

DRIEFONTEIN OPERATION

Social and Labour Plan 2017 - 2021

MINING RIGHT NUMBER: (GP) 30/5/1/2/2 (51) MR

REGISTRATION NO: 2002/031431/06

June 2017



COMMITMENT



ACCOUNTABILITY



RESPECT



ENABLING



SAFETY

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GLOSSARY OF TERMS

ABBREVIATION	MEANING
AET	Adult Education and Training
ATR	Annual Training Report
BEE	Black Economic Empowerment
CPP	Career Progression Plan
DMR	Department of Mineral Resources
DoL	Department of Labour
EE	Employment Equity
EEA	Employment Equity Act
ETD	Education Training and Development
EXCO	Executive Committee
FY	Financial Year
GCC	Government Certificate of Competence
HDSAs	Historically Disadvantaged South Africans
HRD	Human Resources Development
HRDP	Human Resources Development Programme
IDP	Individual Development Plan
IDP	Integrated Development Plan
LED	Local Economic Development
MOA	Memorandum of Agreement
MPRDA	Minerals and Petroleum Resources Development Act (no. 28, 2002)
MQA	Mining Qualifications Authority
NQF	National Qualifications Framework
PWD	Person with Disability
QCTO	Quality Council for Trades and Occupations
SADC	Southern African Development Community
SETA	Sector Education and Training Authority
SLP	Social and Labour Plan
SMMEs	Small, Medium and Micro Enterprises
SDF	Skills Development Facilitator
KPA	Key Performance Area
KPI	Key Performance Indicator
WIM	Women in Mining
WSP	Workplace Skills Plan

1. Introduction and Preamble

1.1 Introduction

Sibanye-Stillwater, an independent mining group domiciled and focused on South Africa, came into being following the unbundling by Gold Fields Limited of its wholly owned subsidiary, GFI Mining South Africa Proprietary Limited (GFIMSA). Sibanye-Stillwater comprises 5 principal gold producing operations with long and illustrious operating histories, which include Driefontein, Kloof, Beatrix, Cooke 1, 2 and 3 as well as Cooke 4 Operations in the Gauteng Province. The combined resources of these mines make Sibanye-Stillwater one of the largest gold producers in South Africa and among the top 10 largest gold producers in the world. The company currently owns and operates gold operations and projects throughout the Witwatersrand Basin.

Sibanye-Stillwater has expanded its commodity portfolio through the acquisition of Rustenburg platinum assets from Anglo American Platinum Limited (Rustenburg Operations) and Aquarius Platinum Limited (Aquarius) in two separate transactions. The Aquarius transaction was finalized in March 2016, while the Rustenburg transaction became effective on 1 November 2016. Sibanye-Stillwater is listed on the Johannesburg Stock Exchange (JSE) and New York Stock Exchange (NYSE).

The Driefontein Operation is situated some 70 km west of Johannesburg at latitude 26°24'S and longitude 27°30'E near Carletonville in the Gauteng Province of South Africa. The site is accessed via the N12 highway between Johannesburg and Potchefstroom. Geologically it is located along the West Wits Line, which forms part of the Far West Rand Goldfield of the Witwatersrand Basin. Topography is relatively flat and the vegetation of the area is classified as Bankenveld consisting of grassland. Livestock farming is widespread in the surrounding area and no climatic extremes, affecting mining operations, are experienced.

The map in figure 1 below indicates the location of the Sibanye-Stillwater Operations.

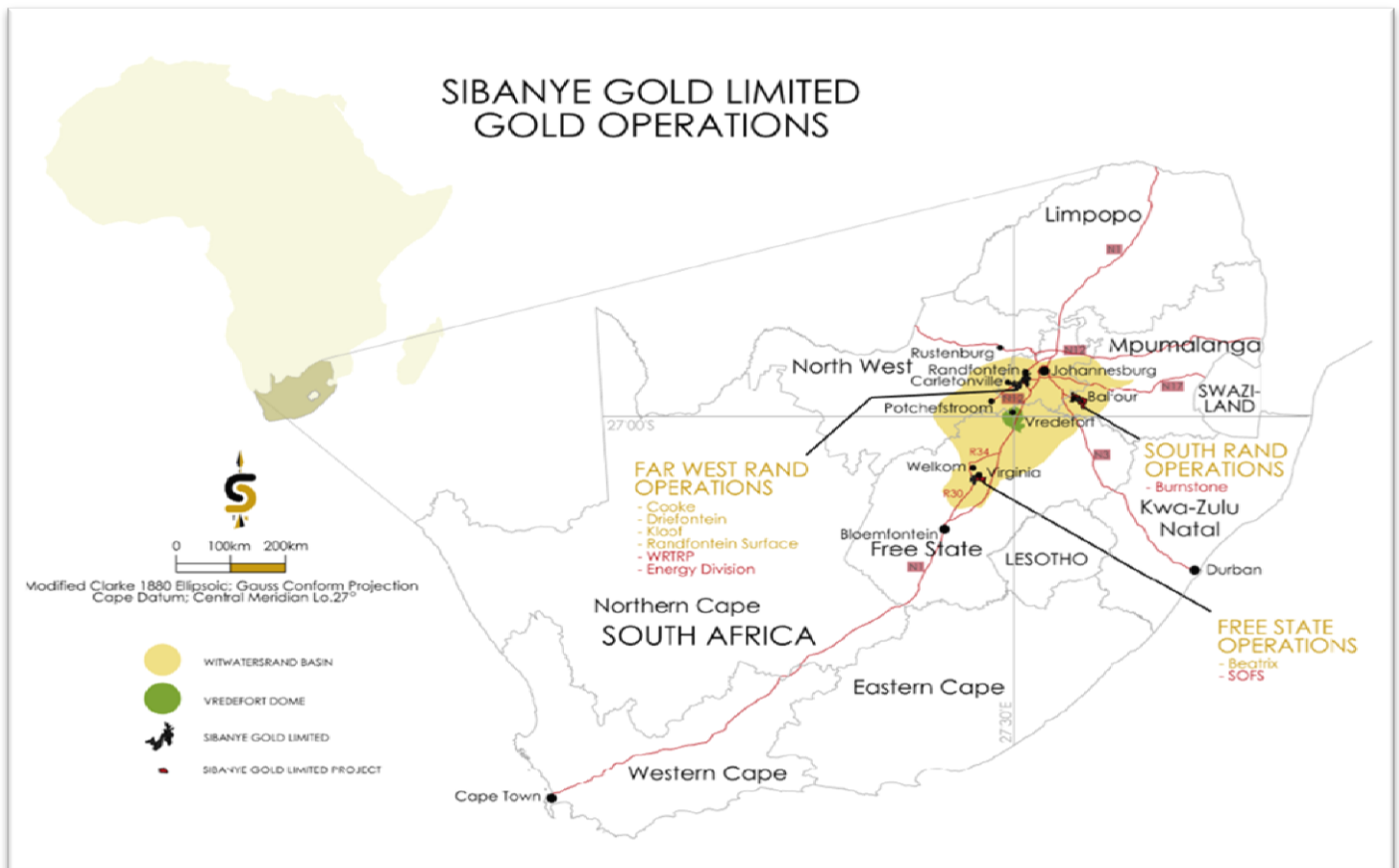


Figure 1: General Location of Sibanye-Stillwater Gold Operations

The Driefontein Operation have a New Order Mining Right valid from 30 January 2007 to 29 January 2037 in respect of a mining right totalling 8,561 hectares located in the Magisterial District of Oberholzer in the Gauteng Province.

This SLP includes the boundaries provided for in the Section 102 Application. An application, in line with Section 102 of the Minerals and Petroleum Resource Development Act ("MPRDA") (Act 28 of 2008), was submitted to the Department of Mineral Resources ("DMR") during 2016 to make provision for:

- Extending the Mining Right ("MR") Boundary to include Driefontein 4 Tailings Storage Facility ("TSF"), situated on various portions of Vlakplaats 112 IQ and a section of the Remaining Extent of Portion 2 of Driefontein 113 IQ. The impact of the extension will enlarge the current MR area of 8,561.2391 hectares, which will add an additional 929.3828 hectares to a total of 9,490.6219 hectares. Granting is pending.
- Including the West Rand Tailings Retreatment Project ("WTRTP"): Driefontein Section into the MR for the eventual treatment of slimes from 5 TSFs situated within the Driefontein MR.

This SLP is an instrument that seeks to address the operation's socio-economic development and transformation objectives in accordance with the Mineral and Petroleum Resources Development Act

(MPRDA) Regulation 46 (a – f), by detailing a Preamble, Human Resources Development (HRD) Programmes, a Local Economic Development Programme (which includes amongst others, Housing and Living Conditions and a Procurement Progression Plan), Processes Pertaining to Management of Downscaling and Retrenchment, Financial Provision and an Undertaking by the holder of the mining right. It is further aligned to the principles of relevant legislation advancing transformation, more importantly MPRDA and its regulations.

Of importance to note, is that this SLP is underpinned by our social closure strategy. This is based on the recognition that notwithstanding economic benefits to an area, mining effects socio-economic and environmental impacts that can endure over a long period. We also recognise that socio-economic closure planning is generally not integrated in the mine life-cycle. As such, our approach is a deliberate attempt aimed at avoiding the creation of “ghost towns” and unemployment. Our SLP is therefore directed at socio-economic closure planning to ensure that we leave economically viable communities that can sustain themselves in future, independent of the mine.

This SLP is further informed by results of an impact assessment report. The report provides an understanding of the impact of past SLP programmes and more importantly, an indication of key risks to contend with in the implementation process. The report also provides a clear case for rethinking future investments as far as the implementation approach is concerned. Through the impact assessment report we have a better understanding of prevailing conditions in host and labour sending areas and attendant pathways desired by each community. The report is supported by official data such as StatsSA's 2011 Census, and the 2016 Community Survey.

In addition, every effort was taken to align our socio-economic interventions to the Merafong City Local Municipality's Integrated Development Plan (IDP) and other developmental frameworks such as the National Development Plan 2030. In this regard, the key elements of a decent standard of living, depicted in Figure 2 below, provided a firm foundation for this SLP:



Figure 2: National Development Plan: Key elements of a decent standard of living¹

We further acknowledge the United Nations' Global Goals for Sustainable Development, (formerly the Millennium Development Goals), which we relied upon as a broader premise upon which to develop the plans and respective targets that follow. It is important to note that this new set of United Nations' Global Goals for Sustainable Development (depicted in Figure 3 below), includes an unprecedented focus on the role of business. It is therefore, equally timely to focus on the role that Driefontein Operation, as an established player in the gold mining industry could play as a proactive development partner in our quest for responsible social closure.

¹ (Source: National Development Plan 2030)



Figure 3: UN Global Goals for Sustainable Development²

The objectives of the Social and Labour Plan are to:

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

² http://www.indexmundi.com/south_africa/millennium-development-goals.html

1.2 Preamble

Table 1: Background information of the Operation

Name of Company	Sibanye-Stillwater Registration Number: 2002/031431/06
Name of Mine's	Driefontein Operation (hereafter referred to as Driefontein) A division of Sibanye-Stillwater Mining Right Number: (GP) 30/5/1/2/2(51) MR
Physical Address	Leeuport Farm, Goudveld, 2507
Postal Address	Private Bag X2016 Goudveld, 2507
Telephone Number	Iketleng Mogohlong – Compliance & Reporting Telephone: +27 11 278 9613 iketleng.mogohlong@Sibanyestillwater.com Dikago Mathule – Head of Community Engagement & Development Telephone: +27 11 278 9826 Dikago.mathule@Sibanyestillwater.com
Location of Driefontein or Production Operation	Driefontein Operation is situated in the Merafong City Local Municipality some seventy (70) kilometres west of Johannesburg on the outskirts of Carletonville within the West Rand District Municipality
Commodity	Gold, together with any other mineral which must, of necessity, be mined with gold.
Life of Mine	The life of mine at the current mining rate is valid for the period ending 29 January 2037
Financial Year	The financial reporting year for Driefontein Operation runs from 1 January to 31 December
Responsible person	Karel de Lange (Vice President Driefontein Operation (West)) Koos Barnard (Vice President Driefontein Operation (East)) +27 18 781 8702

1.3 Geographic Origin of employees – mine community and labour sending areas

Table 2: Geographic Origin of employees – mine community and labour sending areas

Province	No. of Permanent Employees	No. of Contractor Employees	Percentage
Eastern Cape	3155	470	29%
Free State	393	103	4%
Gauteng	1716	831	16%
KwaZulu-Natal	1356	140	12%
Limpopo	312	62	3%
Mpumalanga	216	41	2%
North West	381	236	3%
Northern Cape	13	15	0%
Western Cape	6	3	0%
Non-South Africans	3393	240	31%
Total	10941	2141	100.0%
	13082		

1.4 Breakdown of Employees (Permanent and Contractors)

As at 31 December 2016, the Driefontein Operation employed 10 941 permanent employees and 2 141 contractor employees.

Table 3 presents information on full time employees engaged by the company for the construction and initialising the operations phases as at 31 December 2016.

Table 3: Breakdown of Permanent Employees by Occupational Level as at 31 December 2016

Occupational Level	Male				Female				Foreign Nationals	HDSA	Total Employees
	African	Coloured	Indian	White	African	Coloured	Indian	White			
Top Management	0	0	0	0	0	0	0	0	0	0	0
Senior Management	2	0	0	6	0	0	0	0	0	2	8
Middle Management	22	2	5	40	3	0	0	5	6	37	83
Skilled technicians, associated professionals, including junior	591	4	8	319	177	0	2	13	165	795	1279

Occupational Level	Male				Female				Foreign Nationals	HDSA	Total Employees
	African	Coloured	Indian	White	African	Coloured	Indian	White			
management, supervisors and foremen											
Semi-skilled and discretionary decision making	3911	4	1	75	305	1	0	6	2560	4228	6863
Unskilled and defined decision making	1649	1	0	6	417	1	0	0	634	2068	2708
TOTAL	6175	11	14	446	902	2	2	24	3365	7130	10941

Table 4 presents information on full time contractors engaged by the company as at 31 December 2016.

Table 4: Breakdown of Contractors by Occupational Level as at 31 December 2016

Occupational Level	Male				Female				Foreign Nationals	HDSA	Total Employees
	African	Coloured	Indian	White	African	Coloured	Indian	White			
Top Management	0	0	0	0	0	0	0	0	0	0	0
Senior Management	2	0	0	16	0	0	0	0	1	2	19
Middle Management	0	0	0	23	0	0	0	0	0	0	23
Skilled technicians, associated professionals, including junior management, supervisors and foremen	62	2	0	94	4	0	0	1	6	69	169
Semi-skilled and discretionary decision making	603	1	0	58	11	0	0	8	146	623	827
Unskilled and defined decision making	964	9	0	64	37	0	0	1	28	1011	1103
TOTAL	1631	12	0	255	52	0	0	10	181	1705	2141

1.5 Total Employees Forecast for the 2017 to 2021 Period

It is envisaged that the following numbers of people (permanent and contractors) will be employed over the period of the validity of this Social and Labour Plan. The employee forecast is updated quarterly as and when additional employees are appointed.

Table 5: Total Employees Forecast for the 2017 to 2021 Period

Current	2017	2018	2019	2020	2021
13082	12253	11852	10836	10840	11091

Table 6: Summary of Expected Workforce per occupational level (2017 – 2021)

Occupational Levels	2016	2017	2018	2019	2020	2021
Top management	0	0	0	0	0	0
Senior management	8	8	8	8	8	8
Professionally qualified and experienced specialists and middle management	83	91	88	80	80	82
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	1279	1323	1280	1170	1170	1197
Semi-skilled and discretionary decisions making	6863	6317	6110	5586	5588	5718
Unskilled and defined decision making	2708	2936	2840	2597	2598	2658
TOTAL PERMANENT	10941	10675	10326	9441	9444	9663
Contractors	2141	1578	1526	1395	1396	1428
TOTAL STAFF	13082	12253	11852	10836	10840	11091

1.6 Local Recruitment

Driefontein Operations' workforce at the end of December 2016 was 13082 (Table 2). This comprises provides permanent employment opportunities to ten thousand nine hundred and forty-one (10941) people, and non-permanent employment opportunities to two thousand one hundred and forty-one (2141) people.

Undertaking	Driefontein Operations is well aware of the socio-economic conditions prevailing in the host community. In order to limit the negative impact of the mining operation on the area, the operation has a strong focus on the recruitment and development of previously disadvantaged and unemployed members of the affected communities.
Guidelines	Driefontein Operations' skills development programmes have been aligned in such a manner that unskilled employees (especially from the local areas) have the opportunity for career development.

The employees are categorised according to where they are being sourced; i.e.

- Employees who are from and live within the mine's host community, the Merafong City Local Municipality; and
- Employees who are recruited from labour sending areas (LSA) such as rural provinces of South Africa and its neighbouring countries (Mozambique and Lesotho).

As is evident in Table 2, for Driefontein Operation the major labour source areas within South Africa are the Eastern Cape, Gauteng and to a lesser extent Kwa-Zulu Natal. Currently, apart from the host communities in the immediate vicinity of the operations where most of the Local Economic Development (LED) spend is focused, Driefontein Operation has prioritised high impact agriculture and infrastructure LED projects in the Eastern Cape due to the province's percentage contribution as a major labour sending area. Going forward, the operation will also continue to increase the percentage of local recruits and LED projects in the local host community to ensure that the sustainable economic and skills development of the local Municipal area is supported through the mine's recruitment strategy below.

Table 7: Local Recruitment Strategy at Driefontein Operation

Responsible Position	Strategic Plan	Timeframe
Manager Human Resources	Advertise vacancies through local newspapers.	As and when new vacancies arise
Unit Manager: Human Resources/Service provider	Local recruitment will be facilitated by a Service provider	As and when new vacancies arise

Section B: Employee Development

2. Employee Development

2.1 Overview

All Sibanye-Stillwater subsidiaries are guided by the Human Resources Development (HRD) Framework of the Sibanye-Stillwater Group. For this reason the sections of this plan relating to Human Resources Development are common across all Sibanye-Stillwater operations namely Beatrix, Kloof, Driefontein, Ezulwini (Cooke 4), Rand Uranium (Cooke 1, 2 and 3) and Burnstone. Where appropriate, each section will start with an outline of the undertaking made on a particular initiative and specific guidelines. This will be followed by a mine-specific implementation strategy highlighting key strategic activities, timelines and responsible function.

Section 3.1 of this Social and Labour Plan provides a comprehensive overview of the Sibanye-Stillwater HRD Framework. It also explains the method of delivery of HRD interventions and the role of the Sibanye-Stillwater Academy and its standing as a service provider to the mining industry. The section also provides details of the operation's compliance with Skills Development legislation.

In Sections 3.2 to 3.5 Sibanye-Stillwater's HRD model is introduced and defined, and its objectives outlined. The section also provides Driefontein Operation's specific HRD undertakings and guidelines adopted by the operation's Training Centre. Key HRD principles and initiatives are illustrated in graphic showing key linkages between the various HRD initiatives. The concept of Functional Literacy is defined to provide an appropriate context and rationale for the plans and initiatives outlined in this SLP. The section also outlines educational levels of the workforce and contractors (Form Q).

Sections 3.6 to 3.9 describe the Driefontein Operation Skills Development Plan and outline how the Driefontein Operation intends to offer employees opportunities in the following areas:

- Functional Literacy and Numeracy;
- Learnerships (Mining and Engineering);
- Core Skills Programmes;
- Portable Skills Training; and

Section 3.10 identifies all Hard-to-Fill Positions (Form R) and describes interventions aimed at filling these positions.

Section 3.11 describes the approach to Career Progression Planning in the Sibanye-Stillwater Group and specifically how it is implemented at Driefontein Operation.

Section 3.12 describes the approach to Mentorship in the Sibanye-Stillwater Group, and specifically how it is implemented at Driefontein Operation.

Section 3.13 describes Internships, Study Assistance including Bursaries and Grants in the Sibanye-Stillwater Group, and specifically how these are implemented at Driefontein Operation.

2.2 Human Resources Development Plan

The primary objective of Sibanye-Stillwater Human Resources Development (HRD) Model is to ensure development of requisite skills in respect of learnerships, bursaries (core and critical skills), artisans, AET training (Level I, II, III), AET Level 4/NQF Level 1 and other training initiatives reflective of demographics as defined in the Mining Charter and MRPDA. All efforts in this regard have been aligned with the National Development Plan and the UN Global Goals for Sustainable Development in relation to (i) Education, (ii) Gender Equality, (iii) Reduced Inequalities, iv) Decent Work and Economic Growth.

Driefontein Operation is fully accountable for the identification and fulfilment of its own Human Resource's Development needs and has substantial discretion based on its own business needs according to the five year plan and circumstances in the context of a broader Sibanye-Stillwater HRD Model. Since operational challenges and unyielding costs had impacted negatively on Human Resources Development plans during the past two years, targets were accordingly adjusted as per business needs.

Sibanye-Stillwater Academy, a 100% owned subsidiary of Sibanye-Stillwater, provides world class Human Resources Development services to Driefontein Operation and the rest of the Sibanye-Stillwater Group. Sibanye-Stillwater Academy is also fully accredited by the Mining Qualifications Authority (MQA) and, has programme approval in a number of other SETA's, giving it the ability to provide recognised and accredited education and training in a number of non-mining fields. The ability to meet its undertakings in so far as they relate to Leadership Development, Adult Education and Training (AET), Technical Skills and Portable Skills is therefore enhanced, and a fully operational functional satellite campus of the Sibanye-Stillwater Academy operates from Driefontein Operation. The table below provides details regarding Driefontein Operation's compliance with Skills Development legislation.

Table 8: Skills Development Legislation Compliance

SETA Information Required	SETA Details
Name of SETA:	Mining Qualifications Authority (MQA)
Registration Number with relevant SETAs:	L420750137
Skills Development Facilitator:	Mr. Fundi Gatya
Proof of submission of Workplace Skills Plan and date of submission	Proof of submission

The table below shows Driefontein Operation's commitment towards submission of their Annual Workplace Skills Plan (WSP)/Annual Training Report (ATR).

Table 9: Workplace Skills Plan (WSP) and Annual Training Report (ATR) Strategic Plan

Action	Reporting	Submission Date
Driefontein Operation to submit a WSP and ATR to the MQA to qualify for Mandatory Grant Application for training facilitated at the operation.	Annually	In line with MQA timelines.

2.3 Introduction to the Sibanye-Stillwater Human Resources Development Model

The intention of this Social and Labour Plan is to reflect Driefontein Operation's plans for the period 2017 to 2021. However, a brief description of Human Resources Development (HRD) approaches, policies and strategies, within the context of the broader **Sibanye-Stillwater Human Resources Development Model**, is important for context and understanding.

While Driefontein Operation is fully accountable for the identification and fulfilment of its own HRD needs and has substantial discretion based on its own business needs and circumstances, it operates within the ambit of the Sibanye-Stillwater HRD Model. This is an explicit and well-understood Model, covering all aspects of Human Resources Development within the Sibanye-Stillwater Group and specifically as it applies to each one of its subsidiaries, including Driefontein Operation.

Where relevant in this Plan, reference is made to those elements of the Model that have a direct bearing on the implementation of Driefontein Operation's specific Human Resources Development Plan.

With respect to the setting of targets for the respective HRD interventions; special emphasis was placed on developing an HRD plan that was aligned to business requirements and affordability. This was carried out by way of conducting desk-top analyses that incorporated permutations of skills attrition and forecasts of

vacancies (or projected skills requirements) in order to establish the targets for each training area. To ensure that business HRD needs are continuously addressed, other forms of skills needs auditing will be explored during the current SLP cycle.

2.4 Definition of Human Resources Development

HRD refers to the process of developing the knowledge, skills, attitudes and behaviours of individuals and teams to desired levels of performance, to achieve organizational, personal and broader social objectives.

2.5 Objectives of Human Resources Development

The primary objectives of HRD are to ensure:

- The availability, in terms of quality, quantity, and employment equity, of the range of skills required to access, extract and process the ore body productively and safely, on a sustainable and environmentally responsible basis, inclusive of production, technical, support, administrative competencies and leadership development; and
- The skilling of employees in portable competencies, which relate to existence outside the mining environment and which can be applied to sustain individuals and communities once mining operations are ended.

2.6 Human Resources Development Plan

Undertaking	Driefontein Operation will ensure the availability, in terms of the quality and quantity of the range of skills required to access, extract and process the ore body productively and safely, on a sustainable and environmentally responsible basis as per the business needs. This will include production, technical, support and administrative and leadership competencies. Driefontein Operation has appointed a Skills Development Facilitator and will continue to submit its Workplace Skills Plan (WSP) and Annual Training Report (ATR) to the Mining Qualifications Authority (MQA).
Guidelines	The technical, behavioural and social skills and competencies required by employees are transferred within the comprehensive Sibanye-Stillwater HRD Model. The Model is supported at a practical level by Sibanye-Stillwater Academy funded on a proportional basis by each of the operations within the Sibanye-Stillwater Group. This comprises physical infrastructure, learning products and solutions, as well as adequate skilled HRD practitioners who transfer the skills required to learners.

2.7 Sibanye-Stillwater Human Resources Development Model and Initiatives

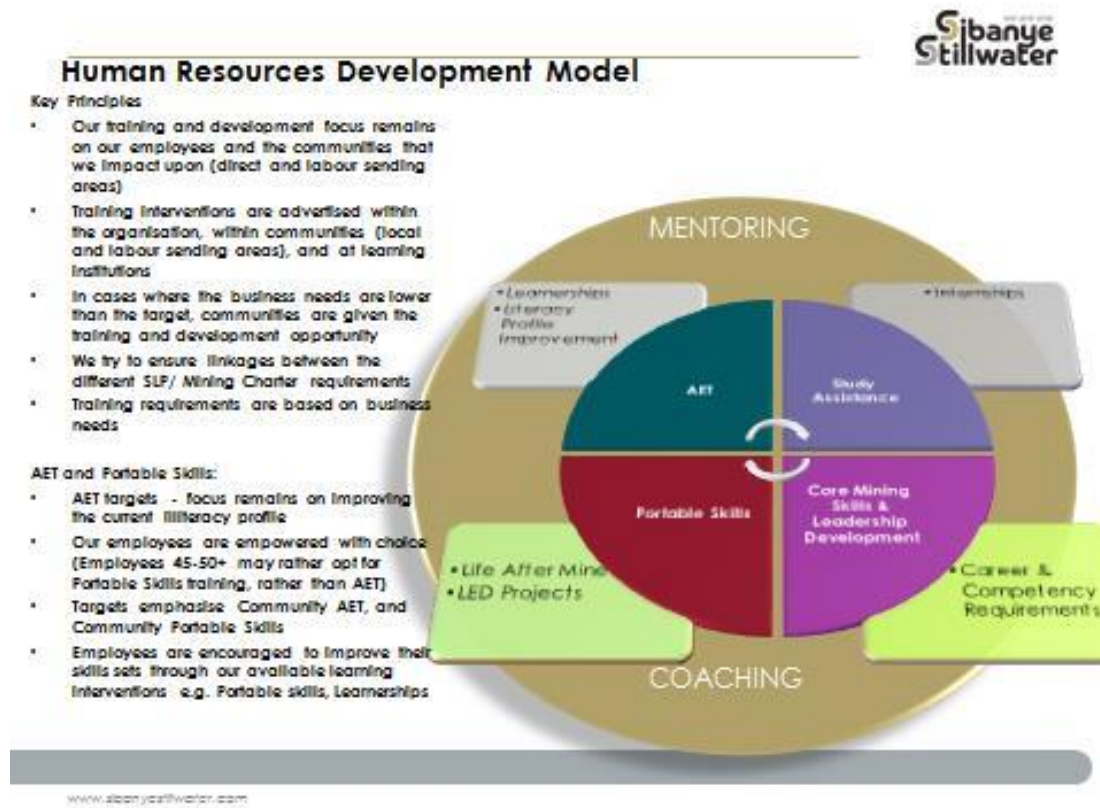


Figure 4: Sibanye-Stillwater Academy HRD Model and Initiatives

2.8 Definition of Functional Literacy and Numeracy

The Sibanye-Stillwater Group, including Driefontein Operation, defines Functional Literacy and Numeracy as follows:

- AET Level 3 with exit outcomes equivalent to seven (7) years of compulsory schooling and that will qualify the employee to register for occupationally directed qualifications registered within the NQF.

Table 10: Form Q - Functional Literacy amongst Driefontein Operation's Employees as at December 2016

Education Classification	African		Coloured		Indian		White		Grand Total	PWD		Non SA		AGE			
	Male	Female	Male	Female	Male	Female	Male	Female		Male	Female	Male	Female	<35	35-45	>45-55	>55-75
Pre-ABET	422	12	0	0	0	0	0	0	434	0	0	166	0	66	171	183	14
ABET 1	344	0	0	0	0	0	0	0	344	0	0	164	0	27	101	194	22
ABET 2 / STD 3, Grade 5	567	4	0	0	0	0	0	0	571	0	0	406	3	36	193	322	20
ABET 3 / Std 5, Grade 7	1705	25	0	0	0	0	1	0	1731	0	0	1014	8	159	687	809	76
ABET 4 / Std 7, Grade 9	896	52	0	0	0	0	7	0	955	0	0	472	15	236	412	281	26
Std 8 / Grade 10, NATED 1 / NCV Level 1	696	102	1	0	0	0	96	3	898	0	0	157	9	341	351	178	28
Std 9 / Grade 11, NATED 2 / NCV Level 2	1043	205	1	1	0	0	26	0	1276	0	0	167	5	486	606	170	14
Std 10 / Grade 12, NATED 3 / NCV Level 3	1260	305	4	1	3	0	144	7	1724	0	0	90	7	817	725	168	14
National Certificate/Diploma/Advanced Certificate/NATED 4 – 6	44	9	0	0	1	0	10	0	64	0	0	3	0	12	40	11	1
Bachelor Honour's Degree/Postgraduate Diploma/Bachelor's Degree(480 credits)	18	7	0	0	0	1	8	2	36	0	0	0	0	19	12	3	2
National Certificate/Master's Degree/Master's Diploma	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Doctoral Degree and Post-doctoral Degree	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Undefined	2493	233	5	0	10	1	154	12	2908	0	0	674	5	822	1091	736	259
TOTAL	9488	954	11	2	14	2	446	24	10941	0	0	3313	52	3021	4389	3055	476



COMMITMENT



ACCOUNTABILITY



RESPECT



ENABLING



SAFETY

Table 11: Form Q - Functional Literacy amongst Driefontein Operation's Contract Workers as at December 2016

Education Classification	African		Coloured		Indian		White		Grand Total	PWD		Non SA		AGE			
	Male	Female	Male	Female	Male	Female	Male	Female		Male	Female	Male	Female	<35	35-45	>45-55	>55-75
Pre-ABET	56	1	0	0	0	0	4	0	61	0	0	2	0	20	20	14	7
ABET 1	31	0	0	0	0	0	0	0	31	0	0	5	0	3	12	8	8
ABET 2 / STD 3, Grade 5	42	0	0	0	0	0	0	0	42	0	0	24	0	3	13	20	6
ABET 3 / Std 5, Grade 7	87	0	0	0	0	0	1	1	89	0	0	16	0	25	31	22	11
ABET 4 / Std 7, Grade 9	57	1	0	0	0	0	1	0	59	0	0	6	0	21	20	13	5
Std 8 / Grade 10, NATED 1 / NCV Level 1	80	5	1	0	0	0	16	0	102	0	0	3	0	69	23	7	3
Std 9 / Grade 11, NATED 2 / NCV Level 2	125	13	0	0	0	0	12	0	150	0	0	1	0	89	41	20	0
Std 10 / Grade 12, NATED 3 / NCV Level 3	139	6	1	0	0	0	37	2	185	0	0	1	0	129	38	13	5
National Certificate/Diploma/Advanced Certificate /NATED 4 – 6	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bachelor Honour's Degree/Postgraduate Diploma/Bachelor's Degree(480 credits)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
National Certificate/Master's Degree/Master's Diploma	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Doctoral Degree and Post-doctoral Degree	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Undefined	1194	27	10	0	0	0	184	7	1422	0	0	122	1	658	400	285	79
TOTAL	1811	53	12	0	0	0	255	10	2141	0	0	180	1	1017	598	402	124

2.9 Adult Education and Training (AET)

AET classes are undertaken either part-time, or full-time for employees, with an opportunity for employees and community learners to be enrolled part-time and attend classes in their own time after work. Recognition of Prior Learning (RPL) is also employed as part of our AET approach to give employees and community learners the opportunity to gain a recognised qualification. In the main, RPL is used to determine the placement and competence of employees at appropriate AET levels. Such employees undergo an assessment and if competent, are certified and an MQA grant is secured for them. Employees are motivated to attend AET classes to bring them in line for possible further development, training and promotion opportunities, where vacancies exist. AET allows employees to compete with other qualified employees and gives them the ability to market themselves. AET levels are also a requirement for promotion in other occupations.

The change in terminology from ABET to AET is in line with the position held by the MQA that adult learning is much more than basic learning. In this regard, the Academy has decided to align itself with the MQA and use the new terminology henceforth. To qualify for full-time AET, a person must have undergone screening for placement through the RPL process. Candidates who demonstrate high levels of potential during the placement/ RPL assessments may be recommended for full-time AET by the Human Capital Manager, together with Shaft committees. Nomination of learners into AET will be based on the shaft business pipeline needs.

Undertaking	<p>Driefontein Operation undertakes to afford employees and community members an opportunity to become functionally literate and numerate. This will continue to be done through the provision of AET on a full-time and on a part-time basis. The following instruments will be used to achieve the numeracy and literacy objectives:</p> <ul style="list-style-type: none"> • Recognition of prior learning (RPL) (AET assessments are used to determine RPL and placement); • Recruitment of employees will be based on the information on Form Q, age profile (employees below 45 years of age) and as per identified business needs; and <p>Recruitment of community members will be done in consultation with the Local Municipality.</p>
Guidelines	<p>Adult Education and Training will continue to be provided to both employees and qualifying local community members. This will be done equally on a full time (AET Levels 1 to 3) and part time (Pre AET to AET Levels 3) basis for employees and community members. The setting of AET targets annually for employees will be guided by the need identified through Form Q, age profile, literacy profile and as per the business requirements. With regards to community AET, the targets will be informed through information sharing with the local municipality. Subsequently, employees and community members will be able to access further development opportunities.</p>

2.10 AET Implementation Strategy

Accountable Position	Strategic Plan	Timeframe
Manager: HRD	1. Employees, requiring AET to be selected through company selection process to enable reaching of set AET targets.	Ongoing
Manager: HRD	2. Provide an accredited learning programme.	Ongoing
Manager: HRD	3. Assessment to be provided by an accredited external assessment body.	Ongoing
Manager: HRD	4. Qualified facilitators to provide quality training.	Ongoing
Manager: HRD	5. Continuous development of facilitators to improve their required skills to be offered.	Ongoing
Manager: HRD	6. Learning facilities to be conducive to learning.	Ongoing
Manager: HRD	7. Learners are made aware of career pathways in each discipline.	Ongoing
Manager: HRD	8. A pool of mentors confirmed for AET learners with potential.	Ongoing

The targets for AET Full Time and Part Time AET are shown in the tables below along with the budget provision for the proposed training. Budget provision for part-time AET for employees excludes salaries.

Table 12: AET Target – Full Time

AET Programme	Enrolment Target					Total Enrolment (2017 to 2021)
	2017	2018	2019	2020	2021	
AET Level 1	180	180	180	180	180	900
AET Level 2						
AET Level 3						
NQF Level 1	20	20	20	20	20	100
Total No. of AET Enrolment	200	200	200	200	200	1000
Budget (R)	R37 168 498	R39 398 608	R41 762 524	R44 268 276	R46 924 372	R209 522 279

Table 13: AET Target – Part Time

AET Programme	Enrolment Target					Total Enrolment (2017 to 2021)
	2017	2018	2019	2020	2021	
AET Level 1	50	50	50	50	50	250

AET Programme	Enrolment Target					Total Enrolment (2017 to 2021)
	2017	2018	2019	2020	2021	
AET Level 2						
AET Level 3						
NQF Level 1	10	10	10	10	10	50
Total No. of AET Enrolment	60	60	60	60	60	300
Budget (R)	R1 032 404	R1 094 348	R1 160 009	R1 229 609	R1 303 386	R5 819 756

Table 14: AET Target – Community

AET Programme	Enrolment Target					Total Enrolment (2017 to 2021)
	2017	2018	2019	2020	2021	
Community learners	40	40	40	40	40	200
Budget (R)	R527 109	R558 736	R592 260	R627 796	R665 463	R2 971 364

Table 15: Total Budget Provision for AET

AET Budget	Budget Provision					Total Cost Estimate (2017 – 2021)
	2017	2018	2019	2020	2021	
	R38 728 011	R41 051 692	R43 514 793	R46 125 681	R48 983 222	R218 313 399

2.11 Education and Training

Undertaking	<p>Driefontein Operation undertakes to:</p> <ul style="list-style-type: none"> Identify employees with potential for further education, training and development; Train core skills to ensure the availability of adequate skills to sustain business needs; Award bursaries, internships, learnerships and mentorships to support business needs; and Award study assistance opportunities to all employees to support business needs.
Guidelines	<p>The purpose of continuous education and training of employees, is to ensure a healthy pipeline of professional, technical and leadership skills. This is ensured through the following interventions:</p> <ul style="list-style-type: none"> Internship, bursary and learnership opportunities to address hard to fill vacancies, women in mining and HDSAs in Management;

	<ul style="list-style-type: none"> Legal (mandatory) training that ensures that the operation complies with all legislative requirements; Both Sibanye-Stillwater Academy and Driefontein Operation Campus will be used to deliver on all HRD interventions.
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2.12 Learnerships

Undertaking	Driefontein Operation recognises the importance of learnerships as an integral component to fulfil the company's Employment Equity Strategy, and meeting both the business and the country's skills development needs.
Guideline	Learnerships will be offered to employees and the community members. Learnerships will be allocated as per the business requirements and the employment strategy of the company. The local community learnerships will be in support of the economic development strategy.

2.13 Learnership Implementation Strategy

Accountable Position	Strategic Plan	Timeframe
Unit Manager: Community Engagement and Development	1. Advertise learnership opportunities externally through community newspapers, municipal councils and other relevant authorities to attract recruits from the local community.	Ongoing
Unit Manager: HRD	2. Advertise learnership opportunities internally for employees.	Ongoing
Unit Manager: HRD	3. Candidates for learnership opportunities will be selected according to the selection procedure of the company. Learnership targets are based on business requirements.	Ongoing
Unit Manager: HRD	4. Provide accredited learning programmes as per SETA requirements.	Ongoing
Unit Manager: HRD	5. Qualified facilitators to provide quality training.	Ongoing
Unit Manager: HRD	6. Learning facilities to be conducive to learning.	Ongoing
Unit Manager: HRD	7. IDPs in place for learners with potential, and learners are made aware of career pathways in the relevant disciplines.	Ongoing
Unit Manager: HRD	8. A pool of mentors confirmed for learners with potential.	Ongoing

Table 16: Internal Mining Learnerships (18.1) Targets

Programme	Length of Programme (e.g. 3 years, etc.)	Target					Total Targets (2017 – 2021)
		2017	2018	2019	2020	2021	
Learner Miner: National Certificate Mining Operations	1 Year	46	41	37	34	30	188
Learner Miner: National Certificate Rock Breaking	2 Years	15	15	15	15	15	75
Learner Official Production Supervisor	3 Years	4	4	8	8	8	32
Total		65	60	60	57	53	295

Table 17: External Mining Learnerships (18.2) Targets

Programme	Length of Programme (e.g. 3 years, etc.)	Target					Total Targets (2017 – 2021)
		2017	2018	2019	2020	2021	
Learner Miner: National Certificate Rock Breaking	2 Years	2	3	5	3	3	16
Learner Official: Production Supervisor	3 Years	1	1	2	1	1	6
Total		3	4	7	4	4	22

Table 18: Internal Engineering Learnerships (18.1) Targets

Programme	Length of Programme	Target					Total Targets (2017 – 2021)
		2017	2018	2019	2020	2021	
Electro - Mechanical L2	2 years	17	16	15	14	13	75
Fitting L3	3 years						
Plater L3	3 years						
Rigging L3	3 years						
Electrical L4	3 years						
Instrumentation Mechanician L4	3 years						
Total		17	16	15	14	13	75

Table 19: External Engineering Learnerships (18.2) Targets

Programme	Length of Programme	Target					Total Targets (2017 – 2021)
		2017	2017	2017	2017	2017	
Fitting L3	3 years	10	9	8	7	6	40
Plater L3	3 years						
Rigging L3	3 years						
Electrical L4	3 years						
Instrumentation Mechanician L4	3 years						
Total		10	9	8	7	6	40

Table 20: Learnership Budget Provision

Programme	Budget Provision					Total Budget Provision (2017 - 2021)
	2017	2018	2019	2020	2021	
Learnerships Engineering	R14 703 161	R13 609 760	R13 284 556	R11 255 647	R13 183 490	R66 036 614
Learnerships Mining	R52 388 868	R39 094 352	R31 939 284	R24 907 018	R29 879 507	R178 209 029
Total	R67 092 029	R52 704 112	R45 223 840	R36 162 665	R43 062 998	R244 245 643

2.14 Core Business Skills Programme

Core Business skills programmes include all legislative requirements specified in company competency profiles, national registered skills programmes and relevant mining legislation. The programmes are occupationally directed technical skills interventions aimed at:

- Providing employees with the requisite knowledge and skills required to perform their work proficiently and in a safe manner; and
- Providing skills development towards career progression.

Undertaking	Core business skills training are provided to ensure that each employee meets the legal requirements of their position. The interventions satisfy the minimum requirements and experience for a position as per business needs.
Guidelines	<p>The purpose of core skills training of employees is to ensure that each individual is equipped to perform fully in his/her position. This is ensured through the following interventions:</p> <ul style="list-style-type: none"> • Technical Skills Training • Legal (mandatory) training that ensures that the Driefontein Operation and employee

	complies with all legislative requirements <ul style="list-style-type: none"> • Leadership and Supervisory Training • Team and mobilization interventions Both Sibanye-Stillwater Academy and the Driefontein Operation's Campus will be used to deliver on all HRD interventions.
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2.15 Core Business Training Implementation Strategy

Accountable Position	Strategic Plan	Timeframe
HODs	1. Employees to be continuously assessed against job requirements	Ongoing
Unit Manager: HRD	2. Provide an accredited learning programme	Ongoing
Unit Manager: HRD	3. Qualified facilitators to provide quality training	Ongoing
Unit Manager: HRD	4. Learning Facilities to be conducive to learning	Ongoing

Table 21: Core Business Training Targets

Core Business Area	Expected Enrolment				
	2017	2018	2019	2020	2021
Mining Skills Programme: Competent A	662	662	662	662	662
Mining Skills Programme: Competent B	411	411	411	411	411
Mining Skills Programme: Blasting Assistant	406	406	406	406	406
Safety Representative Training	145	145	145	145	145
Mining Rock Drill Operator	164	164	164	164	164
Mining Licenced Equipment Operator (Inclusive of Loader, Loco, Winches and rigs)	444	444	444	444	444
Mining Specialised Skills (Inclusive of construction, mesh and lacing, Hydropower and loco guards)	481	481	481	481	481
Health and Safety Technical training	0	0	0	0	0
Strata Control Technical training	0	0	0	0	0
Mining: Mine Overseer certificate training	0	0	0	0	0
Mining: Mine Managers Certificate training	0	0	0	0	0
Supervisory Management and Leadership Training	0	0	0	0	0
Induction/Refresher	0	0	0	0	0
First Aid Training	2 611	2 611	2 611	2 611	2 611

Core Business Area	Expected Enrolment				
	2017	2018	2019	2020	2021
Total	5 391	5 324	5 324	5 324	5 324

Table 22: Core Business Training Budget Provision

Budget	2017	2018	2019	2020	2021	Total (2017-2021)
Total	R13 360 730	R13 821 478	R14 650 766	R15 529 812	R16 461 601	R73 502 788

With reference to the training provided in the table above, the following points are noted:

- Refresher training and Team Mobilisation training are to be done on shafts;
- New employees and contractors go through Induction; and
- A First Aid training Certificate is valid for 3 years. Therefore, employees only need training once in 3 years.

2.16 Portable Skills Programme

Sibanye-Stillwater, in partnership with accredited Service Providers, offers specially designed, portable skill programmes. These accredited programmes will equip exit and in service employees as well as members of the community with the ability and entrepreneurial skills to become self-reliant or pursue other career opportunities within mining and other sectors of the South African economy.

For SETA recognition, the entry requirement for community portable skills training is AET 3 (English –speaking, writing and Mathematics literacy as required by the unit standards). Candidates nominated at a lower entry level will only receive a standard Sibanye-Stillwater Academy Certificates. Programmes to be offered to employees include:

Undertaking	Driefontein Operation is dedicated to provide learning opportunities, thereby increasing employees and local community members' marketability and employability in the open labour market in the possible event of downscaling and/or mine closure.
Guidelines	<p>Driefontein Operation provides portable skills training to the employees. These services have been extended to members of the surrounding community. The focus of these skills is to meet some or all of the following objectives:</p> <p>Enhance employee potential that will lead to marketability into alternative employment;</p> <p>Support income generating activities beyond "Life of Mine"; and</p> <ul style="list-style-type: none"> • Provide skills that can be utilised not only in the formal sector but also in the informal

sector.

2.17 Portable Skills Training Implementation Strategy

Accountable Position	Strategic Plan	Timeframe
Unit Manager: Community Engagement and Development	1. Advertise portable skills opportunities externally through municipal councils and other relevant authorities to attract recruits from the local community.	Ongoing
Unit Manager: HRD	2. Advertise portable skills opportunities internally for employees	Ongoing
Unit Manager: HRD	3. Accredited learning programmes as per SETA requirements	Ongoing
Unit Manager: HRD	4. Qualified facilitators to provide quality training	Ongoing
Unit Manager: HRD	5. Learning facilities to be conducive to learning	Ongoing

Table 23: Portable Skills Training Employees (18.1) Targets

Type of Portable Skills Training	Expected Enrolment					Total Expected Enrolments 2017 - 2021
	2017	2018	2019	2020	2021	
Portable Skills	35	35	35	35	35	175
Total	35	35	35	35	35	175
Budget	R58 320	R61 819	R65 528	R69 460	R73 628	R328 755

Table 24: Portable Skills Training Community (18.2) Targets

Type of Portable Skills Training	2017	2018	2019	2020	2021	Total Expected Enrolment 2017 to 2021
	Expected Enrolment	Expected Enrolment	Expected Enrolment	Expected Enrolment	Expected Enrolment	
Portable Skills	70	35	35	35	35	210
Budget:	R225 360	R119 441	R126 607	R134 204	R142 256	R747 868

Table 25: Mining Cadet Training Community (18.2) Targets

Type of Portable Skills	2017	2018	2019	2020	2021	Total Expected
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Training	Expected Enrolment	Expected	Expected Enrolment	Expected Enrolment	Expected Enrolment	Enrolment 2017 to 2021
Portable Skills	45	45	90	90	90	360
Budget:	R228 960,00	R228 960,00	R485 395,20	R514 518,91	R545 390,05	R2 003 224,16

2.18 Hard-to-Fill Vacancies

Undertaking	Driefontein Operation will endeavour to find suitable internal candidates to fill hard-to-fill vacancies as per business needs.
Guidelines	<p>Hard to fill vacancies that have been identified as per the business requirements will be addressed through various Human Resources Development interventions.</p> <p>An incumbent for a hard to fill vacancy that arises should be sourced and placed within a 1-3 month period. Anything longer would have negative implications on the business.</p> <p>Acting in preparation and evaluation of a candidate for an internal vacancy should not exceed 180 consecutive days, unless otherwise mutually agreed.</p>

2.19 Hard-to-Fill Vacancies Implementation Strategy

Responsible Position	Strategic Plan	Timeframe
Unit Manager: HRD	<ol style="list-style-type: none"> 1. Provide a list of business needed hard to fill designations in Supervisory/Middle Management levels 2. Provide list of employees acting /promoted into the vacant position 3. Provide for relevant training programmes afforded, including mentoring 4. Secure IDPs 5. Confirm mentorship 	Ongoing

The table below depicts those vacancies that Driefontein Operation was unable to fill for a period in excess of twelve (12) months.

Table 26: Hard-To-Fill Vacancies

Occupational Group	Occupational Level	Position	Patterson Grading	Reason For Being Unable To Fill The Vacancy	Action To Fill Vacancy	Appointment Plan
Management	Professionally qualified and experienced specialists and mid-management	Unit Manager Mining (2.6.1)	DU	Skills shortage and certification	Advertise	Appointment to be made within 3 months of vacancy
Management	Professionally qualified and experienced specialists and mid-management	Unit Manager Engineering (GCC)	DU	Skills shortage and certification	Advertise	Appointment to be made within 3 months of vacancy
Management	Professionally qualified and experienced specialists and mid-management	Unit Manager Engineering (Civils)	DU	Skills shortage and certification	Advertise	Appointment to be made within 3 months of vacancy
Management	Professionally qualified and experienced specialists and mid-management	Unit Manager Rock Engineering	DU	Skills shortage and certification	Advertise	Appointment to be made within 3 months of vacancy
Management	Professionally qualified and experienced specialists and mid-management	Unit Manager Environmental Engineering	DU	Skills shortage and certification	Advertise	Appointment to be made within 3 months of vacancy
Management	Professionally qualified and experienced specialists and mid-management	Unit Manager Metallurgy	DU	Skills shortage and certification	Advertise	Appointment to be made within 3 months of vacancy
Management	Professionally qualified and experienced specialists and mid-management	Geotechnical Tailings Engineer	DU	Skills shortage and certification	Advertise	Appointment to be made within 3 months of vacancy
Management	Professionally qualified and experienced specialists and mid-management	Superintendent Environmental Engineering	DL	Skills shortage and certification	Advertise	Appointment to be made within 3 months of vacancy
Management	Professionally qualified and experienced specialists and mid-management	Superintendent Survey	DL	Skills shortage and certification	Advertise	Appointment to be made within 3 months of vacancy
Management	Professionally qualified and experienced specialists and mid-management	Superintendent Water Systems	DL	Skills shortage and certification	Advertise	Appointment to be made within 3 months of vacancy
Management	Professionally qualified and experienced specialists and mid-management	Superintendent Instrumentation	DL	Skills shortage and certification	Advertise	Appointment to be made within 3 months of vacancy
Management	Professionally qualified and experienced specialists and mid-management	Superintendent Rock Engineering	DL	Skills shortage and certification	Advertise	Appointment to be made within 3 months of vacancy
Officials	Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	Supervisor Operations	CU	Skills shortage and certification	Advertise	Appointment to be made within 3 months of vacancy
Officials	Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	Supervisor Metallurgical (Foreman)	CU	Skills shortage and certification	Advertise	Appointment to be made within 3 months of vacancy
Officials	Skilled technical and academically qualified workers, junior management, supervisors,	Supervisor Engineering Electrical, Mechanical and	CU	Skills shortage and certification	Advertise	Appointment to be made within 3 months of vacancy

Occupational Group	Occupational Level	Position	Patterson Grading	Reason For Being Unable To Fill The Vacancy	Action To Fill Vacancy	Appointment Plan
	foremen, and superintendents	Boilermaker				
Officials	Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	Supervisor Engineering Shafts	CU	Skills shortage and certification	Advertise	Appointment to be made within 3 months of vacancy
Officials	Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	Supervisor Technicians	CU	Skills shortage and certification	Advertise	Appointment to be made within 3 months of vacancy
Officials	Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	Supervisor Environmental Engineering	CU	Skills shortage and certification	Advertise	Appointment to be made within 3 months of vacancy
Officials	Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	Senior Grade Officer	CU	Skills shortage and certification	Advertise	Appointment to be made within 3 months of vacancy
Officials	Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	Senior Surveyor	CU	Skills shortage and certification	Advertise	Appointment to be made within 3 months of vacancy
Officials	Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	Senior Mineral Resources Technicians	CU	Skills shortage and certification	Advertise	Appointment to be made within 3 months of vacancy
Officials	Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	Supervisor Strata Control	CU	Skills shortage and certification	Advertise	Appointment to be made within 3 months of vacancy
Officials	Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	Supervisor ETD (Psychometrist)	CU	Skills shortage and certification	Advertise	Appointment to be made within 3 months of vacancy
Officials	Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	Supervisor ETD Electrical	CU	Skills shortage and certification	Advertise	Appointment to be made within 3 months of vacancy
Officials	Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	Supervisor ETD Rigging	CU	Skills shortage and certification	Advertise	Appointment to be made within 3 months of vacancy
Officials	Skilled technical and academically qualified workers, junior management, supervisors,	Supervisor ETD Fitting	CU	Skills shortage and certification	Advertise	Appointment to be made within 3 months of vacancy

Occupational Group	Occupational Level	Position	Patterson Grading	Reason For Being Unable To Fill The Vacancy	Action To Fill Vacancy	Appointment Plan
	foremen, and superintendents					
Officials	Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	Supervisor ETD Instrumentation	CU	Skills shortage and certification	Advertise	Appointment to be made within 3 months of vacancy
Officials	Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	Supervisor ETD Metallurgy	CU	Skills shortage and certification	Advertise	Appointment to be made within 3 months of vacancy
Officials	Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	Supervisor ETD Welder /Plater	CU	Skills shortage and certification	Advertise	Appointment to be made within 3 months of vacancy
Officials	Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	Mineral Resource Technicians	CL	Skills shortage and certification	Advertise	Appointment to be made within 3 months of vacancy
Officials	Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	Assistant Officer ETD (Shafts)	CL	Skills shortage and certification	Advertise	Appointment to be made within 3 months of vacancy
Officials	Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	Supervisor Finance/Costing	CU	Skills shortage and certification	Advertise	Appointment to be made within 3 months of vacancy
Miner Artisan	Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	Artisan Engineering Mill right Underground	CL	Skills shortage and certification	Advertise	Appointment to be made within 3 months of vacancy
Miner Artisan	Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	Artisan Engineering Winders (Winder Technicians/Winder Electricians)	CL	Skills shortage and certification	Advertise	Appointment to be made within 3 months of vacancy
Miner Artisan	Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	Artisan Engineering Fitting (Pump Fitter)	CL	Skills shortage and certification	Advertise	Appointment to be made within 3 months of vacancy
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	Artisan Engineering Electrical (Winders)	CL	Skills shortage and certification	Advertise	Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	Appointment to be made within 3 months of vacancy

Occupational Group	Occupational Level	Position	Patterson Grading	Reason For Being Unable To Fill The Vacancy	Action To Fill Vacancy	Appointment Plan
Miner Artisan	Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	Artisan Engineering Platers (Shaft Boilermakers)	CL	Skills shortage and certification	Advertise	Appointment to be made within 3 months of vacancy
Miner Artisan	Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	Artisan Engineering Plate laying	CL	Skills shortage and certification	Advertise	Appointment to be made within 3 months of vacancy
Miner Artisan	Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	Artisan Engineering Rigging	CL	Skills shortage and certification	Advertise	Appointment to be made within 3 months of vacancy
Miner Artisan	Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	Instrumentation Technicians /		Miner Artisan	Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	Appointment to be made within 3 months of vacancy
Miner Artisan	Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	Instrumentation Technicians /		Miner Artisan	Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	Appointment to be made within 3 months of vacancy
Miner Artisan	Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	Mechanised Mining Miners: Stopping	CL	Skills shortage and certification	Advertise	Appointment to be made within 3 months of vacancy
Miner Artisan	Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	Mechanised Mining Miners: Development	CL	Skills shortage and certification	Advertise	Appointment to be made within 3 months of vacancy

At the beginning of 2016, the Board tasked the Human Capital team with the development of an executive development and succession plan, the key objectives of which were to identify executive talent requirements and to implement strategies to attract and develop executives qualified to fill **critical positions** to enable Sibanye-Stillwater to deliver on its strategy. This also involved **developing plans to ensure talent retention** and engagement, and to facilitate the timely transfer of knowledge from current incumbents to successors.

In compiling the plan, it was necessary to understand the critical roles and competencies required, to assess existing competencies and the potential of internal candidates in terms of readiness as well as exposure and development, and to propose appropriate interventions. The plan incorporated a short-term (three to six months) contingency plan and permanent replacements, as well as an emergency plan.

A detailed plan was completed and implemented in three phases at executive, senior management and management level. By the end of 2016, critical roles had been identified and competencies required for executive positions finalised and incorporated into the Sibanye-Stillwater Leadership Development Framework. Assessments to identify potential, readiness and development were completed for all executive and senior management. The process for management level employees has begun and is on track to be completed by the end of 2017.

An initial executive succession plan was developed and presented to the Chief Executive Officer and the Board for approval. The initial succession plan includes a pool of external of potential candidates to be considered as needed. The plan will be updated on an ongoing basis.

It is important that the executive development and succession process ***forms the basis of our Integrated Talent Management framework***. All processes, including the leadership development and competency framework, the strategic workforce plan, training and transformation plans, succession planning as well as performance management, among others, will therefore be aligned with this process. With this in mind, starting in 2017, a talent review will be conducted biannually. Therefore, the strategy to address hard-to-fill positions is interlinked with the plans in the sections below.

2.20 Career Progression Plan

Undertaking	Driefontein Operation is committed to providing its workforce with the opportunity to grow in knowledge and skills. Inherent in this is the opportunity to progress in a career path that is aligned to the Mine's business needs and suits each employee's skill sets and personal goals. Sibanye-Stillwater has adopted an integrated approach to skills development and learning which, in essence, provides the opportunity for employees with potential to follow a formal career path within the employee's chosen occupation.
Guidelines	The Career Paths show how people can advance from one position to another within the career groups through the development of further skills and competencies. The Career Paths further outline minimum requirements for each position and minimum training/experience required; therefore serving as a planning framework for self-development.

2.21 Career Progression Plan Implementation Strategy

Responsible Position	Strategic Plan	Timeframe
HOD, Talent Management	1. Successors are selected utilising succession criteria; for D Band and above, Qualification, Performance, time in current role, experience and readiness for next level, for the levels below D Band the succession criteria is, work attendance, safety record and qualification. These successors selected will be verified by the Shaft Talent councils and the Discipline Talent councils. The succession pool will be reviewed on an annual basis.	Ongoing
Talent Management, Talent Council Committee	2. Succession development will be monitored by the talent council on a quarterly basis.	Ongoing
HR Managers	3. Operational talent pool will be presented at each EE meeting	Ongoing
HR Managers, HODs	4. When vacancy exists the relevant discipline talent pool will first be reviewed for suitable candidates. Only where there is no suitable candidate in the pool, external recruitment can be considered.	Ongoing

An integrated Talent Management process is vital to support career progression opportunities. The Talent Management process starts with a Strategic Workforce Plan. A Strategic Workforce Plan is a systematic process for forecasting an organisation's future workforce and determining the most effective practices to close the gaps to meet future workforce needs taking into consideration Employment Equity, Women in Mining, turnover and production profile.

Figure 5 below depicts the Integrated Talent Management Process.

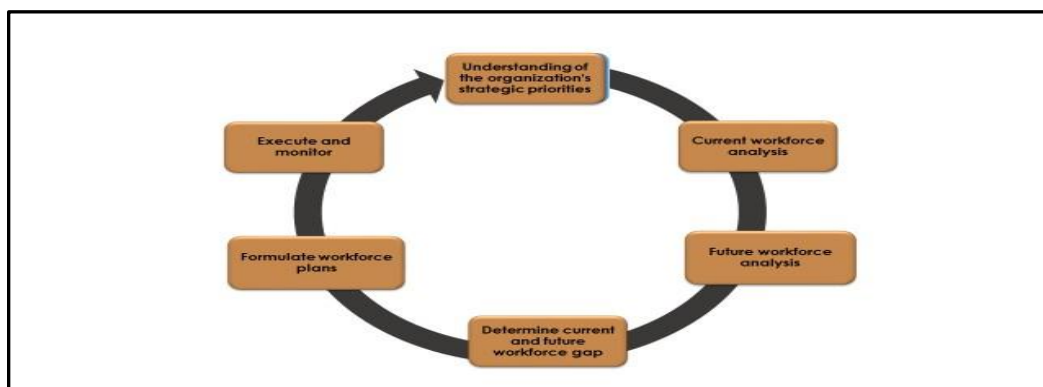
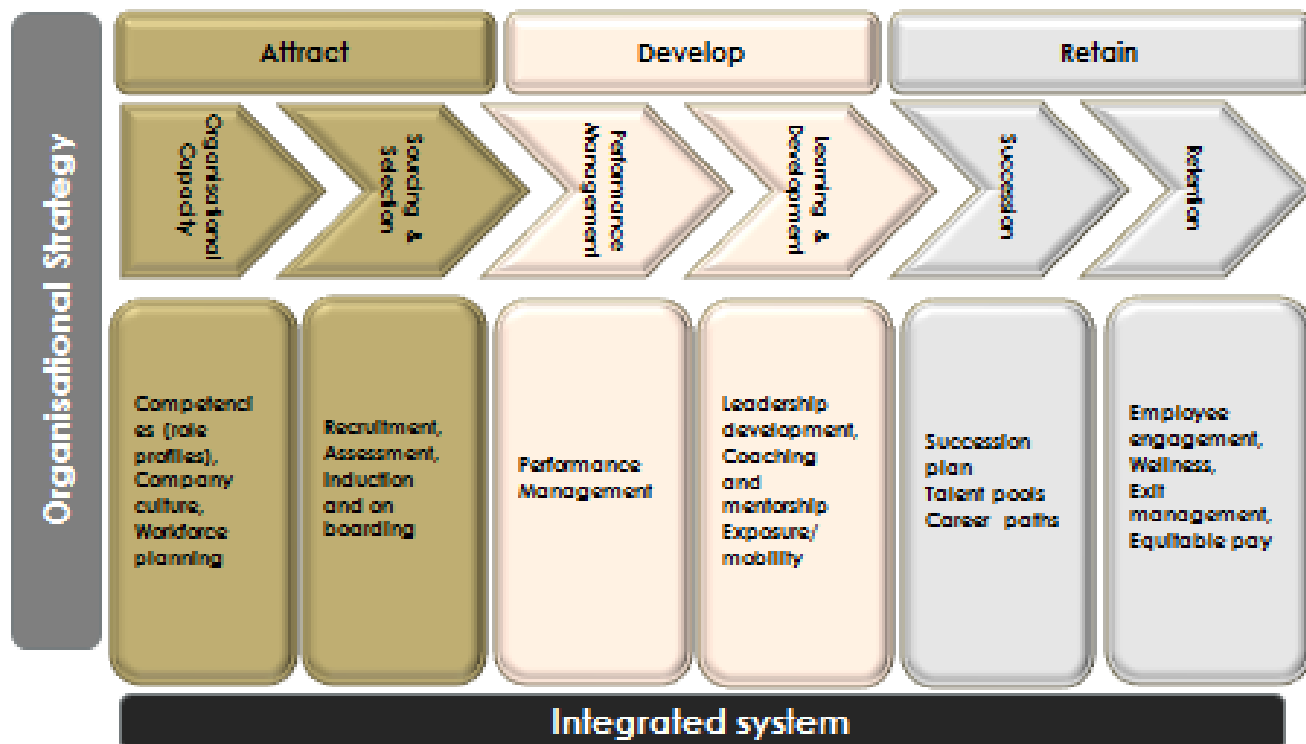


Figure 5: Integrated Talent Management Model

Figure 6 below depicts the integrated Talent Management Model. The integrated Talent Management model has three pillars, **Attract**, **Develop** and **Retain**, which forms part of the employee life cycle.

Talent Framework



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Figure 6: Integrated Talent Management Model

Table 27: Career Progression Plan Targets

Paterson Band	Current Position	Training Intervention	Qualification	Employees Identified and IDPs Secured	2017	2018	2019	2020	2021	Possible Progression Opportunity/ HRD Linkage
D Level	Middle Manager	As per approved IDP	As per job requirement	10% top potential Middle Managers in Leadership Development programmes	2	2	2	1	1	Appointment into vacant position, if advertised and is successful through recruitment process.
C Level	Supervisor/ Intern	As per approved IDP	As per job requirement	10% top potential Supervisors/Interns in Leadership Development programmes	11	11	11	11	11	Appointment into vacant position, if advertised and is successful through recruitment process.
NG	Bursar	As per approved IDP	Relevant Degree	Final year bursars	13	26	25	23	22	Graduate Development programme and internship, if advertised and is successful through recruitment process.
B Level	Cat 3-8 Employee	As per approved	As per job requirement	Top potential Learnership trainees	31	31	28	26	24	Appointment into vacant position, if



COMMITMENT



ACCOUNTABILITY



RESPECT



ENABLING



SAFETY

Paterson Band	Current Position	Training Intervention	Qualification	Employees Identified and IDPs Secured	2017	2018	2019	2020	2021	Possible Progression Opportunity/ HRD Linkage
		IDP								advertised and is successful through recruitment process.
A Level	Cat 3-8 Employee	As per approved IDP	As per job requirement	Top potential AET (employees) learners in training	14	14	14	14	14	Learnership/Skills Programme, if advertised and is successful through recruitment process.
Total					71	83	80	75	72	

2.22 Mentorship Plan

Undertaking	Driefontein Operation undertakes to formalize its mentorship programme, which will encompass formal mentorship agreements between mentors and protégés for learners in training/on development programmes.
Guidelines	<p>The mentorship plan at will be designed to:</p> <ul style="list-style-type: none"> • Identify areas of development that require mentoring; • Provide a detailed mentoring plan via mentoring agreement; • Highlight the number of mentors and protégés with targets and timeframes; • Monitor implementation of the programme.

2.23 Mentorship Plan Implementation Strategy

Accountable Position	Strategic Plan	Time frame
Manager HRD	1. Review the mentorship plan	Ongoing
Discipline Managers Manager HRD	2. Identify pool of mentors for protégés (employees in training/ Supervisors and Middle Managers with potential)	Ongoing
Discipline Managers Manager HRD	3. Provide mentorship and protégé training to build capacity where required	Ongoing
Discipline Managers Manager HRM	4. Contracting through the mentorship agreements in line with learnership/learning programme duration	Ongoing
Manager HRD	5. Monitor implementation and confirm mentorship regarding: <ul style="list-style-type: none"> • Protégé Personal details including race, gender, current position and level and future possible opportunities • Mentor Personal details and designation 	Ongoing

In addition to the above strategy, the figure below describes the principles of our approach to Mentoring and Coaching. Mentorship, in broad terms, refers to a relationship enabling individuals to develop and acquire knowledge, work and life experiences informally or via a formal developmental programme. A competent mentor will successfully guide the protégé in a multi-faceted manner.

Coaching is specifically directed at job-related performance. Effective supervisors and leaders who act as coaches, should actively provide required instruction, guidance, advice and encouragement to assist subordinates to improve their performance in current jobs. Coaching is aimed at translating operational theory into practice.



Figure 7: Mentoring and Coaching Principles

Table 28: Mentorship Plan Targets

Mentoring Plan	2017	2018	2019	2020	2021
Learnerships	88	96	83	82	76
Bursaries	23	22	22	22	22
Internships	22	19	17	15	13
Full time AET	200	200	200	200	200
Learner Official A-stream	5	6	6	6	6
Total:	338	343	328	325	317
Training					
Pool of Mentors to be trained:	20	20	20	20	20
Protégés to be trained:	338	343	328	325	317
Total:	358	363	348	345	337
Budget	234 000	248 040	262 922	278 698	295 420

With reference to the table above, learners currently enrolled for various training and development programmes, will enter into a coaching/mentorship relationship for further career guidance and development. In order for this relationship to succeed, a pool of mentors and the same learners will have to undergo mentorship/protégé training for effective application and understanding of the relationship role and process.

2.24 Internship

Undertaking	Driefontein Operation undertakes to provide opportunities for practical exposure or experiential learning to graduates and diplomats required as per business needs.
Guidelines	<p>Practical exposure or experiential learning opportunities are provided for both internal and external persons completing tertiary studies.</p> <p>Community Commitments apply to both Local and Labour sending communities</p> <p>A challenge exists in terms of the accurate reporting of local/labour sending split due to learners not accurately reporting their origin on enrolment.</p>

2.25 Internship Implementation Strategy

Accountable Position	Strategic Plan	Timeframe
Unit Manager: HRD	1. Provide a Graduate Development Programme	Ongoing
Unit Manager: HRD	2. Provide a coaching and mentoring process	Ongoing
Unit Manager: HRD	3. Employees to be continuously assessed against required programme outcomes	Ongoing
Unit Manager: HRD	4. IDPs in place for learners and learners are made aware of career pathways	Ongoing
Unit Manager: HRD	5. A pool of mentors confirmed for Interns	Ongoing
Unit Manager: HRD	6. Provide a Graduate Development Programme	Ongoing
Unit Manager: HRD	7. Provide a coaching and mentoring process	Ongoing
Unit Manager: HRD	8. Employees to be continuously assessed against required programme outcomes	Ongoing
Unit Manager: HRD	9. IDPs in place for learners and learners are made aware of career pathways	Ongoing
Unit Manager: HRD	10. A pool of mentors confirmed for Interns	Ongoing

Table 29: Internal Internship (From Internal Bursary Pool) Targets and Budget

Targets	2017	2018	2019	2020	2021	Total (2017 – 2021)
No. of Internal Interns	14	11	9	7	5	46
Budget	R16 730 164	R16 368 817	R16 868 590	R14 301 629	R11 907 880	R76 117 080

Table 30: External Internship (MQA) Targets and Budget

Targets	2017	2018	2019	2020	2021	Total (2017 – 2021)
No. of Internal Interns	8	8	8	8	8	40
Budget	R720 000	R1 526 400	R2 426 976	R2 572 595	R2 726 950	R9 972 921

Experience from previous SLP cycles has confirmed that the pool from which we draw our beneficiaries tends to be very dynamic and as such the commitments for internships in the tables above are expressed in global terms (not specific to any discipline in order to allow for flexibility). It would stand to reason that the reporting of progress/implementation would be specific to the disciplines supported.

2.26 Study Assistance

Undertaking	Driefontein Operation undertakes to offer study assistance to employees and individuals from local communities and key labour sending areas. In line with the bursary policy, if a company bursar fails a subject/year of study once, the bursar will pay for that subject/ year of study himself/herself, and his/her bursary will be placed in abeyance. Bursars placed in abeyance will be counted against the target set with other active bursars. As soon as the bursar passes the subject/ year of study, their bursary will resume.
Guidelines	<p>Study Assistance will be given to employees and individuals from the local and labour sending communities through the following offerings:</p> <ul style="list-style-type: none"> • Bursaries to employees for full time studies; • Bursaries to individuals from the local and labour sending communities for full time studies; • Study Grants to employees for part time studies <p>Community Commitments apply to both Local and Labour sending community. A challenge exists in terms of the accurate reporting of local/labour sending split due to learners not accurately reporting their origin on enrolment.</p>
JB Marks	<p>Driefontein Operation will further support bursars funded through the JB Marks Bursary Scheme (a National Union of Mineworkers initiative) on a part time basis, or in line with the decision of the Sibanye-Stillwater Academy board. JB Marks bursaries are funded and allocated by the JB Marks Bursary Scheme. The Mine's contribution to this scheme, is limited to the salary component relating to the bursars during the period of the agreement, and will be reported as such. This will be the extent of the SLP credit due to the mine.</p> <p>It must be noted that this does not constitute additional targets in terms of bursaries and will not include any commitment towards things like logistics, accommodation, meals, etc., which remains the responsibility of the JB Marks Scheme.</p>

2.27 Bursary Programme Implementation Strategy

Accountable Position	Strategic Plan	Timeframe
Unit Manager: HRD	1. Advertise study assistance opportunities internally for employees	Ongoing
Unit Manager: Sustainable Development	2. Advertise study assistance opportunities externally through community newspapers, municipal councils and other relevant authorities to attract recruits from the local and labour sending communities	Ongoing
Unit Manager: HRD	3. Candidates for bursaries and study assistance opportunities will be selected according to the selection procedure of the company	Ongoing
Unit Manager: HRD	4. Accredited learning institutions as per company needs will be used	Ongoing
Unit Manager: HRD	5. IDPs in place for learners, and learners are made aware of career pathways in relevant disciplines	Ongoing
Unit Manager: HRD	6. Mentors confirmed for learners	Ongoing

Table 31: Internal Grants Bursary Targets and Budget

Targets	2017	2018	2019	2020	2021	Total (2017 – 2021)
Full Time Bursaries	10	8	8	8	8	42
Part Time Bursaries (Grants)	8	8	8	8	8	40
Total	18	16	16	16	16	82
Budget	R2 780 000	R5 831 440	R8 296 661	R8 203 537	R8 671 749	R33 783 387

Table 32: Learner Officials A-Stream Programme Targets

Target	2017	2018	2019	2020	2021	Total (2017 – 2021)
Learner Official A-Stream	5	6	6	6	6	27
Budget	R1 908 820	R3 278 177	R4 804 986	R6 503 209	R8 387 922	R24 883 114

The Learner Official A-stream programme is a new 18.1 initiative implemented to attract talent from local communities into the mining industry and comprises an integrated Tertiary and Occupational Qualification programme.

Table 33: Community Bursary Targets and Budgets ³

Target	2017	2018	2019	2020	2021	Total (2017 – 2021)
Bursar	5	5	5	5	5	25
Budget	R2 004 000	R2 357 440	R2 548 325	R2 963 248	R3 141 043	R13 014 055

Experience from previous SLP cycles has confirmed that the pool from which we draw our beneficiaries tends to be very dynamic and as such the commitments for study assistance in the table above are expressed in global terms (not specific to any discipline in order to allow for flexibility). It would stand to reason that the reporting of progress/implementation would be specific to the disciplines supported.

Table 34: HRD Programmes – Financial Provision

Annual Budgets	2 017	2 018	2 019	2 020	2 021	Total Financial Provision (2017 - 2021)
Financial Provision for Human Resources Development Programmes	R144 070 394	R137 600 232	R139 277 952	R133 361 972	R144 312 936	R698 623 486

³ Community targets include host community as well as labour sending community commitments

3. Employment Equity

3.1 Introduction

The purpose of the Employment Equity plan is to ensure that a demographically appropriate profile is achieved through the participation of Historically Disadvantaged South African (HDSAs) in all decision-making positions and core occupational categories at the mine. In striving to achieve a 40% HDSA composition in the management structure and 10% participation of women in core mining occupations, Driefontein Operation seeks to redress the existing gender and racial disparities. The plan reflects the company's annual progressive targets. As a leading South African company, Sibanye-Stillwater embraces the challenge to transform the composition of the company's workforce and management. This is a business imperative to ensure that we tap into the entire skills base of the South African population. All efforts in this regard have been aligned with the National Development Plan and the UN Global Goals for Sustainable Development in relation to (i) No poverty, (ii) Zero hunger, (iii) Quality Education, (iv) Gender Equality, (v) Decent Work and Economic Growth, and (vi) Reduced Inequalities.

Employment Equity Strategies are aligned to succession planning, development of the company's talent pool, learner development programmes, core and critical skills training programmes, career development plans, mentoring and coaching. The following Sibanye-Stillwater principles guide the way in which Employment Equity is implemented at Driefontein Operation mine, and to further comply with our Ethics and Human Rights policies:

- Recognising historic inequalities, HDSAs and women with recognised potential are afforded special opportunities and additional support to realise their potential;
- To fill each position in the company with a fully performing individual. Thus, we will not create phantom jobs nor make token appointments;
- Diversity is encouraged in the workplace and any form of racism is not tolerated;
- Some employees in management positions may be involuntarily redeployed to make space for HDSAs and women;
- All employees are developed to ensure that they are fully performing in their current jobs and, where applicable, to prepare them for future opportunities; and
- In placing women in jobs, the company will take cognisance of the special risks to which women of child-bearing age, pregnant and lactating women should not be exposed.

Each mining operation and service unit in Sibanye-Stillwater is required to translate the company strategy to five (5) year action plans that are implementable and measurable. Driefontein Operation is committed to creating a workplace in which individuals of ability and competency can develop rewarding careers at all levels regardless of their background, race or gender. Driefontein Operation's employment practices and policies emphasise equal opportunity for all, and aim to identify, develop and reward those employees who demonstrate qualities of individual initiative, enterprise, commitment and competencies. Employment Equity policies also aim to create an inclusive organisational culture in which all employees are valued. The implementation of Employment Equity is overseen by senior management and is at the core of the mine's strategy.

Where appropriate, Employment Equity is implemented in consultation with employee representative bodies. As a key business imperative for Driefontein Operation, Employment Equity is critical in assisting the operation to place competent employees in the correct jobs aligned to the Mine's objectives. These are:

- Driefontein Operation is committed to developing its employees to their greatest potential, which will contribute to the achievement of the Mine's objectives;
- Driefontein Operation recognises the need for continued investment in its employees through training and development, which is demonstrated through training and development opportunities and job placements with a focus on the development of key competencies, career path progression and retention of talent; and
- Driefontein Operation has adopted a proactive recruitment, selection and appointment policy, which favours candidates from designated groups. This has assisted the operation in working towards the achievement of numerical goals of the Mine's Employment Equity Plan.

Undertaking	The Driefontein Operation is committed to the strategic objectives of the Employment Equity Act that include having individuals from previously disadvantaged groups represented in all positions of skill, responsibility and at all levels within the next five (5) year period; specifically 10% participation of women and 40% HDSA composition of management structures.
Guidelines	Employment Equity will be aligned to local recruitment and human resources development strategies. Driefontein Operation is committed to developing and promoting from within the organisation, with preference given to females and historically disadvantaged individuals.

Table 35: Employment Equity Plan Implementation Strategy

Responsible Position	Strategic Plan	Start Date
Unit Manager HR	1. Focus to be placed on attracting and retaining HDSAs including women and nurturing talent to supplement the workforce complement and to plan for succession.	Ongoing
Unit Manager HR	2. Targeting the recruitment of HDSAs and Women in Mining Positions is a specific focus of the workforce plan.	Ongoing
Unit Manager HR	3. Recruitment targets for HDSAs to be specifically aimed at developing and promoting such employees into management positions as and when these opportunities arise.	Ongoing
Unit Manager HR	4. Mining-related occupations to be identified in the workforce plan and strategies and targets identified to support the inclusion of women into these occupations.	Ongoing
Unit Manager Talent	5. Skills assessments to be focused on the identification of employees with the potential to be developed into management positions and career development plans will drive the growth and advancement of these employees.	Ongoing
Unit Manager Talent	6. Appropriate skills training in line with the career path structure to be provided for HDSAs and Women to ensure that they acquire the appropriate skills and competencies.	Ongoing
Unit Manager Talent	7. Mentoring of HDSAs to provide them with support and assistance to ensure that they can assume their roles with success.	Ongoing
Manager HR	8. Develop policies directed at the retention of HDSAs and Women.	Ongoing
Manager HR	9. Develop recruitment plans for external candidates should internal employees not be suited for management roles.	Ongoing

Table 36: Employment Equity Statistics as at end December 2016⁴

Occupational Level	Male				Female				Foreign Nationals		Total	Disabled		Total HDSA % in Management
	African	Coloured	Indian	White	African	Coloured	Indian	White	Male	Female		Male	Female	
Top Management (Board) *	3	0	0	7	0	0	0	1	2	0	13	0	0	30.8%
Senior Management (EXCO) *	5	2	1	11	1	0	0	0	0	0	20	0	0	45.0%
Senior Management (Other) *	5	1	1	12	1	0	1	2	0	0	23	0	0	47.8%
Middle Management	2	0	0	6	0	0	0	0	0	0	8	0	0	25.0%
Junior Management	22	2	5	40	3	0	0	5	6	0	83	0	0	44.6%
Core Skills	5803	8	8	371	754	2	2	8	3232	50	10238	0	0	64.3%

⁴ * These numbers are reflected in accordance with the Mining Charter requirements and these individuals are not employed by the operation. These numbers reflect the employees employed by the operation in accordance with the Sibanye-Stillwater Operating Model.

3.2 Participation of Historically Disadvantaged South Africans

Driefontein Operation is committed to promoting HDSAs in its management structure by instituting a framework geared towards local recruitment, and human resources development. Vacancies are primarily filled by candidates from local communities. Where specialist skills are not available locally they are sourced from outside local communities. The Mine's long term objective is to have these skills shortages addressed via skills development programmes. Employees identified with potential have the opportunity to progress within their chosen career paths and therefore advance within the organization.

Undertaking	Driefontein Operation is committed to attaining the 40% HDSAs in management target as set by the DMR and recognizes that this refers to Management in the D, E and F Paterson bands.
Guidelines	Build capacity within the organization through HRD initiatives with preference given to individuals from designated groups. These employees to form the pipeline for the company's talent pool and succession planning.

Table 37: HDSAs in Management Implementation Strategy

Responsible Position	Strategic Plan	Start Date
Manager HR	1. Develop Employment Equity (EE) policies, procedures and guidelines appropriately aligned to HRD initiatives such as talent management, etc.	Ongoing
Manager HR	2. Liaise with stakeholders to develop EE targets.	Ongoing

Table 38: HDSAs in Management Targets 2017 – 2021⁵

Occupational Level/Paterson Bands	Prescribed Target	Current		%	2017		Prescribed %	2018		Prescribed %	2019		Prescribed %	2020		Prescribed %	2021		Prescribed %
		Designated	Non-Designated		Designated	Non-Designated		Designated	Non-Designated		Designated	Non-Designated		Designated	Non-Designated		Designated	Non-Designated	
Top Management (Board)	40.0%	4	9	31%															
Senior Management (EXCO and Other)	40.0%	20	23	47%															
Middle Management Levels	40.0%	2	6	25%	3	5	38%	3	5	38%	3	5	38%	3	5	38%	3	5	38%
Junior Management Levels	40.0%	37	46	45%	41	50	45%	40	48	45%	36	44	45%	36	44	45%	37	45	45%
Core and Critical Skills	40.0%	6585	3653	64%	6425	3564	64%	6215	3447	64%	5682	3152	64%	5684	3153	64%	5816	3226	64%
Total HDSAs in Management:		43%			44%			44%			44%			44%			44%		

⁵ Note the differences between the Employment Equity Statistics and the HDSA's in Management Targets. The numbers are valid with respect to the original date of submission, but have since changed in order to reflect the Sibanye-Stillwater Business Model, which may change as and when the business needs dictate.

Section C: Mine Community Development

4. Mine Community Development Overview

The Mining Charter and Social and Labour Plans are key transformational tools enabled by the Mineral and Petroleum Resources Development Act (MPRDA). Its key elements include a spread of principles designed to transform our employees, our communities as well as the environment in which they reside. This also provides an opportunity to carefully craft long-term outcomes that will see self-sustaining communities become independent of the mines that they host. This resonates with our social closure philosophy which articulates our approach to community development. Our approach is premised on a strategy which seeks to proactively create parallel economies to enable communities, to sustain themselves in a post mining era. The closure of some mining companies has often revealed the devastation and human suffering caused by mine closure.

Our approach seeks to minimize post closure social impacts, reducing dependency on the operation for social and community services and economic benefit, and leaving a positive social legacy. This will require deliberate exploration of alternative economic and employment options and the articulation of a future social and regional economic identity that does not include mining. It is our belief that executed appropriately, social closure can transform our mines into engines for development beyond their own life by minimizing adverse impacts and maximizing after-use benefits in the long run.

Our environmental scanning also indicates that societal issues and challenges are far from abating. Levels of poverty and unemployment are not relenting; the threat of social and economic instability seems to be worsening, and informal settlements continue to proliferate, while a negatively impacting social environment continues to grow. Service delivery protests became the order of the day in the run up to, and following the 2016 local government elections, exacerbated in large part, by the non-payment for service delivery culture. Because we do not operate in a vacuum, our communities have the ability to impact on our operations, particularly in terms of safety and other societal risks. For this reason, it is imperative to nurture positive relationships with communities so as to maintain our social license to operate.

Our experiences to date have shown that our approach to Local Economic Development (LED) implementation in the areas of our operations has had varying degrees of success. Interim findings indicate that the projects that have been implemented to date, while aligned with the local municipalities' Integrated Development Plans (IDPs) and having been approved by the DMR, do not necessarily have the desired impacts on communities. This was recently confirmed in an independent social impact assessment study conducted by Knowledge Pele on behalf of Sibanye-Stillwater during 2016. Amongst other things, the following shortcomings feature prominently:

- The scale of projects implemented was found to be far too small due to budgets being spread over large areas;
- Implementation was frustrated by the requirement or expectation to satisfy several different stakeholders, each with a unique and often conflicting and competing agendas;
- As a result of the enormous socio-economic need, investments were made in many small but generally unsustainable projects with little or no impact. This was often complicated by the expectation to implement "local" as opposed to "regional" projects;
- Implemented projects showed too few linkages and too little integration; and
- Where established, partnerships were unsuccessful or did not always yield the desired results.

It is against this backdrop that we started working on a revised community development strategy premised on maintaining our social license to operate and, with social closure as the ultimate goal in mind. Therefore, while we acknowledge that it would not be possible to return the natural environment to its pristine condition, our aim with social closure is to go beyond compliance by implementing economically catalytic projects that will enable the creation of a parallel economy so as to avoid the creation of "ghost towns" when our mines reach the end of their production life. For greater impact, such projects would require greater collaboration by sharing capacity and expertise with our peers in the mining sector, communities, municipalities, regulators and other businesses. This would further entail establishing economically meaningful alliances with corporate partners in sectors other than mining and creating geared investments through joint ventures, partnerships and value adding collaborations.

The focus will be more on pursuing regional projects aligned to Sibanye-Stillwater's strategic objectives, local, provincial and national government developmental frameworks and plans, as well as international imperatives such as the UN Global Goals for Sustainable

Development for greater and more meaningful impact. Within our strategy, much effort went towards aligning to the above imperatives and particularly the following UN Global Goals for Sustainable Development Goals: (i) No poverty, (ii) Zero hunger, (iii) Sustainable Cities and Communities (iv) Decent Work and Economic Growth, v) Quality Education and vi) Industry, Innovation and Infrastructure.

In this regard, underpinning our approach are the following principles:

- Going beyond compliance by developing and maintaining our license to operate through effective engagement and relationship building;
- We will use our resources appropriately and effectively in responding to identified and agreed community assets, both current and future in nature;
- We will actively identify key multi-sectoral partnership opportunities in order to leverage our contribution and associated impacts;
- Our efforts will be focused on achieving tangible and sustainable impact that will continue beyond the life of our mine;
- We will continuously monitor and evaluate our impact and social return on investment;
- To achieve the greatest impact, our focus will be on a few key areas that the company can effectively leverage;
- We will go beyond financial resources and consider how to make the best use of company assets, resources, expertise and relationships through collaboration to benefit mine communities; and
- Consistent with our closure strategy, we seek to avoid dependency, encourage the creation of parallel economies and create long-term sustainability.

Our key strategic objective is to maintain our social license to operate through social closure. Our strategy has three key focus areas viz. (i) local economic development (ii) education and skills development and (iii) community health and safety. It is important to note that the three strategic pillars are not mutually exclusive, for example, local economic development cannot happen without skills and capacity building and healthy community. The above strategic thrusts further grow into strategic legs that include amongst others, Industrial Development, Agri-business Development, Infrastructure Development, Education and Training and Health.

Local Economic Development (LED) projects have been identified following to consultations with our key stakeholders viz. Merafong City Local Municipalities and ad-hoc meetings with the various community structures. We believe that the identified strategic focal areas are in

line with developmental aspirations of the local municipality. We also believe that implementing projects in these critical areas will result in the attainment of our primary strategic objective of creating a resilient parallel economy. The identified strategic focal areas are directly linked to the strategic legs referred to above:

- Agriculture
- Agri-infrastructure
- Education/Health Infrastructure
- Primary and Secondary schools
- TVETs

LED projects addressed in this plan were identified in consultation with local municipal authorities within the context of Integrated Development Plans. Funding for LED is obtained from Driefontein Operation and is based on the Mining Charter and as such is equivalent to the **1% of the Net Profit After Tax**. Therefore, based on the **current production profile of Driefontein Operation and prevailing gold price estimates and production costs**, a budget provision of R31 709 600 to fund the LED projects for the duration of this 5 year SLP cycle. This projection is based on the mine's current financial performance and did not take into account internal and external factors that could impact mining activity negatively.

4.1 Socio-economic Background

Driefontein Operation is situated within the West Rand District Municipality in the Merafong City Local Municipality. It occupies the western border of the Gauteng Province, with Carletonville being the main town. Merafong City Local Municipality is characterised by a dispersed urban structure consisting of various mining villages, urban and rural areas spread across the entire municipal area. The local municipality incorporates the following main areas: Carletonville, Fochville, Wedela, Welverdiend, Khutsong, Kokosi, Greenspark, Blybank, Blyvooruitzicht, Doornfontein, Deelkraal, Elandsrand, Bentley Park, East and West Driefontein Operations, and Western Deep Levels.

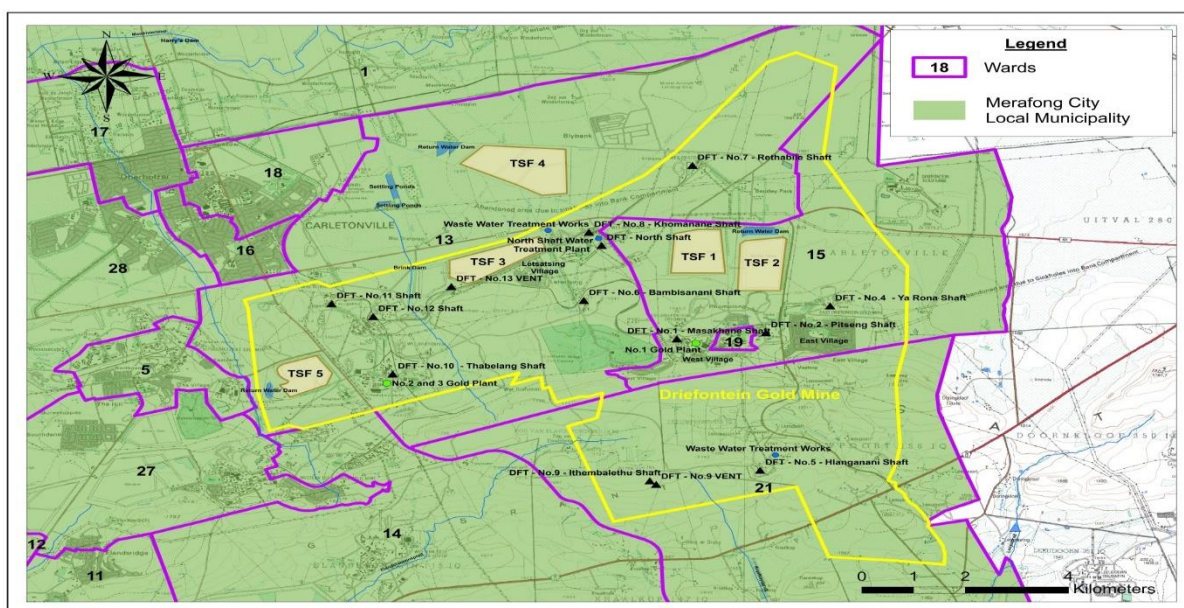


Figure 8: Driefontein Operation Footprint in relation to the Merafong City Local Municipality

Despite the mining industry's general declining contribution to the Gross Domestic Product (GDP) of Merafong, it continues to be the major employer. Driefontein Operation is one of the largest employers in the Merafong area, and as at December 2016, it employed in total 13 082 employees (10,941 direct and 2,141 through contractors).

4.2 Demographic Profile

The population size of Merafong City Local Municipality as per the 2011 Census results is 197 520. The area has experienced a negative growth rate of -0.6% from the previous Census. The table below shows the racial distribution of the local, district and provincial areas:

Table 39: Population Distribution⁶

Population	Gauteng Province	West Rand DM	Merafong City LM
Black /African	77.9%	79.6%	86.8%
Coloured	3.5%	2.5%	1.1%
White	15.7%	16.8%	11.8%
Indian or Asian	2.9%	1.2%	0.3%
Brief Analysis	According to Census 2011, the total population of MCLM is 197 520. This represents 1.6% of the total Gauteng population and 23% of the district population. The population has		

⁶ Census 2011 (StatsSA); Community Survey 2016 (StatsSA)

	declined by 2.4% from the previous Census which is mainly attributed to operation's employees being laid off due to closure of shafts. Africans comprise the majority of the population (86.80 %), followed by Whites (11.83%), Coloureds at (1.08 %) and lastly (Indians/ Asians 0.29%).
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Table 40: Household size⁷

Socio-Economic Indicators	Gauteng Province	West Rand DM	Merafong City
Total number of people	12 187 736	817 156	196 882
Total number of households	3 909 022	267 397	66 624
Average size of households	3	2.9	2.7
Brief Analysis	It is evident from the above statistics that the average household size within the region consists of three (3) household members. The average household size in MCLM shows a small increase of 0.2 (Census 2001) to the current 2.7 members per household. While it was previously believed that the small household number in the local municipality was due to the fact that most residents were sojourners in pursuit of employment, the growth seems to indicate that residents are growing their families or have been joined by family members from rural areas.		

⁷ Source: Census 2011 (StatsSA)**Table 41: Socio-Economic Profile Surrounding the Region: Types of Human Settlements⁸**

Socio Economic Indicators	Gauteng Province	West Rand DM	Merafong City LM
Housing (% stated for households in the Municipal Areas)			
Brick dwelling on separate stand	80.6%	74.0%	77.6%
Traditional dwellings	0.4%	0.3%	0.2%
Informal settlements	19.1%	25.8%	22.1%

⁸ Source: Census 2011 (StatsSA)

(separate stands and backyard dwellings)			
Brief Analysis	<p>The majority of households (77.36%) surveyed across the various geographical areas in Merafong stayed in brick dwellings with separate stands. Approximately (0.28%) stayed in traditional dwellings within the areas surveyed during 2011. This statistical profile of the region corresponds with the visible housing status of the communities surrounding the Merafong City Local Municipality. On average, 22.32% of households are based in informal settlements.</p>		

Table 42: Access to Basic Services

Socio Economic Indicators (% stated for households in the Municipal Areas)	Gauteng Province	West Rand DM	Merafong City LM
Flush toilet with sewerage system	87.2%	83.0%	81%
Pit Latrine (Without ventilation)	9.9%	13.5%	11.6%
No access to any toilet facilities	1.1%	17%	1%
Waste removed by local municipality at least once a week	90%	80%	79.7%
Own refuse dump	8%	16.4%	15.6%
No rubbish disposal	2%	3.6%	4.5%
Electricity used for cooking	83.9%	77.7%	75.9%
Electricity used for heat	74.7%	68.8%	66.8%
Access to piped water inside home	89.4%	83.2%	83.3%
Piped water on communal stand	8.8%	14.8%	15.7%
No access to piped water	1.8%	2%	10.2%
Brief Analysis	<p>Basic services infrastructure appears to be formalized in the MCLM, with 84.5% of households having access to flush toilets with sewerage systems and 1.0% of households not having access to toilet facilities. The number of households having access to flushing toilets is slightly less than the average of 85.0% for Gauteng Province and West Rand District Municipality. Merafong is also lagging behind the province and district municipality with regard to utilisation of electricity for cooking (36.7%) and heating (29.6%). There is still a sizable portion of the MCLM community that still relies on gas, paraffin, wood and coal as preferred fuel for cooking and heating. Suffice</p>		

	<p>to say that these sources of energy are not environmentally friendly but pose health and safety risks for the community.</p> <p>An estimated 80% of waste is removed by the municipality at-least once a week. On average, 15.6% of households in the area were utilizing their own refuse dumps to discard their household waste. The percentage of people utilizing their own refuse dumps to discard their household waste in MCLM (17.0%) is a bit higher than the provincial average. A similar trend is observed with services such as access to tap water inside the home and access to piped water on a communal stand. 10.2% of the community had no access to piped water.</p>
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Table 43: Female and Child Headed Households

Socio Economic Indicators (% stated for households in the Municipal Areas)	Gauteng Province	West Rand DM	Merafong City LM
Child headed households	0.3%	0.3%	0.4%
Female headed households	34.3%	31.1%	29.4%
Brief Analysis	A concerning trend that could be attributed to the spread of HIV and AIDS in the area is the increase in child headed households; 0.30% in the province and district municipality respectively and 0.4% in the local municipality.		

Table 44: Education Attainment Levels

Educational profile of adults	Gauteng Province	West Rand DM	Merafong City LM
None or limited primary education	3.6%	5.2%	6.1%
Completed primary education	7.3%	7.2%	6.5%
Completed secondary education	34.7%	30.7%	20.6%
Completed tertiary education	17.6%	10.4%	5.4%
Brief Analysis	Census 2011 depicts that 6.1% of the population in Merafong City were recorded as having none or limited primary education, while 24.5% had received some primary education. These figures are indicative of the improvement in the reduction of adults with no form of education. The Driefontein Operation therefore has the opportunity of extending skills development programmes to members of the host communities as a		

	<p>mechanism to increase the mobility of the adults that did not reach matric within the local area and to equip community members with skills that will enable them to be engaged in non-mining and other growing sectors in the economy. It is interesting to note that the no schooling category dropped by 7.6% from the previous Census. A mere (6.5%) of the residents across the local municipal area were recorded as having completed primary education, with 20.6% having completed Secondary education and only 5.4% having completed tertiary education.</p>
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Table 45: Employment⁹

Socio-Economic Indicators	Gauteng Province	West Rand DM	Merafong City LM
Employment of working age population			
Working age (15 to 64 years)	4,467,370	293,335	143 278
Employment rate	45.1%	48.5%	46.5%
Unemployment rate	26.3%	26.7%	27.2%
Economically inactive	29%	28.2%	36.1%
Brief Analysis	<p>MCLM experienced a growth of 12.4% amongst economically inactive residents. The municipal area had an unemployment rate of 27.2%. The influx of illiterate migrant labour seeking employment opportunities which don't require formal qualifications and the already existing high illiteracy levels can be assumed to be the contributing factors to the low employment rates in the region. The increase could also be attributed to retrenchments and the decline in economic activity in the region. The mining sector is a dominant employer in Merafong City accounting for 28% of the municipal GDP. The mining sector is affected by market volatility as mines are constantly compelled to downscale, retrench or even close down when demand for the commodity being mined declines. This is accompanied by a depreciation of the value of the commodity being mined as well as the effect of the rand/dollar exchange rate.</p>		

⁹ Source: Census 2011 (StatsSA)

Table 46: Monthly Household Income¹⁰

Income Category	Gauteng Province	West Rand DM	Merafong City LM
Monthly Household Income (including income derived from governmental grants, pensions and informal employment)			
No income	19.2%	17.3%	15.3%
R1 - R4 800 per month	4.6%	5.2%	4%
R4 801 - R 9 600	11.4%	11.8%	5.9%
R9,600 to R19600 per month	57.2%	54.4%	11.1%
R19600 – R38200	32.4%	11.3%	14.7%
R38200 – R76400*	26.6%		
R76400 – R153 800*	11.3%		
R153800 and above*	11%		
Average household income	R 156 222	R 100 812	R 78 686
Brief Analysis	<p>According to the 2011 Census, 15.3% of households within Merafong City Local Municipality received no income. Approximately 4% of households within the surveyed municipal area receiving income within the R1 to R4 800 income band. The 2011 survey also shows that a mere 5.90 % of the municipal area population receives income within the R4 801 to R 9 600 income band and 25.8 % receives income within the R 9 600 to R 38 200 income band on a monthly basis. A bigger proportion of the population surveyed (44.9%), receives a good income with a small percentage (about 4%), of people receiving a substantial monthly income in excess of R600 000 when compared to what the rest of the population within the region earned.</p> <p>The municipality has 4 750 poor households who are registered as indigents (about 7% of households). These are people who depend on state grants, pensions, charity and extended family support for survival. The Mining Sector is a dominant employer in the surveyed area and is therefore a significant source of income and socio-economic stability</p>		

¹⁰ Source: Census 2011 (StatsSA)

	within Merafong.
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4.3 Key Economic Activities

This section provides an indication of the characteristics of the economy of Merafong City Local Municipality and highlights trends in the economy. The sectoral structure of an economy is reflected by the contribution of each sector to the GDP.

The mining sector dominates the MCLM's economic activities, and the Driefontein Operation has contributed significantly during the past 20 years to the growth and development of the area.

Table 47: Sectoral Contribution within the Surrounding Areas

Sectoral Employers	Gauteng Province	West Rand DM	Merafong City LM
Agriculture	1.1%	2.9%	1.1%
Community services	8.1%	6.3%	4.1%
Construction	2.5%	2.3%	1%
Financial and business services	6.4%	3.5%	1.9%
Manufacturing	6.2%	4.5%	1.5%
Mining	1.6%	14%	28%
Private households	4.3%	4.1%	2.9%
Transport & communication	2.6%	1.7%	0.9%
Wholesale and retail trade	7.6%	5.9%	3.9%
Brief Analysis	On average, the mining sector accounted for 14.5% of sectoral employment in the region. The mining sector was not a significant employer in the province, but it was certainly a dominant industry in the West Rand District Municipality -14%; and in Merafong (28%). The Mining Sector has a significant impact on the socio-economic activities of the residents and surrounding areas within Merafong City. This is an opportunity		

	for the Driefontein Operation to create linkages from the mining sector to other sectors of the municipal economy. This should be done to enable other non-mining sectors to leverage the existence of the mining sector so that there will be other non-mining employment opportunities if and when the mining sector is negatively affected.
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Source: Census 2001 (StatsSA)

4.4 Alignment with the Integrated Development Plan

This section provides an indication of the characteristics of the economy of MCLM and highlights trends in the economy. The sectoral structure of an economy is reflected by the contribution of each sector to the GDP.

The mining sector dominates the MCLM's economic activities, and the Driefontein Operation has contributed significantly during the past 20 years to the growth and development of the area.

Table 48: MCLM Strategic Objectives

No	MCLM Strategic Goals	Regional Outcomes	Back to Basics	Provincial Pillars	National Outcomes
KPA 1	To Provide Basic Services	<ul style="list-style-type: none"> Basic Service Delivery improvement (1) Safe Communities (5) Healthy Communities (7) 	Deliver municipal services to the right quality and standard.	Transformation of the State and governance	An effective, competitive and responsive economic infrastructure network.
KPA 2	To Provide Local Economic and Social Development	<ul style="list-style-type: none"> Socially Cohesive Communities (10) Reduced Unemployment (11) Economic Development (12) 	Putting people and their concerns first	<ul style="list-style-type: none"> Radical economic transformation. Accelerating social transformation. Modernisation of the economy. Re-industrialising Gauteng as our country's economic hub 	Decent employment through inclusive economic growth.
KPA	To Provide	<ul style="list-style-type: none"> Accountable 	Building	Radical	A skilled and

No	MCLM Strategic Goals	Regional Outcomes	Back to Basics	Provincial Pillars	National Outcomes
3	Municipal Transformation and Organisational Development	Municipal Administration (2) <ul style="list-style-type: none"> • Skilled, Capacitated, Competent and Motivated Workforce (3) • Ethical Administration and Good Governance (4) • Institutional Planning and Transformation (14) 	institutions and administrative capabilities	economic transformation.	capable workforce to support inclusive growth
KPA 4	To Provide Financial Viability and Management	Robust Financial Administration (13)	Sound financial management and accountability		
KPA 5	To Provide Good Governance and Public Participation	<ul style="list-style-type: none"> • Ethical Administration and Good Governance (4) • Educated Communities (6) 	Good governance and sound administration	Transformation of the State and governance	<ul style="list-style-type: none"> • All people in South Africa protected and feel safe. • A responsive and accountable and effective
KPA 6	To Provide Integrated Spatial Development Framework	<ul style="list-style-type: none"> • Sustainable Environment (8) • Build Spatially Integrated Communities (9) 	<ul style="list-style-type: none"> • Deliver municipal services to the right quality and standard 	<ul style="list-style-type: none"> • Decisive spatial transformation 	<ul style="list-style-type: none"> • Sustainable human settlements and improved quality of household life. • A responsive and accountable, effective

No	MCLM Strategic Goals	Regional Outcomes	Back to Basics	Provincial Pillars	National Outcomes
					and efficient local government system

The Local Economic Development project identification process took into consideration, firstly the municipality's vision and objectives as stated in the table above and secondly the region or district and the resources required for each project, and the issues raised by communities in our consultation processes. Proof of engagements in a form of minutes of the meeting held with the MCLM is attached as evidence of the engagements with the municipality. Subsequent to the engagements the projects were incorporated in the 2017-2021 IDP of Merafong City Local Municipality.

4.5 Driefontein Operation LED Projects

Driefontein Operation continues to play a meaningful role in Local Economic Development by enhancing the quality of life of communities surrounding the operation, as well as some regions from which members of the workforce originate such as the Amathole, Chris Hani, Joe Gqabi, Alfred Nzo and Oliver Tambo District Municipalities in the Eastern Cape.

This Local Economic Development Programme includes projects and plans to stimulate local economic development, eradicate poverty, diversify the local economy in order to broaden the economic base and promote inclusive economic growth and uplift communities in the areas affected by mining. The LED programmes include sustainable projects that will be initiated, implemented and supported financially as indicated in the implementation frameworks in this section.

As mentioned in the section on the community development overview, Sibanye-Stillwater's approach to this SLP stems from the pursuit of the strategic objective of maintaining our social license to operate through social closure. Central to this approach is alignment with critical national and global imperatives such as the NDP and the UN Global Goals for Sustainable Development. In addition, the MPRDA Regulation 46 (c) (iii) requires mining operations to align LED projects to municipal IDPs.

Of importance to note is that LED projects that will be implemented by the Driefontein Operation need to address the communities' current aspirations whilst creating a parallel economy that will sustain the communities for posterity.

The LED projects that are addressed through this SLP will target the development priorities of Merafong as identified in the IDP. The intention is to implement the local economic development projects that will develop and sustain economic growth in the host municipal area. A critical aspect that is included in this section is a demonstration of the alignment of the proposed projects to the municipalities' development priorities.

An integrated approach is used to ensure the implementation of economic development that will have ripple effect and benefit the local municipal area as a whole. For this reason, the projects that will be pursued have to be sustainable, outlive the life of mine and be able to amass additional resources through partnerships. Therefore, from a strategic development facilitation point of view, it is necessary to ensure that appropriate linkages and interactions between projects are established.

All Driefontein Operation's LED projects are geared towards supporting the achievement of the local and district municipalities' visions and the selection of projects has been discussed extensively with both entities. Engagement with the municipalities also entails a review of projects that can contribute to end land use, i.e. projects that consider social closure related economic activities for the community. These are long term projects that are geared towards ensuring the promotion of alternative and sustainable economic activity in the municipal area at mine closure.

4.6 Sibanye-Stillwater Implementation Approach

In implementing LED projects, cognizance has been taken of the integrated nature of the SLP, whereby HRD training programmes, procurement approaches and Housing and Living conditions are all geared towards contributing to the total transformation of the Driefontein Operation and its surrounding communities. In order to achieve economies of scale, synergy and greater impact, LED projects are implemented in collaboration with municipalities, provincial government departments, and other private organizations/mining companies. As mentioned earlier, our approach aims for high impact projects with sustainable job creation within the immediate communities and focusing on economic diversification. This applies to host and Labour Sending Areas in order to address reliance on the mining industry.

With respect to LED Projects in the major labour sending areas, coordination is implemented through the Company's Stakeholder Relations Department for optimal impact. Funding is obtained from all mines, including Driefontein Operation.

Sibanye-Stillwater has adopted an integrated approach to stimulate Local Economic Development. The figure below depicts the nature of this integration.

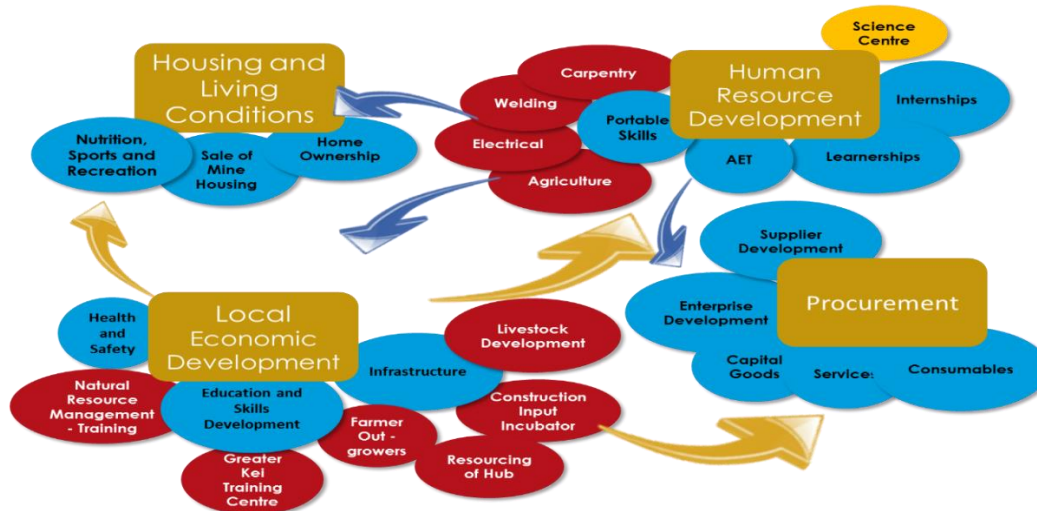


Figure 9: Sibanye-Stillwater Interdepartmental Linkages

4.7 LED Project Implementation Summary

The following projects have been identified as being appropriate in terms of Sibanye-Stillwater's philosophy of ensuring high impact on communities. As such the projects presented in this SLP are more viable and are more likely to succeed. The investment in this regard is also commensurate with the current production levels and associated profit levels of the Driefontein Operation. The Projects that follow have been split into (i) Labour Sending Area Projects and (ii) Host Community Projects, as follows:

Table 49: Driefontein Operation's LED Project Summary

Project Name	Project Impact	Implementation Date	Municipality	Budget
Establishment of Nursery	Job creation and Biodiversity Management	June 2017	Merafong City Local Municipality	R 3 000 000
Blybank Multipurpose Hall	Infrastructure Development	June 2017	Merafong City Local Municipality	R 9 000 000
Manufacturing Incubator	Enterprise Development	June 2017	Merafong City Local Municipality	R 4 000 000
Farmer Out-grower Scheme	Infrastructure and Enterprise Development	June 2017	Merafong City Local Municipality	R 10 000 000
Total - Host				R26 000 000
Livestock, Improvement and infrastructure Development	Rural Development and Enterprise Development	July 2017	E Cape LSA	R 2 800 000 pro-rated
Great Kei Skills Development Academy	Infrastructure Development	June 2017	E Cape LSA	R2 909 600 pro-rated
Total - LSA				R 5 709 600
Total (Host + LSA)				R 31 709 600.00

4.8 Labour Sending Area Projects

This mine community development programme places focus on infrastructure development projects in labour sending areas. The earmarked projects include: i) the Great Kei Skills Development Academy at Great Kei in the Eastern Cape; and ii) the Livestock Improvement and Infrastructure Development Project. It will be imperative to undertake projects involving wider consultation and collaboration with all stakeholders, especially communities, local and district municipalities, the DMR and Department of Agriculture. The ultimate goal is to have projects that continue to make a meaningful contribution long after mines cease to exist.

A letter requesting Sibanye-Stillwater to contribute the construction of training facilities that will be used to ensure preparedness of communities for the economic development initiatives that are unfolding in the in the Great Kei Local Municipality is attached as evidence of need. Subsequently meetings have been held with the municipality and other partners to unpack the concept and develop an initiate planning for the project

Table 50: Great Kei Skills Development Academy

Project Name	Great Kei Agriculture Training Facility	FY of Project Sheet	2017
Background to project	<p>In February 2017, the Great Kei Local Municipality (GKLM) submitted a request for part funding of the construction of a Skills Development Academy which will be established in the municipal area. Great Kei municipality is located in Amathole District, which is one of the Labour Sending Areas.</p>	Project start date	Jan 17
	<p>The municipality has identified a number of potential partners for the project and intends to implement the project in phases. Sibanye-Stillwater's contribution will be used to build the first phase, which will be structured to a fully functional unit, within the allocated budget, while the municipality mobilises additional funding. In case the municipality is unable to mobilise additional funding the first phase can be operated as a unit of the Skills Academy facility.</p> <p>The project is premised on the recently adopted vision of the municipality which is anchored on Operation Ocean Phakisa. The vision is supported by three pillars viz.</p> <ul style="list-style-type: none"> • Agriculture Development • Tourism Development and • Development of the Ocean Economy • Furthermore the GKLM has identified the following projects for the Oceans Economy: <ul style="list-style-type: none"> ○ Kei Mouth Small Towns Revitalization 	Project End Date	Dec 2021

	<ul style="list-style-type: none"> Small Boat fishing Harbour Kei River Mouth: upgrade the small craft facilities including: boat storage and recreational use. <p>According to the GKLM, all the above-mentioned interventions will require skilled persons; However the GKLM has as high as 70% of the youth that is unemployed. The municipality's vision for a skills development academy was borne out of the need to address youth unemployment and is intended to ensure readiness of youth to access opportunities that will arise from the implementation of the above interventions as driven by Operation Phakisa (Ocean Economy). According to the IDP of the municipality, only 19% of the population have Grade 12, which is indicative the high dropout rate experienced in the schooling system.</p> <p>The skills development academy will train youth in agriculture and maritime skills, in this way the municipality will abate the rising unemployment. This establishment according to the municipality is a niche development as none of the three Technical and Vocational Education and Training institutions in Amathole District offers agriculture and maritime skills. It is for this reason that the municipality is positioning the project to serve the entire district.</p> <p>Project Deliverables</p> <p>The project entails contributing towards the building of a skill development academy.</p>		
Project Partners	<ul style="list-style-type: none"> Sibanye-Stillwater: - will assist with funding for infrastructure and project management Department of Higher Education (DHET): - Memorandum of Agreement (MOA) to provide specifications, staffing, equipping and maintenance going forward Great Kei Local Municipality: - To provide land and services to the site and the 	Information Valid as at:	Jan 2017

	coordinating contribution from the various stakeholders																						
	<ul style="list-style-type: none">• Amathole District Municipality; Co-funding• Department of Agriculture:- To provide advise with regards to best practice in agriculture including advising on curriculum• Other Private Sector Companies: - Co-funding• University of Fort Hare, Nelson Mandela University, Fort Cox Agricultural College LGSITA: These institutions have been approached to come on board as technical strategic partners																						
Project Incorporated into which IDP	Amathole District and Great Kei Local Municipalities				Beneficiaries (Community Specific)		Great Kei, Amathole and Eastern Cape communities in general																
IDP Reference Number of Project	Total Expected Number of Jobs to be created during construction	Male	Female	Youth	Disabled	Total	Geographical Location of Project						Great Kei in Amathole District in the Eastern Cape Province										
		10	3	8	0	13																	
Output	Responsible Entity	Activity																					
		Key Performance Area (KPA)		Key Performance Indicator (KPI)		Year 1		Year 2		Year 3		Year 4		Year 5									
Multi-stakeholder steering committee	GKLM, DHET and Sibanye –Stillwater	Social facilitation		Minutes and attendance registers																			

Memorandum of Agreement (MoA)	GKLM, Sibanye-Stillwater and DHET	Partnerships and agreements	Signed MoA Public Private Partnership (PPP)																				
Land for the facility	GKLM	Centrally located land for the building of the project	Council Resolution																				
Funding and technical partners	GKLM	Partnerships	Signed agreement agreements																				
Appoint Professional teams	GKLM /Sibanye-Stillwater and Partners	Project management	Service level agreements																				
EIA, Rezoning and building plans	GKLM, DoHE, Sibanye-Stillwater and Partners	Project authorisation	Approved feasibility and building plans																				
Appointment of a contractor	Sibanye-Stillwater and other Partners	Tender process	Service Level Agreement																				
Skills Development Academy	Sibanye-Stillwater, GKLM and Other Partners	Site establishment and building of the facilities	Successful completion of facility																				

***To be pro-rated equally among all Sibanye-Stillwater Gold Operations**

Table 51: Livestock Development, Improvement and Infrastructure Project: Eastern Cape*

Project Name	Livestock Development, Improvement Support and Infrastructure Development	FY of Project Sheet	2017
Background to project	<p>This project seeks to build and equip shearing sheds, to enable subsistence farmers to participate in the commercial wool production. In this way a sustainable income stream will be created for the wool growers. The project is premised on Chris Hani's District Municipality (CHDM)'s local economic development priorities, therefore will be co-funded by the CHDM and Department of Rural Development and Agrarian Reform.</p> <p>The project was initiated in the 2012-2016 SLP cycle to improve the health of livestock of the Eastern Cape subsistence farmers and develop Village Link Persons (VLPs) who supplied health services. In the 3 years lifespan of the project more villages and 3 359 subsistence livestock farmers benefited from the animal health advice and medicines supplied, thus reducing the death rate of sheep to less than 10%.</p> <p>The establishment of shearing sheds will reduce the barriers to entry to the wool production for subsistence farmers and will provide them with the much needed infrastructure that will support this economic activity.</p> <p>Project Deliverables</p> <ul style="list-style-type: none"> • Building and equipping of 4 shearing sheds • Training of beneficiaries in the use of the shearing equipment 	Project start date	Jan 2017
		Project End Date	Dec 2021

Project Partners	Sibanye-Stillwater: Assist with funding for shearing equipment and project management										Information Valid as at:					June 2017				
	Chris Hani District Municipality: Provide land and services for the infrastructure and funding towards livestock health improvement																			
	Chis Hani Development Agency: Management and Technical support																			
	Department of Rural Development and Agrarian Reform (DRDAR): Technical support and infrastructure funding and maintenance																			
Project Incorporated into which IDP	Chris Hani District Municipality				Beneficiaries (Community Specific)			Subsistence farmers form 3 Local Municipalities (Sakhisizwe, Engcobo and Intsika Yethu) in Chris Hani District Municipality												
IDP Reference Number of Project	Total Expected Number of Jobs to be created	Male	Female	Youth	Disabled	Total		Geographical Location of Project					Eastern Cape Province							
		20	5	1	0	25														
Output	Responsible Entity	Activity																		
		Key Performance Area (KPA)		Key Performance Indicator (KPI)		Year 1		Year 2		Year 3		Year 4		Year 5						
Secure, buy-in, ownership and accountability	Sibanye-Stillwater, Chris Hani District Municipality and Chris Hani Development Agency and DRDAR	Social facilitation		Minutes and attendance registers																

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***To be pro-rated equally among all Sibanye-Stillwater Gold Operation**

4.9 Host Community LED Projects

The socio economic profile presented in the first section of this document is indicative of challenges faced by the community of Merafong City Local Municipality. For this reason this SLP's mine community projects will seek to address the following issues:

- increase mobility and employability of youth by using the projects to upgrade their skills
- Link Portable skills to economic opportunities prevalent in the area, by placing the graduates in the projects
- Investments in infrastructure should be commensurate to the beneficiaries' ability to maintain the infrastructure
- Local Economic Development interventions should promote inclusive economic growth and broaden the economic base by increasing the participation of communities in the economic mainstream in order to address the triple challenges of poverty, inequality and unemployment
- None diversified economy of MCLM is cause for concern and calls for deliberate actions to grow the economy by identifying opportunities outside the mining production value chain to broaden the economic base.

Table 52: Manufacturing Incubator

Project Name	Manufacturing Incubation hub	FY of Project Sheet	2017
Background to project <p>The main goal of the project is to develop non-supply-based SMMEs so that they have the ability and capacity to service other companies as well as their communities, thus building sustainability beyond the extractive operation.</p> <p>The objectives of the programme is to equip entrepreneurs with the necessary technical skills and resources to establish manufacturing driven businesses that will serve the current and emerging need of the growing industries' value chains and in addition, assist them to manage these business ventures at sustainable growth and profit margins.</p> <p>The project is initiated at the back of West Rand re-industrialization strategy which is led by the Province and the District to unlock enterprise development by developing local SMMEs to become suppliers and transfer skills to participate in manufacturing sector (steel, wood, concrete and paint)</p> <p>Project Deliverables</p> <p>The project entails training of SMMEs in wood, paint, steel and cement product manufacturing and resource the incubator with equipment</p>		Project start date	Jan 2017
Project Partners	<ul style="list-style-type: none"> Department of Small Business Development - for financial and non-financial services 	Project End Date	Dec 2021

	<ul style="list-style-type: none">• The West Rand District Municipality and constituent municipalities – Support with market facilitation and coordination• Gauteng Technical Manufacturing Initiative (GTMI) – Project manage the incubation hub and delivery of sustainable qualified SMMEs																			
IDP Alignment	The project is aligned to the IDPs of Merafong, Rand West City Local Municipality and West Rand District Municipality's priorities of SMME development to grow the township economy as well as the Gauteng Province's Revitalization of Township Economies										Information Valid as at:	June 2017								
Project Incorporated into which IDP	Rand West City and Merafong City Local Municipalities				Beneficiaries (Community Specific)		Small Medium Micro Enterprises from the respective municipalities													
IDP Reference Number of Project	Total Expected Number of Jobs to be created	Male	Female	Youth	Disabled	Total	Geographical Location of Project				Westonaria, Gauteng Province									
		16	14	24	0	30														
Output	Responsible Entity	Activity																		
		Key Performance Area (KPA)		Key Performance Indicator (KPI)		Year 1		Year 2		Year 3		Year 4		Year 5						
Secure, buy-in, ownership and accountability	Sibanye-Stillwater and Project Partners	Social facilitation		Minutes and attendance registers																
Entrepreneurship	Sibanye-	New Venture		Certification																

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Table 53: Blybank Multi-Purpose Community Hall

Project Name	Blybank Multi- Purpose Community Hall		FY of Project Sheet	2017
Background project	<p>The residents of the ward 13 lack a public gathering facility and experience problems when they hold public meetings and gatherings. Every time there is public gathering a tent is hired and pitched outside the library. The Merafong City Local Municipality (MCLM) in the 2017-2021 IDP has prioritized building of community halls to address backlogs in areas that lack such facilities.</p> <p>It is for this reason that Sibanye-Stillwater is supporting the municipality in implementing this priority in order to provide residents of Wards 13 and surrounding communities with a facility that will enable a wide range of social activities.</p> <p>The project entails building a multi-purpose hall that will cater for community gatherings, recreational, cultural and education (i.e. Early Childhood Centre) will be used as a resource base (i.e. it will host community workshops, presentations, exhibitions and a variety of programmes of social development programmes). Once completed the multi-purpose hall will be owned by the Merafong City Local Municipality.</p> <p>Project Deliverables</p> <p>The project entails building of multi-purpose community hall</p>			Jan 2017
Project Partners	Merafong City Local Municipality		Project End Date	Sep 2020
IDP Alignment	The project is aligned to the IDP of Merafong City Local Municipality		Information Valid as at:	June 2017
Project Incorporated	Merafong City Local Municipality	Beneficiaries	Resident of ward 13 and surrounding communities	

into which IDP					(Community Specific)																
IDP Reference Number of Project	Total Expected Number of Jobs to be created	Male	Female	Youth	Disabled	Total			Geographical Location of Project				Ward 13 Community, Blybank								
		15	10	0	0	25															
Output	Responsible Entity	Activity																			
		Key Performance Area (KPA)	Key Performance Indicator (KPI)	Year 1			Year 2			Year 3			Year 4			Year 5					
Land suitable for building	Sibanye – Stillwater	Land identification	Earmarked land																		
Secure, buy-in, ownership and accountability	Sibanye-Stillwater and Merafong City Local Municipality	Social facilitation	Minutes and attendance registers																		
Suitable design	Sibanye - Stillwater	Ground stability studies	Positive Geo-tech report																		
Building Plans	Sibanye – Stillwater and MCLM	Drawing and designs	Approved plans																		
Appointment of contractor	Sibanye - Stillwater	Tender process	Site establishment																		

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Table 54: Merafong Nursery

Project Name	Merafong Nursery	FY of Project Sheet	2017
Background project to	<p>The West Rand District and the Merafong City Local Municipality in the 2017-2021 IDP continue to prioritise the Green IQ and the blue economy vision and it requires the planting of trees to realise the vision. The Merafong Nursery project seeks to support this priority by establishing a 500m² nursery that will propagate trees and other seedlings for food security. The saplings will be supplied to initiate and maintain reforestation that will be initiated on mine impacted land.</p> <p>The Merafong Nursery Project is initiated at the back of Sibanye-Stillwater Driefontein Operation's biodiversity action plan incorporated in the Driefontein Operation Environmental Management Programme. It is intended to propagate saplings that will also be supplied to Sibanye-Stillwater's operations rehabilitation programme. The project will supply trees that will be planted the rehabilitation of mine impacted land and to the municipality and the community for agroforestry. The nursery will also germinate seeds and sell seedlings to the community in general in support of horticulture development which is currently implemented by the Department of Agriculture in Merafong.</p> <p>Tree planting is vital, not only to increase local tree covers, but also to protect</p>	Project start date	Jan 2017

	natural resources from further depletion, in this way it will support the alien tree project that was initiated in the 2012-2016 SLP with the intention to sustain the livelihoods of SMMEs that are involved in tree felling. Project Deliverables <ul style="list-style-type: none">Set up a 500m² nursery to propagate indigenous trees, fruit trees and vegetables and flower seedlingsDevelop a local entrepreneur to operate the nursery							
Project Partners	<ul style="list-style-type: none">Merafong City Local MunicipalityDepartment of Agriculture Forestry and Fisheries (DAFF)Gauteng Department of Agriculture and Rural Development (GDARD)						Project End Date	Dec 2021
IDP Alignment	The project is aligned to the Merafong City Local Municipality and West Rand District Municipality's Green IQ vision, as addressed in the IDPs.						Information Valid as at:	June 2017
Project Incorporated into which IDP	Merafong City Local Municipality			Beneficiaries (Community Specific)		Communities situated in Merafong		
IDP Reference Number of Project	Total Expected Number of Jobs to be created	Male	Female	Youth	Disabled	Total	Geographical Location of Project	Merafong. Gauteng
		5	4	3	0	9		
Output	Responsible	Activity						

	Entity	Key Performance Area (KPA)	Key Performance Indicator (KPI)	Year 1				Year 2				Year 3				Year 4				Year 5			
Confirmation of the availability of land	Sibanye-Stillwater	Land Audit	Land audit report																				
Feasibility and meteorological and soil test report	Sibanye-Stillwater	Resource assessment	Feasibility report																				
Secure, buy-in, ownership and accountability	Sibanye-Stillwater and Merafong City Local Municipality	Social facilitation	Minutes and attendance registers																				
Site assessment and planning	Sibanye-Stillwater, GDARD and DAFF	Site requirements – soil test and meteorological requirements	Suitability of the site																				
Nursery infrastructure	Sibanye-Stillwater and GDARD	Infrastructure development	Layout and plan																				

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Table 55: Farmer Out-grower Scheme

Project Name	Establishment of Farmer Out-grower scheme	FY of Project Sheet	2017
Background to project	<p>The project will be implemented under the auspices of the Sibanye-Stillwater mega agriculture development programme which is a partnership between Sibanye-Stillwater, Mining Phakisa, Gauteng Infrastructure Finance Agency, West Rand Development Agency and the Public Investment Corporation. The implementation of this project will be Sibanye-Stillwater's contribution to the enhancement of the agropolis nodal development which is a Provincial Programme that seeks to use agriculture to diversify the economy of the West Rand.</p> <p>Sibanye-Stillwater is capitalizing on the land that is owned by the Driefontein Operation and will use it promote agriculture development in Merafong and the West Rand in general.</p> <p>The West Rand Economic profile conducted by Gauteng Province revealed that few individuals are reaping high economic returns from their agricultural pursuits. Many live beneath the food poverty line. This reinforces the uneven income distribution that is persistently reported within the District Municipality and province in the agriculture sector. It is for this reason that Sibanye-Stillwater has prioritized agriculture as key to address income disparities, unemployment and poverty in Merafong. The farmer out-grower</p>	Project start date	Jan 2017

	<p>scheme/model will be adopted to address yields, quality, skills development and supply chain linkages. Sibanye-Stillwater will avail land and invest in the infrastructure required on the farms that will accommodate community farmers. Farmers will be identified from existing subsistence farmers, cooperatives and the youth that was trained through Mining Qualification Authority funded agriculture skills programme, which was implemented by Sibanye-Stillwater.</p> <p>Participating small farmers will be allocated land and linked to the commercial farmers that will be participating in the mega agriculture development programme, so as to ensure that they have access to markets, product development and technical support.</p> <p>Project Deliverables</p> <p>The project entails establishing 4 farmer production units to develop small farmers on 20 hectares, which Sibanye-Stillwater will allocate to this project.</p>		
Project Partners	<ul style="list-style-type: none"> • Gauteng Department of Agriculture and Rural Development (GDARD) • Operation Mining Phakisa • Merafong City Local Municipality • West Rand Development Agency (WRDA) • Gauteng Infrastructure Finance Agency • Department of Rural Development and Agrarian Reform (DRDAR) 	Project End Date	Dec 2021

IDP Alignment	The project is aligned to the IDP of MCLM which has prioritized agriculture as key to promote inclusive economic growth. The project is also aligned to the West Rand District Municipality's Agropolis nodal development.						Information Valid as at:	June 2017
Project Incorporated into which IDP	Merafong City Local Municipality			Beneficiaries (Community Specific)	Communities situated in Merafong (Blybank, Khutsong, Kokosi, Carletonville, Wedela)			
IDP Reference Number of Project	Total Expected Number of Jobs to be created	Male	Female	Youth	Disabled	Total	Geographical Location of Project	Gauteng Province
		20	20	25	0	40		
Output	Responsible Entity	Activity						
		Key Performance Area (KPA)	Key Performance Indicator (KPI)	Year 1	Year 2	Year 3	Year 4	Year 5
Confirmation of the availability of land	Sibanye-Stillwater and Phakisa	Land Audit	Land audit report					
Feasibility and meteorological and soil test report	Phakisa and commercial farmers	Resource assessment	Feasibility report					

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	Stillwater		of a going and sustainable concern																					
Budget	R10m																							
Exit Strategy:	The project will be handed over to the WRDA for incorporation into the Agropolis nodal development of the West Rand																							
Completion Date:	2021																							

5. Housing and Living Conditions

5.1 Introduction

The Driefontein Operation has aligned itself to Sibanye-Stillwater's policy and strategy of improving the living conditions of its employees, and has:

- Established accommodation forums both centrally and at operational level;
- Elected Hostel Residents Committees with full-time members who represent the interests of the employees in the management of the residences;
- Planned a follow up survey in order to determine if employee accommodation preferences had changed over the past eight years. The survey will assist in enhancing the existing accommodation strategy, which includes the following options:
 - Hostel Upgrades;
 - Family Units;
 - Rental of current houses;
 - Home Ownership Scheme;
 - Aligned accommodation initiatives with the Integrated Development Plans of the relevant local authorities.

Consequent to the above, and acknowledging the inherent precepts of human dignity, respect and privacy, Sibanye-Stillwater has embarked on a major project to upgrade and convert existing single sex hostels to achieve lower room densities, to allow for more privacy. This has improved living conditions and provided social development for the residents, and when combined with the balance of Sibanye-Stillwater current property portfolio will provide choices across the entire accommodation spectrum. Driefontein Operation completed 100% of all upgrades by end December C2013.

Driefontein Operation is committed in facilitating a Home Ownership Scheme to provide employees the option to purchase homes in and around the mining operations. All efforts in this regard have been aligned with the National Development Plan and the Global Sustainable Development Goals in relation to (i) Education and Skills and Employment, (ii) Safety and Security, (iii) Housing, Water, Sanitation, Electricity and (iv) a Clean Environment.

Table 56: Available Housing Status for Employees (as at 31 December 2016)

Accommodation Type	Number of Employees	Percentage (%) of Total Workforce
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Hostels	4 345	33%
Own Accommodation	790	6%
Company Accommodation	3 007	23%
Other (Specify): Living out Allowance	4 754	36%
Single Quarters	186	1.42%
Total		100%

The above table shows accommodation preferences made by Driefontein Operation's employees: 33% of the employees reside in hostel dwellings, 23% in Company accommodation, 6% exercised the option of utilizing their own accommodation, while 36% of employees opted for a Living out Allowance. The implementation plans are set below.

Table 57: The Total Cost of Driefontein Operation Accommodation Programme for 2017 – 2021

Action	2017	2018	2019	2020	2021	Total (2017-2021)
	Rm	Rm	Rm	Rm	Rm	Rm
Costs for Maintaining Family Accommodation	27 992	26 734	25 235	23 471	21 414	124 846
Costs for Maintaining Single Accommodation	43 832	43 894	43 823	43 604	43 217	218 371
Total - Rm	71 824	70 628	69 058	67 075	64 631	343 216

5.2 Home Ownership Strategy

Driefontein Operation is committed to improving the living conditions of its PR 2 employees. By doing this, a decision was taken to implement the Home Ownership scheme for the PR 2 employees. To this end, the Property Department has been investigating different role players in the market with a view to how they can facilitate the introduction of an Employee Home Ownership Scheme. Such a scheme would not only provide employees with a well-constructed and serviced house, but will also offer them and their families a long-term source of financial security. Based on affordability of the employees in this scheme and building cost escalation, new models are being investigated and the way forward will be determined by the life of mine of each operation.

5.3 Nutrition

Sibanye-Stillwater has developed policies and standards to improve the nutrition provided to its employees who live in company high-density accommodation incorporating:

- An approved Nutritional Policy, which addressed employee energy requirements;
- Consultation with, and approval of organized labour;
- The creation of a catering manual detailing menus and recipes; and
- Optimal nutrition for employees in order to sustain energy and support health is now provided by:
 - Complying with nutritional, hygiene and safety standards;
 - Utilizing a qualified dietician/nutritionist;
 - Ensuring the correct balance between macro and micro nutrients, vitamins and minerals;
 - Improving the choice of meals;
 - Timely repair and replacement of existing equipment;
 - Upgrading equipment as necessary from time to time, to accommodate any change in cooking methodology; and
 - Training cooks on new recipes and equipment.

An internal audit/review process, incorporating quality control will be introduced utilizing established forums with employees and organized labour on a regular basis to ensure strict adherence to the above, and in so doing, promoting a healthy, productive employee. All efforts in this regard have been aligned with the National Development Plan and the UN Goals for Sustainable Development in relation to (i) Zero hunger, (ii) Good health and wellbeing, as well as (iii) Clean water and sanitation.

Table 58: The Total Cost of Driefontein Operation Nutrition Programme for 2017 – 2021

Action	2017	2018	2019	2020	2021	Total (2017-2021)
Nutrition	Rm	Rm	Rm	Rm	Rm	Rm
	130 732	135 962	141 400	147 056	152 938	708 089

6. Procurement

6.1 Introduction

The Sibanye-Stillwater Procurement function is carried out by its wholly-owned subsidiary, Shared Services (Proprietary) Limited as an agent for and on behalf of Sibanye-Stillwater operations in all three levels of procurement, namely capital goods, services and consumables. As such, Driefontein Operation's SLP and MPRDA commitments and obligations will essentially be operationalised on its behalf by its agent at the Shared Services level.

Driefontein Operation has given HDSAs a focussed status, where possible, in all three levels of procurement. It has, to this end:

- identified current levels of Group procurement from HDSA companies;
- committed, achieved and exceeded the targets as set out in the 2010-2014 mining charter.

The tables below show the definition of procurement terms as well as the HDSA procurement spend on direct Driefontein Operation purchases as at December 2016.

Table 59: Definition of Procurement Terms

Definitions	
Capital:	Specialised equipment procured on a project basis, this will also include equipment with a lifespan of over twelve (12) months and/or greater than R 100,000.00. (All purchases defined as Capital by the Operations)
Services:	All work performed on behalf of Driefontein Operation by Contractors (on and off-site).
Consumables:	All inventory stock housed in the warehouse and all special purchases of commodities covered by contract and those not covered by contract.
Multinationals:	Goods not obtainable from the local market and imported from International Companies. (Note: International companies that have a registered agency in SA are not defined as multi-national as they comply with SA Legislation).
Local Procurement:	This refers to procurement from host communities.

Non-Discretionary Spend:	All inter-company transfers, purchases from parastatals, training, education, all financial- and insurance institutions, inclusive of multi nationals as defined above.
Discretionary Spend:	All spend where Sibanye-Stillwater can be selective in terms of its procurement.
HDSA spend	All discretionary spend on BEE companies - which is defined as an entity with a minimum of 25% + 1 vote of share capital directly owned by HDSA's as measured in accordance with the flow through principle.

***Definitions as per Mining charter II**

All efforts in this regard have been aligned with the National Development Plan and the UN Global Goals for Sustainable Development in relation to (i) Sustainable Cities and Communities; and (ii) Decent work and economic growth.

6.2 HDSA Procurement Spend in 2016

The total Sibanye-Stillwater HDSA procurement spend between January and December 2016 amounted to R 5, 221 billion, whereas Driefontein Operation's HDSA procurement spend during the same period amounted to R 1, 440 billion. The table below highlights the spend in the 3 categories of capital goods, consumables and services

Table 60: HDSA Procurement Spend on Direct Purchases as at end December 2016

Driefontein Operation HDSA Procurement Spend on Direct Purchases				
HDSA Portion	Capital Goods	Services	Consumables	Total % HDSA
HDSA % portion	71%	77%	56%	67%
HDSA Rm portion	R149 102	R 783 231	R 507 882	R 1 440 216

6.3 HDSA Regional Procurement Spend

Driefontein Operation's total regional procurement spend equals to R 1 345.1 million split between direct purchases and Sibanye-Stillwater Shared Services inventory stock purchases.

Table 61: HDSA Regional Procurement Spend as at December 2016

Purchases –Driefontein Operation: January to December 2016				
HDSA Portion	Capital Goods	Services	Consumables	Total Spend
HDSA local & regional portion - %	72%	79%	55%	
HDSA local & regional portion - R	R 144 194 598	R 730 700 245	R 470 171 507	R 1 345 063 350

6.4 Procurement Implementation Strategy

Table 62: Procurement Implementation Strategy

Responsible Position	Strategic Plan	Timeframe
VP Supply Chain	Review Black Economic Empowerment (BEE) policies, procedures and guidelines to ensure compatibility with the requirements of the Mining Charter	Will adjust accordingly when Mining Charter 3 is approved
VP Supply Chain	Give HDSAs preferred supplier status*wherever possible in all three (3) levels of procurement.	Ongoing
VP Supply Chain	Identify and record the level of procurement from HDSA companies on a quarterly basis as well as geographical sources of procurement.	Ongoing
VP Supply Chain	Where possible, suppliers will be reviewed & audited on a quarterly bases, for HDSA participation, ownership and involvement, ensuring that the tender committee is always updated on the HDSA procurement status of Kloof operation.	Every Quarter
VP Supply Chain	Consult with all 0% HDSA companies to review their company's approach to achieve the Mining Charter requirements.	Ongoing

***Assuming that the product or service meets the technical, commercial and risk obligations of Sibanye-Stillwater**

Our interventions require accurate data to develop appropriate strategies and need to be value adding and sustainable. Sibanye-Stillwater will continue to evaluate and optimise our engagement strategy with our stakeholders to become a leader in innovative supply chain interactions. We have a three pronged approach:

- a) Enterprise development – assisting or accelerating the development of enterprises to participate, expand or improve businesses in the mining regions in which we operate;
- b) SMME development – working with SMME suppliers to improve their performance and enhance participation within the spend profile;
- c) BEE enhancement and development – targeting existing suppliers to develop execution roadmaps to enhance transformational impact.

Sibanye-Stillwater is targeting the development of sustainable enterprises in the mining environments in which we operate. In the execution of the strategy, we need to ensure that the pricing, risk and quality of products and services meet the organisational requirements. A partnership approach to execution is required with continuous feedback and interaction.

6.5 Procurement Progression Plan

The Sibanye-Stillwater procurement progression plan for the next five years is as follows:

Table 63: Procurement Plan

Procurement Plan*						
Key Objective	Current	2017	2018	2019	2020	2021
Grow accredited HDSA vendor base (Number)	50%	52%	54%	54%	58%	60%
Grow Capital procurement from HDSA providers	40%	40%	40%	40%	40%	40%
Grow Services procured from HDSA providers	70%	70%	70%	70%	70%	70%
Grow Consumables procured from HDSA providers	50%	50%	50%	50%	50%	50%
Enterprise & Supplier Development	1	2	2	3	3	2
SMME New Entrance Registered	8	8	8	8	8	8
SMME Vendor Registration Training	5	10	10	10	10	10

Sibanye-Stillwater recognizes the importance of building and sustaining businesses in our local communities and is in process of executing an Enterprise and Supplier development strategy to address this.

The Joint ventures target for 2012-2016 was not met and the backlog 6 will be addressed through the implementation of Sibanye-Stillwater's Enterprise and Supplier development strategy.

Not all sustainable businesses are developed through joint ventures, but also through alignment with other companies, partnering and training. In this cycle Sibanye-Stillwater will be focusing on building local businesses around our operations.

7. Downscaling and Retrenchments

7.1 Introduction

The Driefontein Operation is committed to the retention of jobs and avoidance of job losses wherever possible. However conditions may arise from time to time that require a reduction of the labour force. Driefontein Operation is a low grade mine, which is affected by even slight changes in the gold price, production costs and other external factors which adversely impact the viability of the mine.

All efforts in this regard have been aligned with the National Development Plan and the UN Global Goals for Sustainable Development in relation to avoiding and or mitigating the impacts associated with an economic downturn.

In order to manage and to minimize the effect of downsizing, closure and retrenchments, Driefontein Operation will implement measures set out below in an endeavour to avoid job losses and will manage the process in accordance with the following undertakings, where retrenchments cannot be avoided:

7.2 Establishment of a Future Forum

A Future Forum has been established at the operation and will continue to meet on a quarterly basis. The Future Forum is governed by a Constitution which guides the Forum in terms of:

- a) Promoting on-going discussions between employee representatives and operation's management about the future of the mine;

- b) Examining future scenarios to identify problems, challenges and possible solutions, with regard to productivity and employment;
- c) Identifying production and employment turn-around strategies;
- d) Implementing strategies which are discussed by both management and employee representatives of the operation; and
- e) Considering interventions which would benefit the community within which the Driefontein Operation operates.

7.3 Communication with Authorities during Retrenchments

Where retrenchments cannot be avoided, Driefontein Operation will adhere to the following steps:

- Consult recognised trade unions in the Driefontein Operation Future Forum;
- A notice in terms of Section 189(3) of the Labour Relations Act (LRA) will be issued to relevant parties as provided for in Section 189 of the LRA. Consultations will be held in terms of the relevant provisions of the Labour Relations Act;
- Consult with any person as required in terms of Section 189 and/or Section 189A of the LRA;
- A notice in terms of Section 52 of the MPRDA will be issued to the Mineral and Petroleum Board where the prevailing economic conditions cause the profit to revenue ratio of the relevant mine to be less than six per cent (6%) on average for a continuous period of 12 months or if any mining operation be scaled down or cease with the possible effect that 10 per cent (10%) or more of the labour force or more than 500 employees, whichever is the lesser, are likely to be retrenched in any 12 month period;
- Should a Ministerial Directive in terms of Section 52 of the MPRDA be received, Driefontein Operation will take the necessary steps to comply;
- Driefontein Operation will communicate with the following entities in the event of possible retrenchments:
 - Registered trade unions;
 - Affected employees and/or their representatives;
 - Municipalities in surrounding areas and relevant major labour sending areas;
 - The DMR;
 - Relevant service providers; and
 - The Department of Labour

7.4 Capital Investment

The most effective way to extend the life of the mine is by capital investment and incremental growth. Future expansion and capital investment opportunities that may exist in respect of Driefontein Operation would be considered with due regard to the prevailing gold price, production costs and the ability of the ore reserve and geological model(s) to deliver sufficient contained gold to support future profitable extraction. Driefontein Operation will continuously update its geological models to enhance its geological and knowledge base.

7.5 Alternative Solutions

In the event where it becomes impossible to avoid job losses, the Future Forum will consider alternatives to retrenchment, including alternatives proposed by stakeholders in the Forum. The list below constitutes an example of alternatives which may be explored. This list is not definitive and is subject to changes and additions as a result of discussions with stakeholders.

When giving consideration to proposals the company will, of necessity, consider the need for special skills and the need to retain experienced employees, and will furthermore comply with its policies and procedures regarding retrenchment, existing labour agreements and current legislation:

- The cessation of recruitment of new employees, save for critical skills required for the safe running of the operations;
- The termination of the services of temporary employees and re-employed pensioners;
- Minimization of the use of contract labour;
- Avoid renewal of contract agreements where possible;
- Use of internal skills;
- Small contracts not affected;
- Normal Retirement;
- Compulsory Early Retirement;
- Voluntary Early Retirement;
- Voluntary Separation;
- Alternative employment on another operation within the Group;
- Alternative employment in other mining companies;
- Redeployment of misplaced and/or over-complement labour to vacancies within Driefontein Operation and other Sibanye-Stillwater Operations;
- Implementing Alternative Work Arrangements; and
- Working on off-days.

7.6 Mechanisms to Ameliorate the Social and Economic Impact on Individuals, Regions and Economies Where Retrenchments or Closure of an Operation is certain

Should retrenchments be unavoidable, Driefontein Operation will take steps to minimize the social and economic impact on the affected employees and regions, as per section 5.3.

7.7 Mitigating the Impact on Labour Sending Areas

Driefontein Operation will take the following steps to minimize the impact on the labour sending areas:

- Obtain and scrutinize the IDPs of the sending areas in order to adequately respond to the needs identified;
- Ensure that the portable skills training courses offered to employees are relevant to employment and self-employment opportunities in the sending areas;
- Ensure that training interventions are relevant to employment opportunities and self-employment in the host and urban areas as well as in the sending areas; and
- Where a particular labour sending area will be seriously impacted as a result of possible retrenchments, LED initiatives in the sending area will be directed at creating employment opportunities.

7.8 Post Closure Planning

Driefontein Operation intends to develop and expand skills training programmes to provide employees with skills which are valuable outside of the mining industry and will enable integration into the broader economy. These will be strategies that avoid dependency on the mine but promote independence amongst individuals should they leave the mining. Strategies will be developed with relevant stakeholders within the closure planning process.

On-going engagement and consultation and advisory roles facilitated through the Future Forum structure, will be utilised to ensure that the programmes and plans continue to deliver sustainable and effective benefits.

Planning for specific LED projects at closure is very difficult given that the current provisional projected life of mine is 19 years based on current business plan. However, cognizance of the need for comprehensive LED projects which are developed with the aim of sustainable social and economic development in the region surrounding the mine, particularly for workforce and/or communities previously dependent on the mine for their livelihoods, will be key.

8. Financial Provision

Driefontein Operation is committed to implementing this Social and Labour Plan and sets out in the table below the amounts it intends to spend in the area of Human Resource Development and Local Economic Development projects. Details of expenditure to date are set out, where appropriate, in the relevant sections of this SLP.

The ability of Driefontein Operation to fund, on an ongoing basis, the programmes described in this Social and Labour Plan is, however, dependent on the ability of the operation to generate positive cash flows after capital expenditure. Given that our strategic objective is to optimise the mining of our ore bodies, for the benefit of all stakeholders, particularly our employees whose job security is enhanced by our ability to extend the lives of our shafts through pay limit reduction, decisions will accordingly always be made taking into account the long-term implications, and a balance will need to be found between competing interests.

In a similar vein, profitability and the generation of cash flows are dependent on the Rand/gold price received, as is the availability of ore reserves to be mined profitably. Gold price sensitivity of the reserves in ounces is shown at 5 percent (5%) intervals above and below the base gold price. With an increasing gold price, generally, the average grade mined is reduced but with additional tons, gold output is increased. With a decreasing gold price, higher grades are mined at reduced tons equating to decreased gold output.

Provided that we cannot control the international gold price or the Rand/Dollar exchange rate, the only way in which we can sustain our ore reserves and therefore our futures, is through increased productivity in all spheres of the business, including stringent cost control. This SLP assumes a gold price of R 490 000 per kilogram and the non-occurrence of events that are beyond our reasonable control. However, should this price not be achieved on a sustainable basis, and should our SLP roll-out be impaired by the occurrence of events beyond our reasonable control, or should any risk factor (including, without limitation, the Risk Factors referred to above) materialise or alter materially, the roll-out of the programmes outlined in this SLP may require re-assessment. As such, Driefontein's undertakings in this SLP need to be read and understood in this context and against this background. Conversely, should we be able in the future to achieve revenues significantly in excess of R 490 000 a kilogram, we will be in a position to accelerate the programmes.

To Note:

The financial provision in this SLP specifies the HRD and Mine Community Development Project components only. SLP elements such as Employment Equity, Procurement, Downscaling and Retrenchments etc., are provided for through operational budgets allocated on a year to year basis. Specific budgeted amounts and financial provision for these elements of the SLP will be specified annually in the required SLP Implementation Plans.

8.1 Financial Provision (Regulation 46 (E))

Driefontein Operation is committed to the SLP and, to this end, has redone the Mining Work Programme to include the increased expenditure required for HRD, LED project, Housing and Living Conditions, Procurement and Enterprise Development and downscaling and retrenchment activities.

8.2 Financial Provision for Human Resource Development Programmes

Table 64: HRD Programmes: Financial Provision

Financial Provision for Human Resources Development Programmes	2017	2018	2019	2020	2021	Total Financial Provision (2017 to 2021)
	R 143 841 434	R 137 829 192	R 139 277 952	R 133 361 972	R 144 312 936	R 698 623 486

8.3 Financial Provision for Local Economic Development Programmes

Table 65: LED Projects: Financial Provision

Financial Provision for Local Economic Development Projects	2017	2018	2019	2020	2021	Total Financial Provision (2017 to 2021)
Host	R 4 600 000	R 7 600 000	R 8 200 000	R 3 200 000	R 2 400 000	R 26 000 000
LSA	R 500 000	R 1 302 400	R 1 302 400	R 1 302 400	R 1 302 400	R 5 709 600
Total – Host + LSA	R 5 100 000	R 8 902 400	R 9 502 400	R 4 502 400	R 3 702 400	R 31 709 600

8.4 Financial Provision for Accommodation and Nutritional Programmes

Table 66: Accommodation and Nutritional Programmes: Financial Provision

Action	2017	2018	2019	2020	2021	Total (2017 – 20121)
	Rm	Rm	Rm	Rm	Rm	Rm
Costs for Maintaining Family Accommodation	R 27 992 000	R 26 734 000	R 25 235 000	R 23 471 000	R 21 414 000	R 124 846 000
Costs for Maintaining Single Accommodation	R 43 832 000	R 43 894 000	R 43 823 000	R 43 604 000	R 43 217 000	R 218 370 000
Cost of Nutrition Programme	R130 732 000	R135 962 000	R141 400 000	R147 056 000	R152 938 000	R 708 088 000
Total	R202 556 000	R206 590 000	R210 458 000	R214 131 000	R217 569 000	R1 051 304 000

8.5 Provision for the Management of Downscaling and Retrenchments

The decision to retrench employees is subject to the prevailing economic circumstances of the operation at a particular point in time. Therefore Sibanye-Stillwater **does not plan for retrenchments ahead of time**. However, in the event of such a decision having to be taken for operational or other economic-related reasons, provision for the management of retrenchments will be provided for as part of the operational budget. This would also cover costs for consultation processes and forums that must, of necessity, take place in the event of any retrenchment process.

All provisions in this regard will therefore be captured in the preceding implementation plans. With respect to downscaling in general and in accordance to the Life of Mine plan (Mine Works Programme), provision has been made for natural attrition, as per the table below, in accordance with (i) changes in production, and (ii) related workforce requirements.

Table 67: Financial Provision for Management of Downscaling and Natural Attrition

Financial Provision for Management of Downscaling and natural attrition	2017 RM	2018 RM	2019 Rm	2020 Rm	2021 Rm	Total Financial Provision (2017 to 2021)
	R106 643	R109 247	R316 697	R111 963	R121 337	R765.9 m

9. Undertaking by Vice President

I, K. B. DE LANUE, the undersigned and duly authorized thereto by **Sibanye Gold (Driefontein Operations West)** undertake to adhere to the information, requirements, commitments and conditions as set out in the social and labour plan.


Signed at Sibanye Gold on this 30 June 2017

Signature: 

Designation: Vice President Driefontein Operations (West)

I, J. J. BARNARD, the undersigned and duly authorized thereto by **Sibanye Gold (Driefontein Operations East)** undertake to adhere to the information, requirements, commitments and conditions as set out in the social and labour plan.

Signed at Sibanye Gold on this 30 June 2017

Signature: 

Designation: Vice President Driefontein Operations (East)