

SOCIAL AND LABOUR PLAN

**REVIEW
LANDAU COLLIERY
MP 30/5/1/2/2 (306) MR**



5 YEAR REPORTING PERIOD: 2014 - 2019

PART ONE

Preamble

1. Background

Anglo American Thermal Coal (referred to in this document as Thermal Coal) is a division of Anglo American plc. Thermal Coal operates seven mines held by Anglo Operations (Pty) Limited (AOL) who also holds a 50% interest in Mafube Colliery, which is jointly owned by Exxaro. AOL also holds a 73% interest in the Kriel, New Largo and Zibulo collieries, all three being Anglo American Inyosi Coal (AAIC) operations.

All Thermal Coal mines, with the exception of one situated in the Free State, are located in the Mpumalanga province. The mines supply thermal coal to both the export and local markets and metallurgical coal for export.

The export coal is exported via the Richards Bay Coal Terminal in which AOL holds a 27% interest. In addition, the Kriel, New Vaal, New Denmark and Mafube mines supply thermal coal to Eskom, South Africa's state-owned electrical power utility.

Isibonelo Colliery produces five million tonnes of coal to Sasol Synthetic Fuels per annum under a 21-year supply contract. Thermal Coal employs a total of 9,300 employees and 7,100 contractors.

Overview on Landau Colliery

Located in Witbank, Mpumalanga, Landau Colliery forms part of the South African Coal Estates Complex, which includes Kleinkopje and Greenside collieries.

It comprises of four sections – the Kromdraai opencast mine, Excelsior, the Schoongezicht mini-pit and the Umlalazi mini-pit. From here we extract a total of 3.1 million tonnes of coal for the export market annually. This is conveyed to the company's Rapid Loading Terminal for transportation to the Richards Bay Coal Terminal.

A further 900,000 tonnes is provided for the domestic market and is dispatched by road and rail. Some 300,000 tonnes of coal a year is currently supplied to Eskom for the generation of electrical power. It is anticipated that our operation, which currently provides permanent employment to 513 employees and 735 permanent contractors, will operate until 2018 if LIFEX projects/extensions are not implemented.

The conceptual phase of our life of mine extension project has been carried out in 2013 and confirmation on the implementation of Landau Colliery's LIFEX extension is still to be decided.

1.1 The purpose of the Social and Labour Plan

The aims of our Social and Labour Plan are:

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

1.2 Definitions

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

- Anglo American Thermal Coal includes all employees at head office, technical divisions and mining operations, and is a wholly-owned division of Anglo Operations Limited.
- Anglo American Thermal Coal operations include all operational and technical personnel, but exclude staff from our head office.
- Landau Colliery is a specific operational entity and business unit of Anglo American Thermal Coal.

This document follows Regulation 46 of the Regulations of the Mineral and Petroleum Resources Development Act (2002), which outlines the required contents of the Social and Labour Plan. Progress is aligned to the pillars of the Mining Charter.

1.3 Particulars of the holder of the mining rights

Name of the company	Anglo American Thermal Coal
Name of the mine	Landau Colliery
Physical address	Mining and Property Law Department
	First Floor, 45 Main Street
	Johannesburg
	2001
Postal address	Anglo Operations Limited
	PO Box 61587
	Marshalltown
	2107
Telephone number	+27 11 638 3781
Fax number	+27 11 638 4608
Mine address	Navigation Plant
	Farm Road
	Clewer
	1035
Mine postal address	PO Box 78
	Clewer
	1035
Telephone number	+27 13 693 0688
Mine fax number	+27 13 656 9016
Location of mine	Landau Colliery is situated on the outskirts of eMalahleni in the Mpumalanga Province. It forms part of the Witbank Coalfield within the Highveld Magisterial District and Regional Services Council
Commodity	Coal
Life of mine	Four Years - 2018
Breakdown of employees per sending area	See section 2.7.2
Financial year	January to December

PART TWO

Human Resources and Development Programme

2. Human Resources and Development Programme

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

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

During 2013, time spent on training in Coal S.A. was the equivalent of six days per employee, representing 8% of our wage bill, well above the target of 5% stipulated in the revised Mining Charter. This compares to five days and 7% of our wage bill during the previous reporting period.

The safety of our employees is our number one priority. To ensure that we reach our goal of Zero Harm, much of our focus was placed on safety risk management training across the organization. This includes compulsory training in Anglo American's A1.2, A2 and A3 courses as well as the Safety Leadership Programme for those in supervisory roles.

This section of the report highlights the progress that Landau Colliery has made against the targets set out in its Social and Labour Plan for:

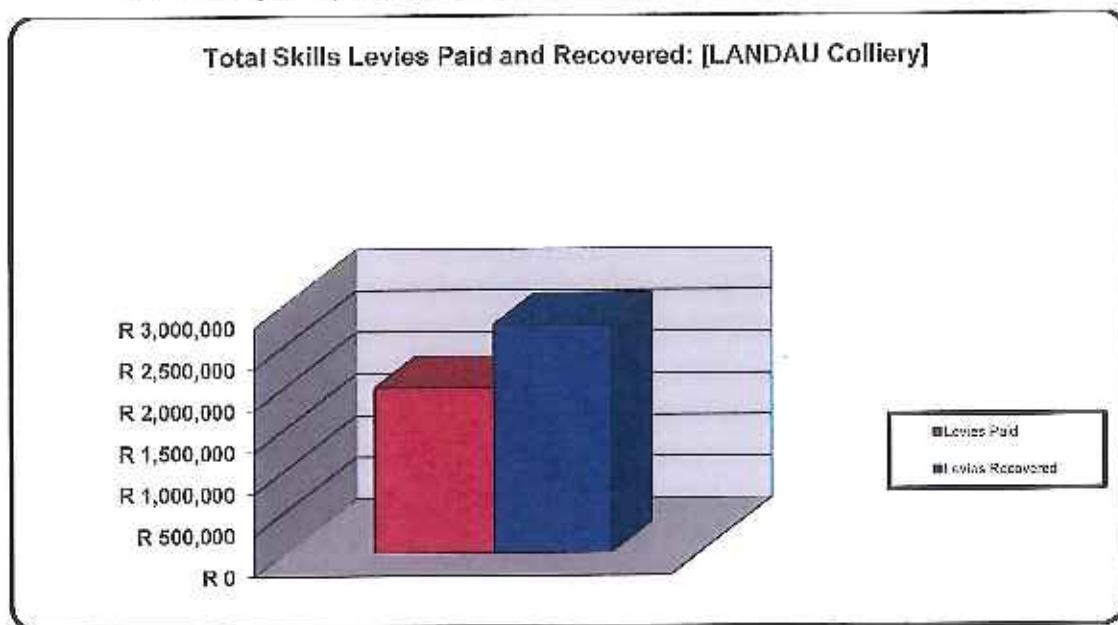
- The Skills Development Plan
- Career progression and planning
- Mentorship plans
- The internship and bursary plan
- The employment equity plan
- Plans to meet the Mining Charter requirements

2.1 Skills Development Plan

Our training centre is ISO 9001:2008 certified and has training provider status from the Mining Qualifications Authority (MQA). We are committed to the requirements of the Skills Development Act and submit a Workplace Skills Programme and Annual Training Report to the MQA in accordance with its requirements.

We pay levies and claim grants in accordance with the provisions of the MQA. The following graph depicts the total skills levies paid and recovered for 2013. Levy Paid for 2013 was R1 990 603.64. Levy Grants received was R2 745 508.52.

Landau Colliery's levy number is **L270714811**.



2.1.1 Skills Development Facilitator

Oupa Ndlovu remains our skills development facilitator, while a new second skills development facilitator, Jimmy Mkhonza took up the role in 2013. He is the full-time National Union of Mineworkers shop steward at Landau.

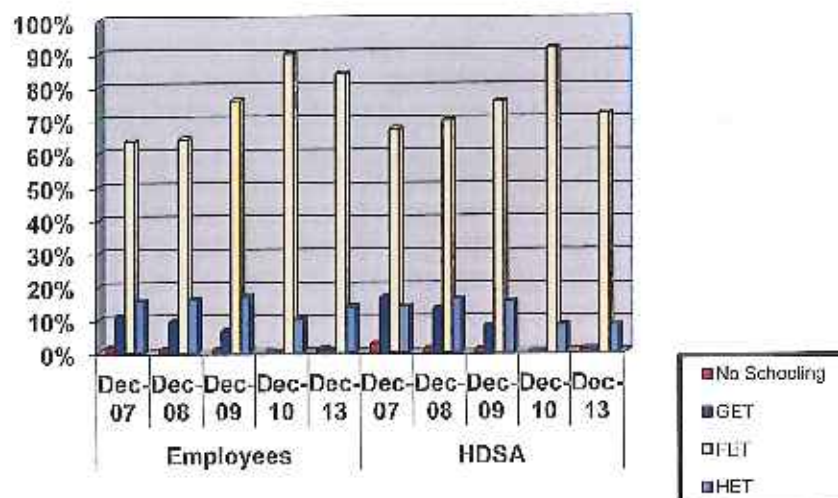
The skills development facilitator, with input from the second facilitator, is responsible for the compilation of the mine's Workplace Skills Plan and Annual Training Report. This is conducted in consultation with the mine's employment equity and skills development committees.

These bodies discuss current training programmes, skills development planning, equity and operational requirements and meet quarterly, unless urgent matters arise.

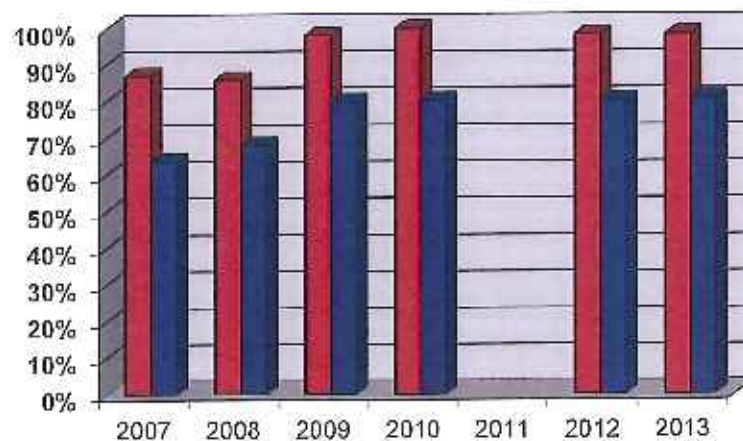
Table 2.1.2 Number and education levels of employees: Landau Colliery (2014)

			MALE					FEMALE					TOTAL	
BAND	NQF LEVEL	OLD SYSTEM	African	Coloured	Indian	White	African	Coloured	Indian	White	Male	Female		
General Education and Training (GET)	1	No Schooling / Unknown	9								9	0		
		Grade 0 / Pre									0	0		
		Grade 1 / Sub A									0	0		
		Grade 2 / Sub B	1								1	0		
		Grade 3 / Std 1 ABET 1									0	0		
		Grade 4 / Std 2									0	0		
		Grade 5 / Std 3 / ABET 2									0	0		
		Grade 6 / Std 4									0	0		
		Grade 7 / Std 5 / ABET 3				1					1	0		
Further Education and Training (FET)	2 3 4	Grade 8 / Std 6				1					1	0		
		Grade 9 / Std 7 / ABET 4				1					1	0		
		Grade 10 / Std 8 / N1	7				8				7	8		
		Grade 11 / Std 9 / N2	42	5		4	5				51	5		
Higher Education and Training (HET)	5 6 7 8	Grade 12 / Std 10 / N3	241			61	83				302	83		
		Diplomas / Certificates	10			4	6			3	14	9		
		First degrees / higher diplomas	27			12	4			4	39	8		
		Honours / Master's degrees					1			3	0	4		
		Doctorates								0	0			
TOTAL			337	5	0	83	105	0	0	10	425	115		
													540	

Education Levels of Employees: [LANDAU Colliery]



Percentage of Functionally Literate Employees: [Operation Name]



	Dec-07	Dec-08	Dec-09	Dec-10	Dec-12	Dec-13
Employees	87%	86%	98%	100%	98%	98%
HDSA	64%	68%	80%	80%	80%	81%

2.1.3 Adult-based education and training

The company has provided Adult-based Education and Training (ABET) for more than 20 years and Landau is one of few operations that does not have an ABET centre. This is because the mine recruited mainly people who had some form of high school education when it was established in 1992. With the exception of a very small number of employees who were transferred to the mine from the old Landau 3 plant, the entire skilled workforce is literate. We continue to have challenges in convincing those few who should potentially participate to do so. Some of those who do take up ABET later drop out of classes.

Table 2.3 ABET Targets

LEVEL	2014	2015	2016	2017	2018
1	3	3	3	3	0
2	1	3	3	3	3
3	0	0	0	0	0
4	0	0	0	0	0
TOTAL	4	6	6	6	0

2.1.4 Learnerships and other training plans

We recruit on a ratio of 4.5 artisans to one learner in the various trades, and try to maintain a good balance of learners selected both from within the mine's existing workforce and members of the community. However due to the imminent mine closure of Kromdraai scheduled for approximately 2017/2018 no learners will be taken in for the duration of the life of mine.

Table 2.4 Learnerships and other training plans (Current 2014)

YEAR	Discipline	SLP Target	Actual	Variance
2013	Electrical	5	5	0
	Fitting, including machining	5	3	-2
	Plater/welders	6	2	-4
	Diesel mechanics	2	2	0
	Auto Electrician	0	1	1
	Rigging	1	1	0
	Instrument Mechanician	1	1	0
	TOTAL	20	15	5

2.1.5 Leadership Development Programme

Leadership development and skilling is based on a number of different leadership programmes in line with the latest global business trends, aimed at an high level of performance. Different levels of leadership training is given to all levels of leadership. The following are some of the current leadership training programmes:

Foundations of Leadership (FLP): Is aimed at all first line and newly appointed supervisors to improve the level of leadership competency, in line with the 21 first century leadership skills and techniques. Training will continue and cover all first line supervisors.

Leadership Development Programme (LDP): The programme is registered as a qualification with the Training and Development SETA. The programme will serve as a link between the Foundations of leadership and the Programme for Management Excellence. The Leadership Development programme will ensure leadership growth in terms of leadership skills and techniques as leaders progress to higher levels.

Programme of Management Excellence: In order to ensure a high level of leadership and Management this programme is a partnership between Anglo American and GIBS. Senior leadership is equipped to be globally competitive in giving Anglo American the competitive edge.

2.5 Leadership/Management Programme (2014)

LEVEL	2014	2015	2016	2017	2018
FLP	10	10	10	13	0
LDP	2	2	2	2	2
PME	3	3	3	3	3
TOTAL	4	6	6	6	0

2.1.6 Skills Programmes

Skill programmes provide employees with the technical skills needed to meet operational requirements and their own goals for personal development and growth.

Table 2.5 Skills programmes (2014)

YEAR	Discipline	2014	2015	2016	2017	2018
2013	Competent persons A	12	4	4	4	4
	Rock Breaking	3	0	1	1	1
	Lump Ore Beneficiation	0	0	6	8	0
	Blasting Assistant	1	1	1	1	1
	TOTAL	17	6	13	14	6

Non-Mining Skills

It was anticipated that a facility to provide such training would be provided at a central level. Unfortunately, this has not materialised. The Department of Education was in talks with SACE to convert buildings in our Matimba Village into a skills centre. The department has withdrawn from this commitment and therefore individual operations will in future refer their interested employees to local skills centres.

Table 2.6 Target on non-mining skills programme (2013)

Discipline	2014	2015	2016	2017	2018
Carpentry	1	2	1	1	3
Bricklaying	1	2	1	1	3
Welding	0	1	0	1	3
Computer skills	0	1	0	1	3
Financial	0	0	0	0	1
TOTAL					

2.1.6 Hard to fill Vacancies

Coal S.A. has initiated a number of capacity building initiatives to become self-sufficient in the supply of labour. One of these initiatives is an in-house bursary scheme. This includes a group of 140 Bursars (University of Science and University of Technology) students, 133 graduates. In addition, we have 311 learners in the system.

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

The following positions are regarded as 'hard to fill' within Coal S.A.:

- Geologists
- Electrical engineers
- Mechanical engineers
- Mining engineers
- Surveyors
- Metallurgist
- Tradesmen

Hard to fill vacancies are addressed through bursary allocation programmes, study assistance schemes and the provision of learnerships and skills programmes. Employees are

encouraged to study in the fields where there is a scarcity of skills. Landau Colliery experienced no hard to fill vacancies during 2013.

2.1.7 Role and activities of the MQA

Coal S.A. works with the MQA to identify scarce skills and develop unit standards and qualifications to address these. The MQA offers bursaries to students mainly on the scarce skills identified in the sector skills plan and offers practical training in these areas.

2.2 Career progression and mentorship

2.2.1 Career development planning

At Coal S.A., we continuously look for opportunities to further enhance our career development planning processes for employees. We strive to have generic career paths for all disciplines and work with individuals to develop a customised career path most suited to them. This is an on-going initiative, which we continue to refine. The company has also developed, implemented and communicated role profiles to all employees in Band 6 and above. In addition, we have extended role profiles to all our Professionals in Training (graduates who have just completed their academic studies) in Band 7.

This enables members of our workforce to manage their careers more effectively and to pursue specific career opportunities, not only within Coal S.A., but within the Anglo American Group.

2.2.2 Coaching and mentoring for employees

As per the Mining Charter's requirements, we have investigated further opportunities to enhance our mentorship programme. A refresher programme will allow for the better matching and closer monitoring of mentor-mentee relationships. We also provide employees with the opportunity to be mentored as part of the talent management and personal development planning process. We specifically focus on Historically Disadvantaged South Africans (HDSAs) with special emphasis on the development of women.

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

- All graduates brought into the organisation are assigned 'buddy' and technical mentors who provide support and guidance in the early stages of their careers
- Middle to senior management – aimed at employees in Bands 5 and 6

- Senior leadership – aimed at Band 4 and above
- Executive leadership – aimed at members of the mine executive committee

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

Emphasis is placed on developing and coaching senior-skilled employees to progress to first-line supervisors. The focus is specifically on HDSA employees and seeks to ensure that we prepare sufficient numbers of future leaders for the demands created by the growth of our company.

Coaching and mentorship development checklist

Item	Yes	No
Annual identification of coaching and mentoring requirements is aligned to career paths	X	
Appropriate guidelines are in place to administer the coaching and mentoring process	X	
A formal system is in place to monitor, evaluate and improve the coaching and mentoring process	X	
The provision of external coaching and mentoring	X	
A diverse group of trained coaches and mentors is in place	X	

2.2.3 Talent management

We have a talent management strategy that caters for the needs of the company and the individual. This results in a net gain for both and a competitive edge for our organisation. Our talent management strategy is a continuous process and does not solely rely on recruitment but focuses strongly on retention and development. Our goal is to become the Employer of Choice and thus we focus on appreciating each individual and retaining them by winning their hearts and minds.

The People Development Way

We have refreshed our existing WiWTTSiA framework to create one common global capability framework called the People Development Way. This sets out the behavioural attributes, knowledge, skills, experience and potential required to succeed as a company and as individuals. This framework and our new interactive development portal will provide employees with the tools and information needed to help them take ownership of their career development.

2.2.4 Scholarships, bursaries and internships

Coal S.A. is living up to the Mining Charter's objective to address the skills gap in the mining industry by working with a number of stakeholders. Activities in this area include:

- Regular interaction with statutory bodies such as the MQA on the formulation of skills development strategies. This includes the conducting of annual skills audits.
- Working closely with educational authorities and providing scholarships and bursaries to promote mining as a career option.
- We also provide resources to improve the level of education in maths and science, which will increase the number of learners who will be able to study further in professions related to the mining industry.
- We actively promote mining as an exciting career opportunity by hosting career exhibitions, school visits and participating in initiatives such as the annual Take a Girl Child to Work Day.
- On an internal level, we provide skills training opportunities so that employees can improve their income-earning capacity after mine closure.

Bursaries and internships

At Coal S.A., we have a well-established bursary scheme which aims to develop suitable students who – once they have completed their studies – are afforded professional career opportunities within our organisation.

We aim to attract bursars in the areas that surround our operations and have launched a number of drives to improve marks in maths and science among local learners for this reason (see LED section). In addition, the scheme is open to the general public as well as the children and relatives of employees. We award bursaries to those interested in studying the following disciplines:

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

- Finance and accounting

We offer experiential learning to a number of students, which not only affords them an opportunity to complete the practical component of their studies but provides us with a pipeline of students who could be offered bursaries and ultimately permanent employment. The adopted approach is to offer experiential learning to at least 40 learners per annum.

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Table 2.7 Professionals in training for Coal S.A. (2013)

Discipline	Budget 2010	Actual 2010	Budget 2011	Actual 2011	Budget 2012	Actual 2012 February	Budget 2013	Actual 2013 February	% HDSA as of current month actual	Budget 2014	Budget 2015	Budget 2016	Budget 2017	Budget 2018
Mining	22	33	24	39	28	39	32	29	90%	26	33	33	43	39
Engineering	43	61	30	64	34	64	33	39	92%	28	34	29	32	32
Industrial engineering	5	6	6	7	7	7	5	4	80%	6	5	4	5	4
Rock engineering	2	2	2	2	2	2	2	3	100%	3	2	2	2	2
Geology	6	10	13	16	11	16	16	16	69%	15	10	12	14	11
Metallurgy	10	15	7	18	7	12	12	9	78%	15	10	6	8	7
VOHE	3	6	4	6	5	6	5	7	71%	6	4	4	4	4
Environmental	4	4	5	4	5	4	8	5	80%	8	4	4	4	4
Human resources	4	5	5	4	5	4	6	5	100%	4	3	2	2	2
Commerce (finance and payroll)	8	12	11	12	6	12	5	3	100%	5	6	8	5	0
Survey	3	2	4	3	3	3	5	2	100%	3	2	3	2	1
Safety	5	3	6	3	5	3	5	5	80%	4	4	4	4	4
TOTAL: ALL	115	159	117	178	118	172	134	127		123	117	111	125	110

Table 2.8 University of Technology bursars for Coal S.A. (2013)

Discipline	Budget 2010	Actual 2010	Budget 2011	Actual 2011	Budget 2012	February 2011 Actual	Budget 2013	Actual 2013	% HDSA as of current month actual
Mining	20	14	16	10	16	9	17	12	100%
Metallurgy	4	2	4	0	5	0	4	1	100%
Engineering	7	2	7	4	5	4	6	0	0%
Geology	2	2	4	2	4	2	2	0	0%
Survey	3	6	2	1	3	1	3	3	100%
Technicians	9	12	9	5	7	5	6	3	100%
TOTAL	45	38	42	22	40	21	38	19	

Table 2.10 University of Science bursars for Coal S.A.

Discipline	Budget 2010	Actual 2010	Budget 2011	Actual 2011	Budget 2012	February 2012 Actual	Budget 2013	February 2013 Actual	% HDSA as of current month actual
Mining	36	36	31	31	34	31	33	33	84%
Commerce	13	13	14	15	16	15	15	15	93%
Electrical Engineering	20	20	13	13	10	13	14	10	90%
Mechanical Engineering	22	22	18	19	22	19	23	23	74%
Geology	22	22	17	18	18	18	19	19	68%
Rock Engineering	0	0	0	0	2	0	0	0	0%
Metallurgy	18	18	21	21	19	21	23	21	86%
Industrial Engineering	6	6	7	7	10	7	11	11	82%
TOTAL	137	137	90	124	97	124	138	132	

Bursar Training Programmes

Coal S.A. has well-established training and development programmes for all graduates in the different disciplines. These are reviewed on an annual basis and are updated where necessary. Programmes allow for continuous monitoring and evaluation to ensure that our trainees get the best exposure available. The company encourages trainees to take ownership of their development and has processes in place to allow for further studies where required.

Table 2.10 Internships and bursaries to be awarded by Coal S.A. (five-year plan)

FIELD OF STUDY	2014	2015	2016	2017	2018
University of Science					
Mining engineering	36	40	49	41	50
Mechanical engineering	21	24	20	26	21
Electrical engineering	10	13	18	17	17
Metallurgy	14	20	23	19	20
Geology	20	21	22	15	20
Commerce	13	15	17	12	13
Other (Industrial engineering, environmental)	15	22	26	24	23
TOTAL	129	155	175	154	164
University of Technology					
Mining	1	1	1	0	3
Engineering	1	1	1	0	3
Metallurgy	1	1	1	0	3
Survey	1	1	1	0	3
Geology	1	1	1	0	3
Technicians	1	1	1	0	3
TOTAL	6	6	6	6	18

In-House Study Assistance Programme: Landau Colliery				
Mining	2	2	2	6
Engineering	1	2	2	5
Metallurgy	0	0	0	0
Human resources	0	1	1	2
Finance	1	1	1	3
VOHE - environment	1	1	1	3
Safety	2	2	2	6
Security	0	0	0	0
Survey	1	1	1	3
TOTAL	8	10	10	28

2.7 Employment Equity

Table 2.13 Employment Equity Statistics for Landau Colliery (2014)

Occupational Levels	Mine Charter Targets	MALE				FEMALE				TOTAL		DISABLED		HDSA (%)
		Coloured		Indian	White	African	Coloured	Indian	White	Male	Female	Male	Female	
		African												
Senior management (Band 5)	40%	2	0	1	2	1	0	0	0	5	1	0	0	67%
Professionally qualified and experienced specialists and mid management (Band 6)	40%	10	0	0	15	12	0	0	5	25	17	0	0	52%
Technical and academically qualified workers, junior management, supervisors, foreman and superintendents	40%	21	1	0	10	4	0	0	5	32	9	0	0	63%
Semi-skilled and discretionary decision-making	40%	109	1	0	30	15	0	0	0	139	25	0	0	76%
Unskilled and defined decision-making	40%	196	2	0	8	61	0	0	1	206	62	0	0	96%
TOTAL														

Employment Equity Plan

Table 2.14 Employment Equity Plan for Landau Colliery

Occupational Levels	2014	Minimum Progress to be achieved	2015	Minimum Progress to be achieved	2016	Min Progress to be achieved	2017	Minimum Progress to be achieved	2018
Executive Management	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Senior Management	67%	30%	30%	30%	30%	30%	30%	30%	30%
Middle Management	52%	30%	30%	30%	30%	30%	30%	30%	30%
Junior Management	63%	40%	40%	40%	40%	40%	40%	40%	40%
Core Skills	76%	40%	40%	40%	40%	40%	40%	40%	40%
Unskilled	96%	40%	40%	40%	40%	40%	40%	40%	40%

2.7.2 Migrant labour

The number of migrant labourers in Thermal Coal's workforce remains at 6%. As part of our focus on uplifting the people who surround our coal mining operations, we make every effort to source labour from our local communities. Landau Colliery's permanent workforce distribution is as follows

Country of origin	Province	No of employees	% per area
Great Britain		1	0.19
Lesotho		5	0.95
Scotland		1	0.19
Swaziland		2	0.39
Mozambique		2	0.39
Namibia		1	0.19
Zambia		4	0.79
Zimbabwe		2	0.4
South Africa		481	96.8
	Gauteng	27	5.38
	Mpumalanga	327	62.28
	Eastern Cape	31	6.18
	KwaZulu-Natal	32	6.38
	Free State	14	2.79
	Limpopo	54	10.77
	North West	21	4.19
	Northern Cape	15	2.9
	Western Cape	5	0.99

This table excludes vac students and non-permanent employees

PART THREE

Local Economic Development Programme

3. Local Economic Development Programme

As a good corporate citizen and partner of choice, our commitment to sustainable development dictates that while our operations may deplete a natural resource, they should in return provide a number of improvements for the people living within the area.

At Anglo American Coal South Africa (SA) we are committed to delivering improvements in the social and human capacities of the people who surround our operations, not only to maintain our social licence to operate, but to create real opportunities for socio-economic advancement.

3.1 Socio-Economic Background

Anglo American Coal (SA) operates mainly in three Municipal Districts, namely Nkangala, Gert Sibande and Fezile Dabi. Landau, along with Kleinkopje, Greenside, Goedehoop and Kriel collieries, are situated in the Nkangala District and therefore shares the same socio-economic background as these mines. Nkangala is one of the three District Municipalities forming the Mpumalanga Province. These include Nkangala, Ehlanzeni and Gert Sibande.

The Nkangala District Municipality (NDM) comprises an area of approximately 240km² which includes the following municipalities:

- The eMalahleni Local Municipality
- The Steve Tshwete Local Municipality
- The Delmas Local Municipality
- The Emakhazeni Local Municipality
- The Thembisile Hani Local Municipality
- The Dr JS Moroka Local Municipality

Landau Colliery forms part of the eMalahleni Local Municipality.

3.1.1 Socio-economic Profile

The Nkangala District has a population of 1 020 585 (30.2%), with the total number of households standing at 246 049. Women make up 52% of the population while men constitute 48%. The breakdown is as follows:

Table 3.1 Population breakdown of NDM

No	Municipality	Population
1	Delmas	5.51%
2	eMalahleni	27.08%
3	Dr JS Moroka	23.8%
4	Emakhazeni	4.2%
5	Steve Tshwete	13.9%
6	Thembisile Hani	25.3%

Nkangala is the economic hub of Mpumalanga and is rich in minerals and natural resources. The Districts' economy is dominated by electricity, manufacturing and mining. These sectors are followed by community services, trade, finance, transport, agriculture and construction.

Although Steve Tshwete LM is primarily associated with agriculture, tourism and forestry and is the main contributor to agricultural activity, the sector is largely underdeveloped. Dullstroom is a service centre for the surrounding agricultural communities, as well as a popular tourist area. Towns and villages in Thembisile and Dr JS Moroka are mainly residential.

Mining and electricity generation are concentrated in the coal-rich area to the south with Middelburg and Emalahleni generating the bulk of the income.

The eMalahleni's contribution to Nkangala economy is 45.2% - largest of the 6 municipal areas.

INDUSTRY	Victor Khanye	Emalahleni	Steve Tshwete	Emakhazeni	Thembisile	Hani Dr JS	Nkangala
Agriculture	30.8%	13.0%	42.8%	6.8%	2.0%	4.6%	100.0%
Mining	2.4%	52.8%	40.6%	3.3%	0.8%	0.0%	100.0%
Manufacturing	1.4%	19.0%	74.9%	1.7%	2.4%	0.6%	100.0%
Utilities	0.3%	74.1%	20.9%	1.2%	1.9%	1.7%	100.0%
Construction	4.4%	52.5%	27.7%	3.9%	6.7%	4.8%	100.0%
Trade	5.8%	46.1%	26.0%	3.2%	14.7%	4.3%	100.0%
Transport	8.5%	48.3%	25.9%	9.9%	4.8%	2.6%	100.0%
Finance	5.1%	48.9%	39.6%	2.3%	2.3%	1.9%	100.0%
Community services	6.6%	34.5%	26.1%	3.6%	14.9%	14.3%	100.0%
Total	4.5%	45.2%	38.7%	3.5%	4.9%	3.2%	100.0%

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

The manufacturing sector in Middelburg is increasing at an average annual rate of 16,3%, making it a major contributor to the provinces overall gross value added. Other mineral deposits include refractory (flint) and small deposits of gold, tin, copper, lead, manganese, uranium, nickel, cobalt and silver.

The Middelburg district is also a thriving agricultural district. The major products are maize, livestock, chicken and vegetables / potatoes.

Education levels are low with about 25% of the adult population having no education and 26% of school-going age children not attending school. There is an unemployment rate of about 44%. The majority of people are employed in community and social services, wholesale and retail, mining and quarrying, and private households.

The average unemployment rate in the NDM is 44%, and this is even higher in areas such as Thembisile (51%) and Dr JS Moroka (61%). This results in a large portion of the population having to seek job opportunities outside the district which in turn results in socio-economic problems. These include parents spending very little time at home, high accident rates, and significant annual subsidy costs (in excess of R550 million per annum on transport subsidies provided by the district).

The breakdown of employment by area of economic activity in the district is as follows:

- 15,8% in community and social services;
- 13,6% in wholesale and retail;
- 12,9% in mining and quarrying; and
- 12,7% in private households.

Table 3.2 Most important industries per local municipality in the NDM

No	Municipality	Most important industry	% of GDP
1	Delmas	Agriculture	23
2	eMalahleni	Mining and quarrying	23
3	Dr JS Moroka	Community and social services	30,3
4	Emakhazeni	Agriculture	25,8
5	Steve Tshwete	Mining and quarrying	14,8
		Wholesale	14,1
		Community services	14,3
6	Thambisile Hani	Private households	22,6

3.1.2. Local economic development key focus areas

The goal of local economic development is to transform the Nkangala District into a hive of economic activity characterised by strong levels of investment, sustainable job creation and improved income levels in a way that builds on the distinctive potential of each municipality, preserves the integrity of the environment and avoids negative competition.

3.1.3 Key Economic Activities

At district level Emalahleni contributes 46% of the GDP of the region. This clearly indicates the nature of concentration of economic activities in the area followed by Steve Tshwete (at 37%). Emakhazeni, Dr JS Moroka, Thembisile Hani and Victor Khanye (Delmas) have the least contributions.

The economic dominance of Emalahleni within Nkangala has the potential of influencing population migration from nearby localities thereby putting a strain on the provision of job opportunities and basic services. Growth and development within neighbouring municipalities is therefore a key priority at the district level.

The Economy of the municipality is driven by the Mining sector which contributed more than 50% in 2009 followed by Electricity at 12.1% and Finance at 10.8%. Over the three year period, mining has had a steady increased contribution to the economy of Emalahleni; from 41% in 2007, 50.8% in 2008, with a slight decline to 49.8% in 2009.

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

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

Potential development sectors and investment opportunities

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

3.2 Community engagement

3.2.1 Socio-Economic Assessment Toolbox process

To improve our understanding of both the positive and negative impacts of our operations on our host communities, Thermal Coal utilises Anglo American's Socio-Economic Assessment Toolbox (SEAT) process, which facilitates more structured dialogue with our stakeholders.

This three-year process involves the profiling of communities as well as gathering information on the impact of our operations. Management responses to the concerns and priorities of stakeholders are published in a SEAT report, which is distributed to all stakeholder groups, including local, provincial and national government, non-governmental organisations and interested and affected parties. The implementation of the management responses generated by the SEAT process is taken forward through three-year Community Engagement Plans, which are updated annually.

During the SEAT process, stakeholders are identified and engagement takes place through formal and informal meetings and interviews.

Landau Colliery subscribes to the Anglo Social Way, which sets out minimum standards across more than 20 dimensions of social performance. It covers all activities that have the potential to impact on communities during the entire life cycle of our operations – from exploration through to project design, development, operation, decommissioning, closure and post closure.

Landau Colliery will undertake a SEAT process and publication in 2014.

3.2.2 Stakeholder consultation and involvement

We subscribe to Anglo American's Good Citizenship principles which guide the way we conduct our business. Our main aim is to promote strong relationships with the communities that surround our operations through regular engagement on the issues that may affect them.

Landau Colliery has established a community forum which comprises of councillors and ward committees within its host communities. This forum meets quarterly or as and when required.

Some of our stakeholders include the following:

- **The management teams of Landau Colliery**
- **Union associations**
 - The National Union of Mineworkers
 - Solidarity
 - The United Association of South Africa
- **Permanent employees**

- Officials
- Senior-skilled
- Skilled

- **Contract employees**
- **Supplier representatives**

- **Communities**
 - Representatives of KwaGuqa, Clewer, Schoongezicht, Hlalanikahle and eMalahleni
 - Farmers
 - Farm dwellers

- **Authorities**
 - The Mpumalanga Department of Education
 - The Department of Water and Environmental Affairs
 - The Department of Mineral Resources
 - The Department of Health and Welfare
 - The Department of Labour
 - The Department of Roads and Transport
 - The eMalahleni Local Municipality

- **Non-governmental organisations**
 - Local environmental and health services groups
 - HIV/AIDS-related groups
 - Tourism groups
 - Recreational and sporting groups
 - Organisations dedicated to the care and upliftment of women and children
 - Youth groups
 - Religious groups
 - Schools

- **Local business**

Small, medium and micro enterprises

3.5 Local Economic Development Projects

Landau Colliery is committed to local economic development within its host communities. The following are the projects identified in consultation with the local municipality, communities, and internal stakeholders.

Local Economic Development Projects 2015 - 2019

No.	Programme	Committed Budget 2014	Committed Budget 2015	Committed Budget 2016	Committed Budget 2017	Committed Budget 2018	Total Budget
1	Upgrading f Schoongezicht Pump station				R500 000	R4.5m	R5m
3	TB Hospital in Witbank			R500 000	R4.5m		R5m
4	Community Scholarship Programme	R300 000	R300 000	R300 000	R300 000	R300 000	R1.5m
5	Skills Development for the youth		R1m	R1m	R1m	R1m	R4m
6	Waste Management Project		R500 000	R1.5m	R1.5m	R1.5m	R5m
		R300 000	R1.8m	R3.8m	R11.8m	R7.8m	R25.5m

1. Upgrading of Schoongezicht Pump station

Project Name		The name of the project: Upgrading f Schoongezicht Pump station		Classification of project Improving infrastructure	
Background	● Schoongezicht is situated in Landau zone of influence. The pump station upgrade will assist in improving the water supply to the Schoongezicht community				
Geographical location of the project		Nkangala District Municipality	eMalahleni Local Municipality	Village name: eMalahleni	Project Start Date 2016 Project End date 2018
Output	Key Performance Area: Upgrade the pump station	Key Performance Indicator Improved water provision	Responsible entity Anglo American Coal and eMalahleni Municipality	Quarterly timelines and year Feasibility Study in the 1 st year	Quarterly timelines and year Complete in 2018
Classification of jobs	No of jobs created	Male Adults	Female Adults	Male Youth	Female Youth
Short Term	30	5		10	15
Completion date 2018. Exit Strategy: Hand over to the eMalahleni Local Municipality.					
Total					
Budget					
R5m					
Comments					
30					

3. Community Scholarship Project

Project Name	The name of the project: Community Scholarship			Classification of project Education/Poverty Alleviation		
Background	● Community Scholarship to be awarded to qualifying learners who are currently in Matric, who would be heading for Tertiary in 2014. The aim is to provide financial assistance to those Disadvantaged learners in the community to pursue careers of their choice. This will enable them to be employable on completion and be able to provide for themselves and their families.					
Geographical location of the project	Nkangala District Municipality	eMalahleni Local Municipality	Village name: eMalahleni	Project Start Date: 2014	Project End date: 2018	
Output	Key Performance Area: Award 5 scholarships per two years	Key Performance Indicator 10 Scholarship awarded by 2018	Responsible entity Anglo American Coal Public Affairs	Quarterly timelines and year 5 candidates 1 st year	Quarterly timelines and year 5 candidates 3 rd year	Budget R1.5m
Classification of jobs	No of jobs created	Male Adults	Female Adults	Male Youth	Female Youth	Comments
Short Term	10	Nil	Nil	5	5	10
Exit Strategy: Learners would have completed their Diplomas/Degrees with the potential of being employable. Completion date 2018.						

4. Witbank TB Hospital

Project Name		The name of the project: e.g. TB Hospital Pharmacy		Classification of project e.g. infrastructure				
Background		<ul style="list-style-type: none">Since 29 April 1959 a multi-faceted service has been rendered to the community in the fight against Tuberculosis by the South African National Tuberculosis Association.The Hospital has been approved for 190 General-TB, and 36 MDR-TB beds. MDR (Multi Drug Resistance) Unit Phase 1 opened on 11th July 2000.On the 1st August 2005 SANTA Hospital was taken over by the Department of Health and was no longer a non-governmental hospital.The ARV Project was started in September 2006 and on the 7th of February 2007 it was accredited as a Wellness Clinic.To meet the pharmacy legislated requirements						
Geographical location of project		Nkangala District Municipality	eMalahleni Local Municipality	Village name Ackerville Township	Project Start Date 2016		Project End date 2017	
Output		Key Performance Area: Build a Pharmacy for TB Hospital	Key Performance indicator: Pharmacy Constructed & fully functioning Male Adults	Responsible entity Anglo American and the Department of Health	Year 1 Feasibility Study Male Youth	Year 2 Construction Commences Female Youth	Year 3 Construction completed Total	Budget Est. R5m Comments
Classification of jobs		No of jobs to be created will be determined by the feasibility study	10	25			50	
Short Term		Will be determined by the Feasibility Study						
Medium Term								
Exit Strategy: The company will exit once the project has been completed and the project being handed over to the Department of Health The project will benefit 220 TB patients within and outside eMalahleni Local Municipality Jurisdiction.								
5. Youth Skills Development Programme								

Project Name		The name of the project: e.g. Skill Development				Classification of project e.g. /Human Capital		
Background	<ul style="list-style-type: none">Whilst unemployment remains the biggest challenge in our country, especially among the youth, the strengthening of youth service programmes become imperative. Landau will develop programmes that would introduce and facilitate access to addressing the needs of the youth to become part of the mainstream economy.Life skills training and Skills Development programmes that would make the youth within our communities become employable within the industry. This can be achieved through the provision of portable & technical skills. This pool will be created for the industry.							
Geographical location of project	Nkangala District Municipality	eMalahleni Local Municipality	Village name: eMalahleni		Project Start Date 2015		Project End date 2018	
Output	Key Performance Area To train 20 young people on Operators skills	Key Performance indicator 20 Youth trained as Operators	Responsible entity Anglo American Thermal Coal Landau Colliery and Dept. of Higher Education	Year 1 5	Year 2 5	Year 3 -4 10	Budget R4m	
Classification of jobs	No of jobs to be create	Male Adults	Female Adults	Male Youth	Female Youth	Total	Comments	
Short Term	20	Nil	Nil	10	10	20		
Exit strategy: On completion of the course, these young people will become employable for the industry and not only for Anglo American Landau Colliery. The provision of the skills will address unemployment and poverty among young people.								

6. Waste Management Programme

Project Name	The name of the project: e.g. Waste Management				Classification of project e.g. Enterprise Development			
Background	<ul style="list-style-type: none"> Whilst unemployment remains the biggest challenge in our country, especially among the youth, the strengthening of youth service programmes become imperative. Again, eMalahleni has the biggest challenge in pollution and illegal dumps all over. By developing an enterprise that will collect waste in Schoongezicht and Clewer will create job opportunities for the young people in these communities. Whilst Schoongezicht remains one of the areas where illegal dumping has been created, the waste management project will assist to clean up the area and create opportunities for them. 							
Geographical location of project	Nkangala District Municipality	eMalahleni Local Municipality	Village name: eMalahleni		Project Start Date 2015		Project End date 2018	
Output	Key Performance Area	Waste Management project	Key Performance Indicator	Established Enterprise	Male Adults	Female Adults	Responsible entity	Anglo American
Classification of jobs	No of jobs to be created	30					Year 1	Feasibility study
							Year 2	Implementation
							Year 3 -4	Implementation
								Budget
								R5m
Short Term								Comments
Exit Strategy: Agreement with the Municipality will be entered into to provide an opportunity for the enterprise to provide service on behalf of the municipality in eMalahleni so that the enterprise could be self-sustained								

3.6 Housing and living conditions

Anglo American Coal (SA) promotes home ownership with the long-term goal of meeting the Mining Charter's requirement that all employees live in sustainable human settlements. The Mining Charter has been revised as follows:

By 2014, mining companies must implement the following measures to improve the standards of housing and living conditions for mineworkers:

- Convert and upgrade hostels into family units,
- Attain the occupancy rate of one person per room,
- Facilitate home ownership options for all mine employees in consultation with organised labour.

3.6.1 Type of housing provided for employees

The table below provides a summary of the accommodation provided for SACE employees as of the fourth quarter of 2013, and the number of those who receive a housing allowance:

Table 3.7 Types of accommodation per employee type: SACE (2013)

Employee type	Houses	Married quarters	Flatlets	Single quarters	Private leased	Other	Total in housing	Total on housing allowance	Labour strength
Officials	166	0	6	0	14	13	199	821	1020
Senior-skilled	107	0	0	0	0	2	109	267	376
Skilled	9	0	93	0	0	3	105	652	757
Other	0	0	0	0	0	0	0	0	0
TOTAL									

Table 3.7 Types of accommodation per employee type: Landau Colliery (December 2013)

Employee type	Houses	Married Quarters	Flatlets	Single Quarters	Private Leased	Other	Total in Housing	Total on housing allowance	Workforce
Officials	20		1		2	8	35	100	135
Senior Skilled	31						31	92	123
Skilled	3		11				14	260	274
Other							0		
TOTAL	54	0	12	0	2	8	80	452	532

3.6.2 Progress against targets

In terms of the first two revised targets, Anglo American Coal (SA) has completed all hostel conversions required and has a 100% occupancy level of one person per room. The company has introduced housing allowances to promote home ownership and 75% of employees cater for their own accommodation in sustainable areas.

Table 3.8 SACE's progress against the housing targets (December 2013)

SACE Collieries		2014 Milestone		Home ownership milestone	
Employee Type		Target	Actual	Target	Actual
Officials		100%	100%	100%	80%
Senior-skilled		100%	100%	100%	71%
Skilled		100%	100%	100%	86%
Other		100%	100%	100%	N/A
TOTAL		100%	100%	100%	81%

3.6.3 Anglo American Coal (SA) housing strategy

Our vision for housing is long-term home ownership. As a result, we wish to move away from housing provision entirely and to ensure that employees are accommodated in their own formal accommodation located within the metropolitan frameworks of the regions where our new and existing operations are based.

The primary aims of this vision are:

- To meet the agreements outlined in the 'Framework of Principles on Accommodation' with the unions, and to ensure that employees are able to live with their families in normalised, sustainable environments.
- To support the integration of future corporate social investment activities within the regional municipal framework and infrastructure development.
- To assist the Chamber of Mines to meet the Housing Forum commitments and to ensure that the Social and Labour Plan and Mining Charter's obligations are met and are sustainable.
- To enhance the social and economic sustainability of the regions in which Anglo American Coal (SA) operates through a housing model that is integrated within the greater metropolitan centres and aligned with the Integrated Development Plans for those regions.

Key challenges:

- Lack of affordable housing, which encourages employees to remain in mine-provided accommodation in unsustainable areas.
- Bulk infrastructure costs and constraints which have delayed the delivery of serviced stands for residential developments in sustainable areas and which have added to the cost of housing and selling prices.

- Chronic housing backlogs. This has resulted in long waiting lists and delivery lead times.
- Limited municipal resources, particularly funding and capacity, to provide infrastructure and services for residential developments.

3.6.4 Housing action Plan

During 2007, Anglo American Coal (SA) initiated a project to manage the transition from housing provision at its operations to full home ownership. This plan is based on the following pillars:

- The adjustment of housing allowances in line with market conditions to encourage employees to relocate to sustainable residential settlements in established areas.
- To support bulk infrastructure development within the local municipal spatial framework with funding and technical expertise to fast-track the delivery of housing and contain house prices within acceptable levels.
- To specifically source and support housing delivery within metropolitan urban areas that are sustainable in the longer term.
- To facilitate and market home ownership to all employees.

Table 3.9 Anglo American Coal (SA) housing allowances per employee grade

Employee grade	2007 RATES	2009 RATES	2010 RATES	2011 RATES	2012 RATES	2013 RATES
D1 and C4#	R 5,250	R5,775	R6,208	R7,007	R7,532	R8,000
CU	R 4,500	R4,950	R5,321	R6,006	R6,456	R6,973
CL and B Band	R 3,600	R4,000	R4,320	R4,876	R5,242	R5,714
Senior-skilled	R 3,600	R4,000	R4,320	R4,876	R5,242	R5,741
Skilled	R 2,636	R3,000	R3,300	R4,876	R5,242	R5,714
Skilled in Mine						
Accommodation	R1,000	R1,200	R1,232	R1,391	R5,242	R5,714

Sourcing and supporting housing delivery

The above projects have been specifically targeted to supply houses to SACE employees because of their proximity and location. This is in line with the company strategy to source employees from sustainable areas. Our housing team is actively involved in discussions with the eMalahleni Local Municipality, technical design personnel, urban planners and private property developers. This is an ongoing process for each project identified.

Facilitation and marketing to employees

The company has initiated a training and development scheme for all employees interested in buying or renting property in urban areas. This programme is designed to educate employees about the

responsibilities of buying, owning and managing their own homes. This has been developed at the request of employees canvassed during surveys conducted in 2007, which identified that many do not fully understand the complexities of home ownership. This is an ongoing process and is being run in parallel with the marketing programmes under way for the above developments.

PART FOUR

Management of downscaling and retrenchments

4. Management of downscaling and retrenchments

The primary objective of downscaling and retrenchment management is to ensure that there are no other viable options to achieve operational requirements before considering the downscaling of workers. To achieve this, the following have been put in place:

4.1 Establishment of a future forum

Landau Colliery has launched a forum during June 2014, including both employer and employee representatives. This forum meets monthly to discuss key operational issues. The purpose of these discussions is to:

- Identify challenges affecting the mine and to come up with solutions to them
- To implement solutions agreed upon by both the employer and employee representatives

No Landau Colliery employees were retrenched during 2013.

4.2 Mechanisms to avoid job losses and a decline in employment

Should prevailing economic conditions cause the profit revenue ratio of any operation to not be viable for a continuous period of 12 months, Anglo American Coal (SA) and Landau Colliery would initiate the following processes which must include, but not be limited to, the following:

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

4.3 Managing Retrenchments

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

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

4.4 Mechanisms to ameliorate social and economic impact

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

- Assessment and counselling services for affected employees
- Comprehensive self-employment training programmes
- Comprehensive training (non-mining skills) and re-employment programmes
- Creation of jobs for local economies
- Regeneration of local economies
- Accessing the Social Plan Fund

PART FIVE

Financial provision

5. Financial Provision

5.1 Human resources programme

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

Table 5.1 Financial provision for Human Resources Development (2013)

Programme	Committed Budget 2014	Committed Budget 2015	Committed Budget 2016	Committed Budget 2017
Skills Development Levies Act	R 1 869 404.53	R 1 777 587.01	R 1 700 480.31	R 1 641 697.10
Learnerships	R 3 709 404	R 2 697 748.36	R 1 011 655.64	R 0.00
Internal training	R 10 668 720	R 10 144 716.07	R 9 704 552.77	R 9 369 190.26
External training	R 3 316 788	R 3 153 880.93	R 3 017 038.99	R 2 912 778.46

5.2 Local Economic Development

5.2 Local Economic Development Projects (2014- 2018)

No.	Programme	Committed Budget 2014	Committed Budget 2015	Committed Budget 2016	Committed Budget 2017	Committed Budget 2018	Total Budget
1	Upgrading f Schoongezicht Pump station				R500 000	R4.5m	R5m
2	Multi-Purpose hall in Clewer			R500 000	R4.5m		R5m
3	TB Hospital in Witbank			R500 000	R4.5m		R5m
4	Community Scholarship Programme	R300 000	R300 000	R300 000	R300 000	R300 000	R1.5m
5	Skills Development for the youth		R1m	R1m	R1m	R1m	R4m
6	Waste Management Project		R500 000	R1.5m	R1.5m	R1.5m	R5m
		R300 000	R1.8m	R3.8m	R11.8m	R7.8m	R25.5m

5.3 Management of downscaling and retrenchments

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

Table 5.3 Financial provision for management of downscaling and retrenchments

No.	Process	Remarks
1	Consultation with stakeholders	Financial provision will be made available for all the processes involved in managing downscaling and retrenchments
2	Informing employees of possible retrenchments	
3	Informing other affected parties	
4	Informing outside parties	
5	Assessment and counselling services for affected employees	
6	Self-employment training programmes	
7	Life skills training programmes	
8	Regeneration of local economies	
9	Other	

PART SIX

Undertaking

Our Ref: CM/W/15/5/LANDAU

Your Ref: MP 30/5/1/2/2(306) MR

Regional Manager
Department of Minerals and Energy
Mpumalanga Region
Private Bag X7279
WITBANK
1035

19 May 2015

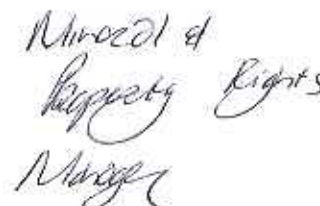
**UNDERTAKING TO ADHERE TO THE 5 YEAR REVIEW REPORT ATTACHED TO THE
SOCIAL AND LABOUR PLAN
MINING RIGHT : LANDAU COLLIERY**

This undertaking forms part of the Social and Labour Plan.

Anglo Operations (Pty) Limited hereby undertakes to adhere to the Annual Progress Report and the 5 year Review Report as required by the Social & Labour Plan approved by your Department.


BHEKI KHUMALO
Head of Corporate Affairs, Mineral and Property Rights
Anglo American Coal, South Africa


Chantelle Ceebe


Mineral & Property Rights
Manager