breakdown for Goedehoop Colliery employees.

Table 3.10 Types of accommodation: Goedehoop Colliery (as at October 2021)

Number of employees in company-provided housing	41
Number of employees on Housing Allowance	758
Total number of employees	799
% of workforce in company accommodation	5,1%

This indicates that as at December 2021, only 5,1% of the workforce was staying in company-provided accommodation. This company-provided accommodation is all within demarcated municipal areas, and none of these employees resides in hostel-type accommodation.

3.6 Procurement Progression

The table detail the procurement progression as at December 2019.

Top 20 Goods spend

SUPPLIER NAME	HDSA (%)	SUPPLIER ADDRESS	GOODS SPEND %
ROCBOLT TECHNOLOGIES (PTY) LTD	51%	ISANDO	9%
TOTAL SOUTH AFRICA	52%	ROSEBANK	8%
DIBANANI PTY LTD	51%	BETHAL	5%
IZAZI MINING SERVICES PTY LTD	100%	EMALAHLENI	5%
LETAB PROJECTS PTY LTD	30%	RIETVLEI	4%
JOY GLOBAL AFRICA PTY LTD	25%	JOHANNESBURG	3%
SHAYA PHANSI CIVILS (PTY)LTD	51%	DELMAS	2%
SEMANE ENGINEERING SOLUTIONS	54%	PARKTOWN	2%
FEROBRAKE TVL (PTY) LTD	0%	WITBANK	2%
ANDRU MINING (PTY.) LIMITED	54%	KEMPTON PARK	2%
DIMAKO TRANSFORMERS (PTY) LTD	60%	BOOYSENS	2%
ADLAM ENGINEERING PTY LTD	25%	BRENTWOODPARK	2%
SHESHISA MINING SUPPLIES PTY LTD	0%	DELSLEY PARK	2%
DUNLOP INDUS.PROD. PTY LTD TA	52%	NESTADT	1%
MELCO CONVEYOR EQUIPMENT PTY LTD	51%	GERMISTON	1%
EXPERT MINING TOOLS (PTY) LTD	0%	SELCOURT	1%
LEDWORK TECHNOLOGIES CC	100%	KEMPTON PARK	1%
MALVERN ENGINEERING WORKS (PTY)	41%	GARDENVIEW	1%
WEIR MINERALS AFRICA PTY LTD	0%	ALBERTON	1%
EPIROC SOUTH AFRICA	26%	WITFIELD	1%

Top 20 Services Spend

SUPPLIER NAME	HDSA (%)	SUPPLIER ADDRESS	SERVICES SPEND %
JOY GLOBAL AFRICA PTY LTD	25%	JOHANNESBURG	20%
ANDRU MINING (PTY.) LIMITED	54%	FARREMERE	14%
SIYABONGA SERVICES	51%	BLINKPAN	6%
IZAZI MINING SERVICES PTY LTD	100%	RIVER CRESCENT	5%
BIDVEST PROTEA COIN PTY LTD	41%	HIGHVELD	5%
ANDRU MINING (PTY.) LIMITED	54%	KEMPTON PARK	3%
SP MINE SAFETY SA PTY LTD	0%	BOKSBURG	2%
ROCBOLT TECHNOLOGIES (PTY) LTD	51%	ISANDO	2%
SIYABONGA SERVICES	0%	BLINKPAN	2%
AQUA ALPHA DRILLING	61%	SECUNDA	1%
TOTAL SOUTH AFRICA (PTY) LTD	52%	ROSEBANK	1%

BARLOWORLD EQUIPMENT SA PTY LTD	58%	GREENSTONE	1%
SANDVIK MINING SYSTEMS RSA	25%	EAST RAND	1%
PULSAR AFRICA SYSTEMS	100%	EMALAHLENI	1%
SHAYA PHANSI CIVILS (PTY)LTD	51%	DELMAS	1%
SCHAUENBURG	25%	ISANDO	1%
SANDVIK MINING RSA PTY LTD	25%	EAST RAND	1%
ENVIRONMETAL AND PROCESS	26%	DIE HEUWEL	1%
FOUR SEASONS CORPORATE GARDEN	51%	ROODEPOORT	1%
STIMELA RAIL CONSTRUCTION (PTY)	40%	LERAATSFONTEIN	1%

PART FOUR

Management of downscaling and retrenchments

4. Management of downscaling and retrenchments

The primary objective of downscaling and retrenchment management is to ensure that there are no other viable options to achieve operational requirements before considering the downscaling or retrenchment of workers. The following measures are in place to address this:

4.1 The Goedehoop Future Forum

The Goedehoop Colliery Future Forum is in place, including both employer and employee representatives. The future forum includes external stakeholders and occurs once a year.

The Forum operates with the following specific objectives:

- To promote on-going discussion / consultations between workers or their representatives and employers about the future of the mine and industry / sector;
- To look ahead / into the future to identify problems and challenges facing the mine and the industry or sector that may contribute to future job losses or decline of the mine and industry/sector, and agree and propose viable solutions;
- To develop turnaround or redeployment strategies to help reduce job losses and to improve business sustainability;
- To structure and implement proposals agreed on both by Goedehoop Colliery and worker parties; and
- To notify the Minister of Mineral Resources and Energy of its proposals and to indicate if the Future Forum requires support in the implementation of its plans / proposals.

The Future Forum meeting for 2019 was held on Thursday, 19th September 2019. No employees were retrenched during 2019. However, a Section 189 process for Coal SA impacting a portion of Goedehoop Colliery was announced on the 19th November 2019.

4.2 Mechanisms to avoid job losses and a decline in employment

Should prevailing economic conditions or depletion of mineable reserves result in the possible closing or downscaling of operations, Goedehoop Colliery would initiate the following processes which include, but are not limited to, the following:

- Consultation with all relevant stakeholders
- The implementation of section 189 of the Labour Relations Act, 1995
- Notifying the Minerals and Mining Development Board
- Compliance with the Ministerial directive and confirmation of how corrective measures would need to be taken

4.3 Managing retrenchments

Should the mine's operations be downscaled or cease with the possible effect of job losses, the following process would be implemented:

- Consultation with all stakeholders
- The mine would follow the Labour Relations Act as well as the guidelines provided by the Department of Labour to ensure fair opportunities to train, redeploy employees and establish alternative measures short of retrenchment
- Our communication strategy would include:
 - Informing employees of possible retrenchments
 - Informing other interested and affected parties, including sending areas and local municipalities, of possible retrenchments at the operation
 - Informing outside parties of possible retrenchments

4.3.1 Measures when job losses are unavoidable

The primary reasons for loss of employment (other than discipline and medical reasons) are technological changes, redundancies, retrenchment, mine closure, adverse economic and trading conditions, and business process streamlining.

Under these circumstances, the key issues that need to be considered are the degree of dependence of the mine community and labour-sending area on Goedehoop Colliery, and the policies and procedures in place at Goedehoop Colliery to provide financial security for individual employees.

The following processes will be followed should Goedehoop Colliery need to scale down its operations significantly:

- The consultation process in terms of Section 52(1) of the Labour Relations Act
- Implementing section 189 of the act, to deal with any retrenchment process which may be invoked
- Notification to the Minerals and Mining Development Board in terms of section 52(1) (b) of the act: and
- Delivery of a Communication Plan which will include all affected and relevant stakeholders.

4.3.2 Alternative options to retrenchment

There are a number of options which may be considered as an alternative to retrenchment. These include:

- Making Voluntary Severance Packages available to employees across Thungela
- Implementing a recruitment moratorium for Thungela
- Redeploying impacted employees to other operations within Thungela and
- Offering early retirement to employees who have reached 55 years of age

In addition, there may be people affected by downscaling operations who are keen to start their own enterprises. In these cases, Goedehoop Colliery will consider the following options, suggested by the Department of Labour:

- Facilitate links with Local Business Service Centre or other appropriate support institutions;
- Through Supplier Development Plan, identify possible opportunities to supply Thungela with goods or service;

4.4. Mechanisms to ameliorate social and economic impact

Where retrenchments or closure of the operation is imminent, the mine would put in place the following process to ameliorate the social and economic impact on individuals, regions and economies:

- Assessment and counselling services for affected employees
- Comprehensive self-employment training programmes
- Comprehensive training (non-mining skills) and re-employment programmes
- Enabling alternative local industries jobs
- Supporting the regeneration of local and township economies or industries
- Optimising on the Closure Planning Fund to address social and economic impacts

Case study note: s189 process at Goedehoop Colliery

On the 19th November 2019, the CEO of the then Anglo-American Coal SA announced the initiation of a Labour Relations Act Section 189 process impacting a portion of Goedehoop Colliery.

As a result of the depletion of the mineable reserves in the south of the mine, a decision was made to close operations in Goedehoop South. This entailed the cessation of underground mining operations at Block 7 and the closure of the Goedehoop South Plant. Due to the significant reduction in the mine footprint, it was also necessary to restructure the support services of the mine.

At the initiation of the s189 process, a total of 522 letters were issued to Goedehoop Colliery employees; and a consultation process as envisaged by the Labour Relations Act (66 of 1995) commenced on the 25th November 2019. During the consultation process the following issues were covered:

Rationale for the retrenchment process:

Block 7 – End of life of mineable reserves in this mining areas

Goedehoop South Plant – Not economically feasible to operate GSP without the Run of Mine coal from Block 7

All Support Services including Supply Chain – Possible restructure is necessary to ensure that Goedehoop Colliery is more efficient and cost effective whilst supporting a smaller operational footprint.

Management – Possible restructure is necessary to ensure that Goedehoop Colliery is more efficient and cost effective whilst supporting a smaller operational footprint.

Consideration of avoidance measures:

The company elaborated on the various alternatives considered prior to the contemplation of the closures and consequent restructuring, as listed below;

- Maintaining the status quo. In circumstances where the operation has run out of mineable reserves at the impacted shafts, this was not a viable option.
- Consideration was given to relocating the Southern sections to the North. This option was not viable owing to pit room and infrastructure constraints, availability of accessible reserves and cost implications.
- Redeployment of employees to other suitable positions within the Company and in other Group companies – this has been considered and was given effect to in consultation with the employees, where appropriate.
- The Company placed a moratorium on recruitment and the then AAC South Africa Regional Leadership Team approval was required for any external appointment deemed to be business critical.

Consideration of alternatives to retrenchment

The avoidance measures proposed:

- **Voluntary Separation Packages** – Payment of voluntary severance packages to employees through the communicated process
- **Recruitment Moratorium** – The extension of the recruitment moratorium in the Company, pending finalisation of the proposed restructuring exercise.
- **Redeployment of employees to other suitable positions** – this happens within the Company, as part of the consultation process
- **Early Retirement** – The encouragement of the implementation of early retirement for affected employees aged 55 years or older.

Measures to mitigate the adverse effects of the retrenchments -

In addition to the Voluntary Severance or Early Retirement packages, the company proposed the following to assist the affected employees:

- Employee Assistance Programme (professional counselling services);
- Advice on preparation of CVs;
- Financial Support Programme; and
- Academic Support assistance.

Possible Re-employment Proposal:

Although the possibility of future re-employment at the time of consultation appeared to be remote, it was agreed to include a three-month preferential re-employment clause.

The consultation process was completed on the 28th February 2020. It is pleasing to place on record that the constructive engagement and partnership with organised labour resulted in the resolution of 515 of the 522 positions impacted by the s189 process. It was further agreed that the remaining seven employees would be offered employment at lower graded positions as an alternative to receiving severance notices. All seven employees accepted these offers.

4.5 The future Life of Mine for Goedehoop Colliery

The current Business Plan for the mine envisages mining operations to continue until 2023/2024. It is not expected that viable mining options will exist after that.

The mine is therefore entering a planning phase for mine closure in 2024. This will be reported on and updated in the Annual SLP Reports submitted as from 2021.

Integrated Closure Planning

Planning for closure and downsizing takes place throughout the life cycle of the mine, from exploration through to post-closure rehabilitation.

Strategy

Goedehoop Colliery will make every effort to minimize the social and economic impact of employees, municipalities and interested or affected communities where retrenchment and closure is certain. These initiatives will focus on:

- Assessment and counselling services for affected employee and employee dependants
- Comprehensive self-employment training and re-employment programmes; and
- Integrated Closure planning

Assessment and counselling services

The Company will consider providing counselling through professional counsellors. Requests for such counselling are to be directed to the Manager Human Resources.

Social Closure Planning

Goedehoop Colliery has developed a closure plan that considers the optimal use of mine land and infrastructure rehabilitation plans during the operational phase as well as the closure phase of the mining lifecycle. This plan will be a focus area for Goedehoop Colliery's Social Closure Planning for a

just transition in order to responsibly create value together for a shared future for the surrounding communities.

Of the importance is the consideration of the physical infrastructure in line with the rehabilitation plans in the event of mine closure, which will require an amendment to the existing Environmental Management Plan Reports (EMPRs) in consultation with the Department of Mineral Resources and Energy.

While the Social and Labour Plan is geared towards mitigating the impact of mine-closure on mine communities and labour sending areas, specific planning and consultations are required regarding the concurrent and post-mining management of social impacts and liabilities which Goedehoop Colliery will endeavour to address and meet regulatory requirements.

Land and infrastructure for food production enterprise on mine land e.g. Agri-villages etc.

A principal issue in the reduction of risk exposure of mine communities is their lack of food security. More specifically, loss of wage income because of retrenchment eliminates or reduces the capacity of the urban resident to purchase food. In a rural environment, residents can often undertake subsistence farming as a substitute for purchased food. Inevitably, due to space constraints and the competition for formal sector employment in an urban environment, lower income groups will have the greatest difficulty in gaining alternative employment. They will also be most restricted in their access to land grow alternative subsistence sources of food.

Post-closure use of mine infrastructure

The future of the remaining land infrastructure belonging to or managed by the mine needs to be considered. It is not always possible to find alternative uses for mine-specific infrastructure or land-use. However, Goedehoop will examine each component of its land and infrastructure and assess the extent to which post-mining use is possible.

Training and mentorship of community members

Goedehoop Colliery undertakes to consider assisting in the establishment of the various business structures where stakeholders or appointers will be trained and mentored in the appropriate business and technical skills as a kernel focus of the LED programme. Other capacity initiatives would include access to the various supply chain supplier development plans.

PART FIVE

Financial provision

5. Financial provision

5.1 Human Resources Programme

The following represents the financial provision allocated to Goedehoop Colliery's human resources programmes:

Table 5.1 Financial provision for human resources development

Item	Table no. reference	2020	2021	2022	2023	2024	Total
Skills Development Levies	-	R7,251,901	R7,614,496	R7,995,220	R8,394,981	R8,814,731	R40,071,329
Skills Programmes - internal	2.3	R370,000	R527,230	R553,591	R581,270	R610,333	R2,642,424
AET	2.4	R0	R50,000	R50,000	R50,000	R50,000	R200,000
Learnerships - internal	2.5a	R1,250,000	R2,284,472	R2,398,695	R2,886,130	R3,627,225	R12,446,522
Learnerships - external	2.5b	R1,750,000	R2,100,000	R2,205,000	R2,866,500	R3,009,825	R11,931,325
Bursars - University of Science	2.6	R1,120,000	R1,164,800	R1,211,392	R1,259,848	R1,310,242	R6,066,281
Bursars - University of Technology	2.7	R150,000	R160,000	R170,000	R180,000	R190,000	R850,000
Professionals In Training	2.8	R6,600,000	R6,864,000	R7,138,560	R7,424,102	R7,721,066	R35,747,729
Bursaries - external	2.9a /2.9b	R1,506,463	R1,118,537	R600,000	R625,000	R650,000	R4,500,000
Bursaries - internal	2.11	R200,000	R200,000	R200,000	R200,000	R200,000	R1,000,000
Leadership Development	2.10	R100,000	R100,000	R120,000	R120,000	R120,000	R560,000
Total		R20,298,364	R22,183,535	R22,642,458	R24,587,831	R26,303,422	R116,015,610

Goedehoop Colliery 2020-2024| In compliance with Regulation 46 of the Mineral and Petroleum Resources Development Act No, 28 of 2002 and Regulations

5.2 Local Economic Development

The following represents the financial provision for Goedehoop Colliery's Local Economic Development projects:

Table 5.2 Financial provision for LED projects

LED Project		2020	2021	2022	2023	2024	Total
		Budget	Budget	Budget	Budget	Budget	Budget
1	Water supply sustainability: boreholes and tanks	R0	R1 000 000	R1 000 000	R2 000 000	R0	R4 000 000
2	Mobile Clinic	R0	R500 000	R500 000	R2 000 000	R0	R3 000 000
Total		R0	R1 500 000	R1 500 000	R4 000 000	R0	R7 000 000

5.3 Management of downscaling and retrenchments

Financial provision for the management of downscaling and retrenchments is given in the following table:

Table 5.3 Financial provision for management of downscaling

No.	Process	2020	2021	2022	2023	2024
1	Consultation with stakeholders	R50 000	R50 000	R50 000	R50 000	R50 000
2	Informing employees of possible retrenchments					
3	Informing other affected parties					
4	Informing outside parties					
5	Assessment and counselling services for affected employees					
6	Self-employment training programmes					
7	Life skills training programmes					
8	Regeneration of local economies					
9	Other					

If required, additional financial provision will be made available for all the processes involved in managing downscaling and retrenchments

PART SIX

Undertaking

The person responsible for the Social and Labour Plan, who is responsible to make known the Social and Labour Plan to the employees and who must be contacted for follow-ups, requests, reports, queries, enquiries, discussions, etc. at time of such needs must make the following undertaking on behalf of the Mine or Production Operation. The General Manager or any other person so appointed must approve the Social and Labour Plan.

I, the undersigned and duly authorized thereto by Goedehoop Colliery undertake to adhere to the information, requirements, commitments and conditions as set out in the Social and Labour Plan.

Signed at Goedehoop Colliery on _____ 2022

Michael Dugmore

Michael Dugmore
Human Resources Manager

Bontle Mfola

Bontle Liza Mfola
Regional Manager Social Performance

Leonore van Wyk

Leonore van Wyk
Head of Mineral Property Rights and Permitting

David Taljaard

Dawid Taljaard
General Manager