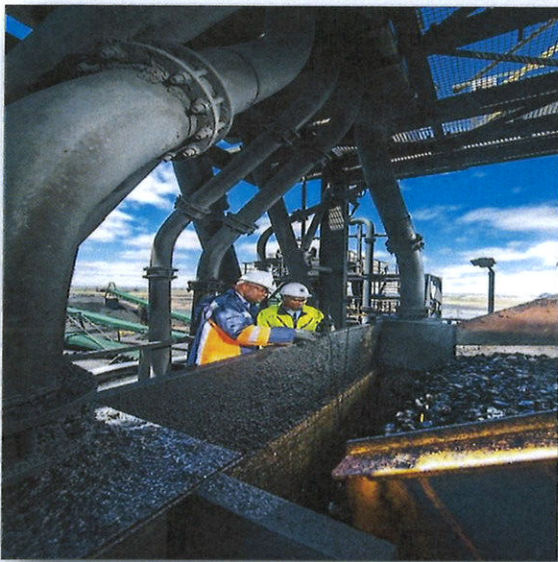


# GLENCORE

Zonnebloem Social & Labour Plan 2023-2027

Mining Right Reference Number: MP30/5/1/2/2/350MR

1685  
Dept. of Mineral Resources & Energy  
Private Bag x7279  
2024 -06- 25  
Witbank 1035  
Dept. of Mineral Resources & Energy



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## List of Abbreviations and Acronyms

Abbreviation/ Acronym	Description
AET	Adult Education and Training
ATR	Annual Training Report
CTC	Colliery Training Centre
DMRE	Department of Minerals and Resources and Energy
DEL	Department of Employment and Labour
EE	Employment Equity
HDSA	Historically Disadvantaged South Africans
IDP	Integrated Development Plan
Ktpm	Kilo tons per month
LED	Local Economic Development
MPRDA	Mineral and Petroleum Resources Development Act
MC	Mining Charter
MQA	Mining Qualifications Authority
Mtpa	Million tons per annum
NQF	National Qualifications Framework
SDF	Skills Development Facilitator
SETA	Sector Education Training Authority
SLP	Social and Labour Plan

**Glencore Social & Labour Plan: 2023-2027**

SMME	Small, Medium and Micro Enterprises
WSP	Workplace Skills Plan
TMP	Tons per month

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## SECTION 1: PREAMBLE

## SECTION 1: PREAMBLE

This section addresses Regulation 45 (a) of the Mineral and Petroleum Resources Development Act which provides for the contents of the Social and Labour Plan to include, amongst others, an introduction which provides the background information of the Mine.

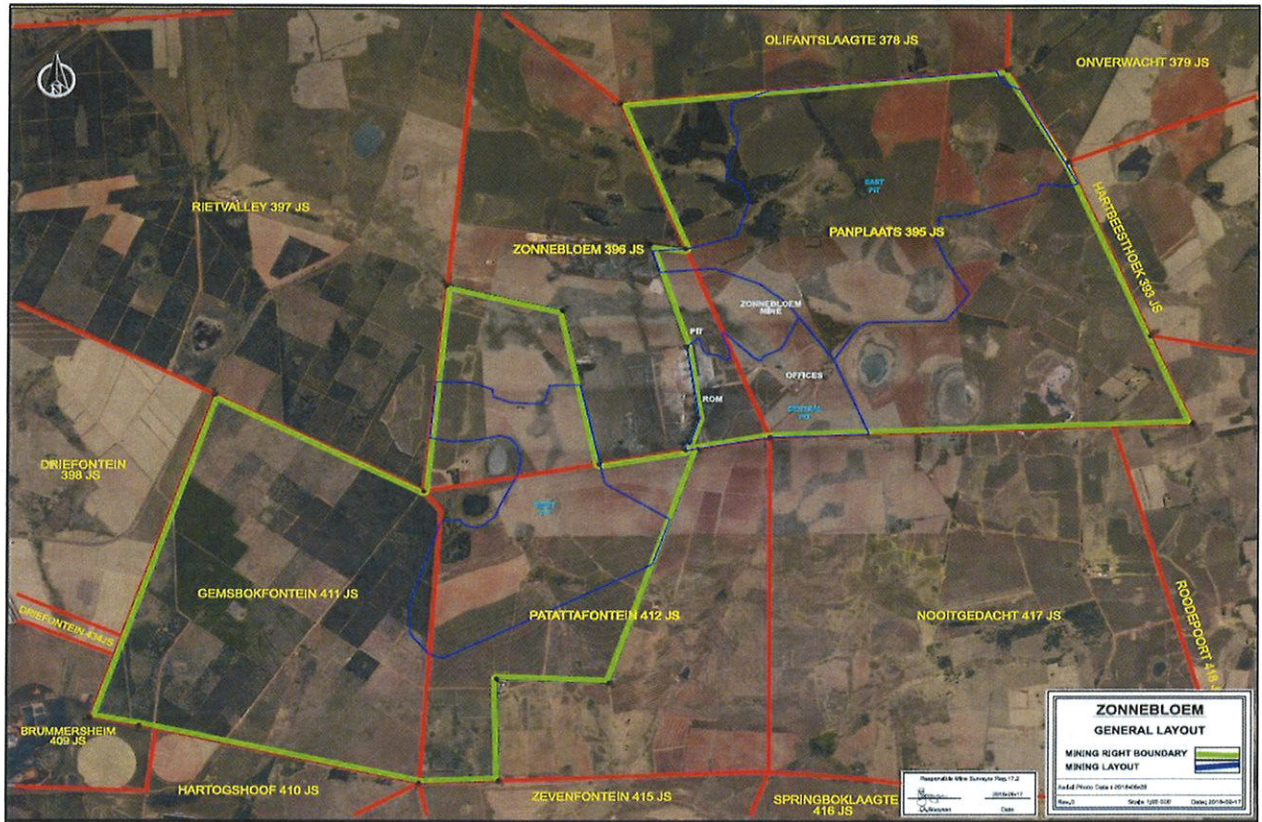
### 1.1. Introduction

The Zonnebloem Colliery's life of mine is approximately 25 years but can vary depending on the annual throughput. The Mining function was outsourced, with Precision Opencast Mining Services ("Contractor") awarded the contract up to 2020 at the time of operation.

An audit was conducted by the DMRE on our 2018-2022 SLP although unapproved during the last quarter of 2022. This revealed that there was a two-year shortfall for the period 2016 and 2017 which needed to be accounted for. The operation had committed a budget of R26, 200 000 towards the Local Economic Development (LED) programmes over a period of five years (2018-2022). Unfortunately, the 2018 – 2022 SLP was never approved and after numerous engagements and with the passing of time, the DMRE issued a directive, in terms of which we were advised to revise and adjust the financial provision committed for implementation of the LED projects to the tune of R36 200 000.00. This as a result of adopting an additional LED project valued at R10 000 000.00 for the construction of a road in the Tokologo township situated in the Steve Tshwete Local Municipality. This project is part of the DMRE's collaboration with Nkangala district municipality under the ("DDM") district development model.

The Zonnebloem Colliery is non-operational and has undertaken temporary cessation of mining activities therefore certain commitments especially in respect of HR, HRD and Procurement will not be applicable in this SLP. Those commitments will be made when the mine resumes operation in future. We are incapable of implementing the LED projects in the absence of an approved SLP, hence the request for this SLP to be considered for approval. We wish to emphasize that it is crucial for us to have this SLP approved so as to enable Glencore to implement the legacy LED projects which we have already committed to implement in our 2018 - 2022 unapproved SLP.

Figure 1: Zonnebloem Map



1.2 Address and Contact Details

Name of Company	Glencore Operations South Africa Proprietary Limited ("GOSA")
Name of Mine	Zonnebloem Colliery
Business Address	39 Melrose Boulevard 3rd Floor Melrose Arch Birnam Johannesburg 2196
Postal Address	Suite No. 19 Private Bag X 1 Melrose Arch Johannesburg, 2076
Telephone Number	+ 27 11 772 0600, Tolofax: +27 11 772 0697

DS  
TG

**Glencore Social & Labour Plan: 2023-2027**

E-mail	<a href="mailto:thato.gama@glencore.co.za">thato.gama@glencore.co.za</a>
Location of Mine	Zonnebloem is situated approximately 20 km east of Middelburg, and 37 km west of Belfast and just North of the R104 (old Middelburg / Wonderfontein road) in the Mpumalanga Province. Its boundary falls within the jurisdiction of the Steve Tshwete Local Municipality (MP313) and the Nkangala District Municipality (DC31).
Commodity	Coal
Life of Mine	The life of mine is approximately 25 years but can vary depending on the annual throughput.
Financial Year	1 January to 31 December
Responsible Person	Thato Gama

### 1.3 Breakdown of Employees

#### 1.3.1 Current and Expected Workforce

Compliance at this stage is N/A in that the mine is non-operational.

#### Tables 1: Expected Workforce

Compliance at this stage is N/A in that the mine is non-operational.

## 1.4 Labour Sending Areas

### Table 2: Zonnebloem Labour Sending Areas

Compliance at this stage is N/A in that the mine is non-operational.

### Graph 1: Glencore Labour sending areas

Compliance at this stage is N/A in that the mine is non-operational.

### Table 3: Contractor Labour Sending Areas

Compliance at this stage is N/A in that the mine is non-operational.

### Graph 2: Contractor's Labour Sending Areas

Compliance at this stage is N/A in that the mine is non-operational.

## SECTION 2: SKILLS DEVELOPMENT PROGRAMME

## **SECTION 2: HUMAN RESOURCES DEVELOPMENT PROGRAMME**

Compliance at this stage is N/A in that the mine is non-operational.

### **2.1 Introduction**

Compliance at this stage is N/A in that the mine is non-operational.

### **2.2 Compliance with Skills Development Legislation**

#### **Table 4: Compliance with Skills Development Legislation**

Compliance at this stage is N/A in that the mine is non-operational.

### **2.3 Human Resources Development Programme Undertaking**

Compliance at this stage is N/A in that the mine is non-operational.

#### **2.3.1 Form Q and Adult Education and Training**

Compliance at this stage is N/A in that the mine is non-operational.

**Table 5: Form Q: ZONNEBLOEM**

Compliance at this stage is N/A in that the mine is non-operational.

**Table 6: Form Q: CONTRACTOR**

Compliance at this stage is N/A in that the mine is non-operational.

**2.3.1.1 AET Year on Year Targets**

Compliance at this stage is N/A in that the mine is non-operational.

**Table 7: AET Targets and Timelines**

Compliance at this stage is N/A in that the mine is non-operational.

**2.4 Learnerships**

Compliance at this stage is N/A in that the mine is non-operational.

**2.5 Bursaries**

Compliance at this stage is N/A in that the mine is non-operational.

**Table 8: Bursary and Budget Plan**

Compliance at this stage is N/A in that the mine is non-operational.

**2.6 Internships**

Compliance at this stage is N/A in that the mine is non-operational.

**Table 9: Internship Budget Plan**

Compliance at this stage is N/A in that the mine is non-operational.

**2.7 Core Skills Training and Programmes**

Compliance at this stage is N/A in that the mine is non-operational.

**2.7.1 Mining Training**

**2.7.1.1 Opencast Machine Licence Training**

Compliance at this stage is N/A in that the mine is non-operational.

**Table 10: Distribution of Contractor Employees with Opencast Machine Licences**

Compliance at this stage is N/A in that the mine is non-operational.

**Table 11: Targets for Opencast Machine Licence Training – Contractor**

Compliance at this stage is N/A in that the mine is non-operational.

**Table 12: Targets for Opencast Machine Licence Training - Contractor (Continue)**

Compliance at this stage is N/A in that the mine is non-operational.

**2.7.1.2 Opencast Machine Operator License Programme**

Compliance at this stage is N/A in that the mine is non-operational.

**Table 13: Opencast Machine Operator License Programme Targets**

Compliance at this stage is N/A in that the mine is non-operational.

**2.8 Other Community Entrepreneurial Skills Development Programs**

Compliance at this stage is N/A in that the mine is non-operational.

**2.9 Hard to Fill Occupations**

Compliance at this stage is N/A in that the mine is non-operational.

**2.9.1 Career Progression**

Compliance at this stage is N/A in that the mine is non-operational.

**2.10 Portable Skills Programmes**

Compliance at this stage is N/A in that the mine is non-operational.

## SECTION 3: EMPLOYMENT EQUITY PLAN

## **SECTION 3: EMPLOYMENT EQUITY PLAN**

### **3.1 Current Employment Equity Status**

There is currently no workforce in the operation.

#### **Table 14: Employment Equity Status**

Compliance at this stage is N/A in that the mine is non-operational.

#### **Table 15: Staff Profile according to gender and race at Zonnebloem**

Compliance at this stage is N/A in that the mine is non-operational.

#### **Table 16: Zonnebloem Employment Equity Targets**

Compliance at this stage is N/A in that the mine is non-operational.

#### **Table 17: Staff Profile according to gender and race at the Contractor.**

Compliance at this stage is N/A in that the mine is non-operational.

#### **Table 18: Consolidated Employment Equity**

Compliance at this stage is N/A in that the mine is non-operational.

#### **Tables 19: Consolidated Employment Equity**

Compliance at this stage is N/A in that the mine is non-operational.

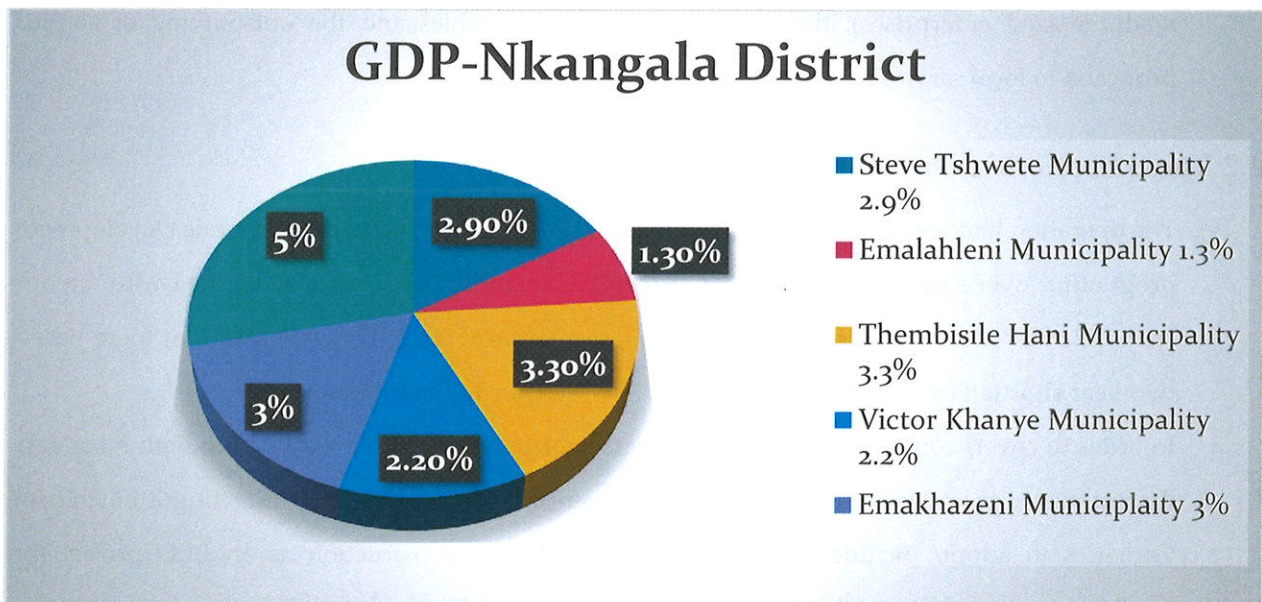
## SECTION 4: MINE COMMUNITY DEVELOPMENT

## SECTION 4: LOCAL ECONOMIC DEVELOPMENT PROGRAMMES

Zonnebloem is committed to the development of the local community through infrastructure development and poverty eradication projects that the colliery undertakes in line with the IDP of the area and other relevant frameworks in which it operates. In addition to the SLP commitments, Zonnebloem embarks on ad-hoc social projects, on an annual basis, which are funded by way of the companies CSI fund.

### 4.1 Impact of the mining operation on the area

#### 4.1.1 Economic impact



<sup>1</sup> Graph 1: GDP growth per municipality

<sup>1</sup> Source for the GDP per municipalities:  
 Emakhazeni and Dr JS Moroka municipality-Nkangala IDP 2020-2021 page 48.  
 Victor Khanye Municipality-IDP 2024-2025, page 42.  
 Thembisile Municipality-IDP 2022-2027, table 5.2.1A, page 72.  
 Emalahleni Municipality-IDP 2023-2024, page 162.  
 Steve Tshwete Municipality-IDP 2022-2027, page 100.

### 4.1.2 Social Impact

The operation has several positive socio-economic impacts, including:

- The creation of jobs during the operational phase of the colliery; money paid out locally, in the form of the monthly payroll.
- Downstream multiplier effect of the colliery is significant as the local recruitment policy ensures the bulk of spend on salaries will occur at local enterprises.
- Money paid to the government in the form of local, regional, and national taxes and levies; and
- Economic multiplier effects linked to the creation and support of SMMEs (small, micro, and medium-sized enterprises), the procurement of consumables and the outsourcing of service provision to local service providers.

### 4.2 Local Economic Development Programme

- The operation had committed a budget of R26, 200 000 towards the Local Economic Development programme over a period of five years (2018-2022). An audit was conducted by the DMRE on our 2018-2022 SLP although unapproved during last quarter of 2022. This revealed that there was a two-year shortfall for the period 2016 and 2017 which needed to be accounted for.
- In order to cover/ compensate for the two years shortfall, DMRE in collaboration with Nkangala district municipality under the district development model issued a letter directing Zonnebloem Collieries to adopt/ include the Tokologo phase 2 road construction as an LED project for implementation to support the district development model. Zonnebloem Collieries sourced a letter of support for the LED project from the Steve Tshwete Local Municipality as requested by the DMRE, copy of which is attached hereto.
- The revised total financial provision committed for the operation is therefore R36, 200 000. This accounts for the 2023 – 2027 SLP cycle including the two years gap between 2016 – 2017.

**Table 20: Industrial Park Units**

Project Name	Small Industrial Park		
Background to Project	<p>In the Township of Mhluzi, a number of SMME's are conducting business activities in their backyards which is not conducive for community environment. These businesses cannot afford to rent premises at industrial areas which are expensive and also take them away from the current customer base. Therefore, there is a need to establish a Small Industrial Park for these businesses closer to their customer base and enable the business to generate more income, hire people and self-sustain. The park will cater for steel works, woodwork, glass works, motor car repairs and electrical appliance repairs.</p> <p>As a result, Steve Tshwete and Glencore deem it necessary to develop a Small Industrial Park that will be closer to the community of Mhluzi for the socio-economic development of surrounding communities in which we operate.</p>		
	<p><b>Needs Identification</b></p> <p>Facilities for SMME'S development</p>	<p><b>Community Needs Job</b></p> <ol style="list-style-type: none"> <li>1. Job Opportunities</li> <li>2. Quality of life improvement and self-dependency.</li> </ol>	<p><b>Objectives</b></p> <p>Creation of a conducive environment for SMME's to conduct business activities.</p>
<b>Total Budget allocation</b>		<b>R10,000,000</b>	
<b>Current status</b>		<b>The project was completed and handed over to the Steve Tshwete Local Municipality</b>	

**Table 21: Newtown Clinic**

Project Name	<b>Newtown Clinic in Mhluzi</b>	
Background to Project	<p>The Mpumalanga Department of Health has identified the replacement of Newtown 8-hour Clinic as a priority in Steve Tshwete local municipality. The current facility infrastructure is a Park home and not fit for purpose. It was therefore nominated to be constructed by the Mpumalanga Department of Health through the infrastructure conditional grant (Equitable shares). This clinical brief is prepared by the Mpumalanga Department of Health with support from the National Department of health and is aimed at demonstrating to the National Department of Health the clinical needs for the new Small 24-hour Newtown clinic with a MOU.</p> <p>The facility to be built will render 24hrs services, Monday to Sunday.</p> <p>Current Headcount:</p> <p>Catchment population: 11 259</p> <p>Average annual headcount: 15 305</p> <p>Average monthly headcount: 1 400</p> <p>Utilization rate: 1.7</p> <p>The nearest referral facility is Middelburg Hospital which is about 8km from Newtown clinic</p>	
	Needs Identification	<p><b>Community Needs Job</b></p> <ol style="list-style-type: none"> <li>1. Local Builder Contractor</li> <li>2. Local short term unskilled labour from community</li> </ol>
	Objectives	<p>Build a 24-hour Primary Health care Clinic.</p>
Budget	R10 000 000	
Total Budget Allocation	R13, 600 000. million	

**Table 22: Construction and establishment of trading and agricultural facilities at Somaphepha.**

Project Background	Zonnebloem in consultation with The Steve Tshwete local municipality have identified as a project the 'Construction and establishment of trading and agricultural facilities at Somaphepha as at 13 March 2024.
Budget	R 2 600,000,00

**Table 23: Tokologo Road Construction: Phase 2**

Project Name	Tokologo Road Construction: Phase 2		
Background to Project	<p>The audit conducted by the DMRE on our 2018-2022 SLP revealed that there was a two-year shortfall for the period 2016 and 2017. The above project identified by the DMRE in collaboration with Nkangala district municipality and recommendation received from the Steve Tshwete Local Municipality is to be included in the 2023 - 2027 SLP.</p> <p>The project is aimed at road construction therefore addressing infrastructure development in the Nkangala district, Tokologo area. In addition, addressing the shortfalls and achieving the overall objectives aimed at the improvement of the livelihood of the population in the municipality. The New infrastructure and maintenance of current roads and storm water infrastructure are identified in the 2022-2027 IDP as community priorities.</p> <p>The challenges faced in the municipality as identified in the IDP are the following:</p> <ul style="list-style-type: none"> <li>• The construction of new roads and storm water systems is unable to keep up with rapid urbanization.</li> <li>• The road network requires expansion of roads and improvement of intersections due to increased volume of traffic.</li> <li>• There is inadequate funding to address storm water backlog in developed areas and preventative maintenance.</li> <li>• There are heavy trucks that move through town and these damage the roads infrastructure.</li> </ul>		
	<p><b>Needs Identification</b></p> <ul style="list-style-type: none"> <li>• Commuting will be convenient and safer.</li> <li>• Employment opportunities</li> </ul>	<p><b>Community Needs Job</b></p> <ul style="list-style-type: none"> <li>• Local contractors</li> <li>• Local short term unskilled labour from community</li> <li>• Infrastructure upgrade</li> </ul>	<p><b>Objectives</b></p> <ul style="list-style-type: none"> <li>• Road safety</li> <li>• Employment opportunities</li> <li>• Access to surrounding areas</li> <li>• Economic growth</li> </ul>
<b>Total</b>		<b>R10,000,000</b>	

### **4.3. Measures to address Housing Conditions**

#### **4.3.1. Housing and Living Conditions Status of Employees at Zonnebloem**

Compliance at this stage is N/A in that the mine is non-operational.

### **4.4 Procurement Progression Plan**

Compliance at this stage is N/A in that the mine is non-operational.

## **SECTION 5: DOWNSCALING AND RETRENCHMENT**

## **SECTION 5: MANAGEMENT OF DOWNSCALING AND RETRENCHMENTS**

### **5.1. Introduction**

Compliance at this stage is N/A in that the mine is non-operational.

### **5.2. Establishment of a Future Forum**

Compliance at this stage is N/A in that the mine is non-operational.

### **5.3. Mechanisms to save jobs and avoid job losses and a decline in employment**

Compliance at this stage is N/A in that the mine is non-operational.

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

Compliance at this stage is N/A in that the mine is non-operational.

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

Compliance at this stage is N/A in that the mine is non-operational.

## SECTION 6: FINANCIAL PROVISION

## SECTION 6: FINANCIAL PROVISION

### 6.1 Introduction

Section 23(1) (e) of the MPRDA states that “The Minister must grant a mining right if the applicant has provided financially and otherwise for the prescribed Social and Labour Plan “. Zonnebloem will make financial provision for the implementation of LED projects as agreed in a meeting with the Regulator on the 30 April 2024 for each component of the SLP as required. The table below presents a summary of the financial commitment by Zonnebloem to each element of the SLP for a five (5) year period, 2023-2027.

### 6.2 Local Economic Development Programme

Table 24: Summary of LED financials for the five-year period 2023-2027.

LOCAL ECONOMIC DEVELOPMENT PROJECT	PROJECT IDENTIFICATION	FINANCIAL PROVISIONS
		Y1 -Y5
Industrial Park	This project has been completed and handed over to the beneficiary. (The Municipality)	R10 000 000.00
Newtown Clinic	Requested by Municipality and recommended by the DMRE.	R13 600 000.00
Construction of trading and agricultural facility	Requested by the Municipality and recommended by the DMRE.	R2,600,00
Tokologo Road phase 2 Construction	Requested by the DMRE in collaboration with the Municipality in order to cover/ compensate for the two years shortfall for the period 2016 and 2017.	R10,000,000
<b>Total Budget</b>		<b>R36 200 000.00</b>

## SECTION 7: UNDERTAKING

**SECTION 7: UNDERTAKING**

I Thato Gama, the undersigned and duly authorised thereto by the  
Glencore Coal - Zonnebloem General Manager undertakes to  
adhere to the information, requirements, commitments and conditions as set out in the Social  
and Labour Plan.

Signed at Zonnebloem on this 25 day of June 2024

DocuSigned by:  
  
E3A897DADE78460...

Signature of responsible person

Approved

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

\_\_\_\_\_

Signature

\_\_\_\_\_

Designation