

SOCIAL AND LABOUR PLAN RUSTENBURG SECTION PSA



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ABBREVIATIONS AND ACRONYMS

ABET	Adult Basic Education and Training
ADC	Anglo Platinum Development Centre
BBSEE	Broad-Based Socio-economic Empowerment
BEE	Black Economic Empowerment
CED	Community Engagement and Development
CSI	Corporate Social Investment
DMR	Department of Mineral Resources
DoA	Department of Agriculture
DoE	Department of Education
DoH	Department of Health
DSD	Department of Social Development
HBSS	Housing Bond Subsidy Scheme
HDP	Historically Disadvantaged Person
HDSA	Historically Disadvantaged South African
HRD	Human Resources Development
IDC	Individual Development Charter
IDP	Integrated Development Plan
IPA	Individual Performance Agreement
LED	Local Economic Development
LIBSA	Limpopo Business Support Agency
MDGs	Millennium Development Goals
MPRDA	Mineral and Petroleum Resources Development Act
MQA	Mining Qualifications Authority
NGO	Non-governmental Organisation
NPI	National Productivity Institute
NQF	National Qualifications Framework
PGMs	Platinum Group Metals
SADC	Southern African Development Community
SED	Socio-economic Development
SEDA	Small Entrepreneurial Development Agency
SLP	Social and Labour Plan
SMME	Small, Micro and Medium Enterprise
TLM	Thabazimbi Local Municipality
UIF	Unemployment Insurance Fund
WSP	Workplace Skills Plan
PSA	Pooling and Sharing Area

GLOSSARY

Black women	African, Indian and Coloured women.
Broad-Based Socio-economic Empowerment (BBSEE)	<p>A social or economic strategy, plan, principle, approach or act, which is aimed at:</p> <ol style="list-style-type: none"> a) Redressing the results of past or present discrimination based on race, gender or disability of historically disadvantaged persons in the minerals and petroleum industry, related industries and in the value chain of such industries; and b) Transforming such industries so as to assist in, provide for, initiate, facilitate or benefit from: <ol style="list-style-type: none"> i. Ownership participation in existing or future mining, prospecting, exploration and beneficiation operations; ii. Participation in or control of management of such operations; iii. Development of management, scientific, engineering or other skills of HDSAs; iv. Involvement or participation in the procurement chains of operations; and v. Integrated Socio-economic Development of host communities, major labour-sending areas and areas that (due to unintended consequences of mining) are becoming ghost towns, by mobilising all stakeholder resources.
Community	A coherent, social group of persons with interests or rights in a particular area of land which the members have or exercise communally in terms of agreement, custom or law.
Employee	An employee is defined as any full-time person who directly works for the owner of a reconnaissance permission/permit, prospecting right, mining right, mining permit, technical cooperation permit, exploration right and production right, and who is entitled to receive any direct remuneration from the holder of any of the abovementioned rights, including any person working for an independent contractor.
Historically Disadvantaged Person (HDP)	<ol style="list-style-type: none"> a) Any person, category of person or community, disadvantaged by unfair discrimination before the Constitution of the Republic of South Africa, 1993 (Act No. 200 of 1993) took effect; b) Any association, a majority of whose members are persons contemplated in Paragraph (a); and c) Any juristic person other than an association, in which persons contemplated in Paragraph (a) own and control a majority of the issued capital or members' interest and are able to control a majority of the members' votes.
Historically Disadvantaged South African (HDSA)	Any person, category of persons or community, disadvantaged by unfair discrimination before the Constitution of the Republic of South Africa, 1993 (Act No. 200 of 1993) came into operation. In this plan, HDSA refers to Black, Coloured, Indian males and all females (incl. white females)

Integrated Development Plan (IDP)	<p>a) A plan aimed at the integrated development and management of a municipal area as contemplated in the Municipal Structures Act (Act No. 117 of 1998); and</p> <p>b) For the purposes of this Social and Labour Plan, IDP is taken to mean the IDP for all those municipalities falling within the determined mine community from which more than 10% (the significance factor) of the mine's labour is sourced.</p>
Labour-sending areas	Municipalities from which current employees have been recruited.
Local labour	Those employees recruited locally from within the mine community.
Major labour-sending area (see also Labour-sending areas)	<p>a) In the context of the mine community, a major labour-sending area is a municipality from which more than 10% of the mine's workforce is sourced; and</p> <p>b) In the context of rural areas outside the mine community, a major labour-sending area is a municipality from which more than 5% of the mine's workforce is sourced. Special consideration is given to the municipalities hosting such communities because of:</p> <ol style="list-style-type: none"> i. The scattered nature of rural labour-sending areas and the need to focus the effort of the mine's rural development strategy and its programmes; ii. The need to work within the framework of the Integrated Development Plans (IDPs) of these communities in order to leverage the mine's efforts; and iii. The need to ensure that those communities directly affected by the mine's prospective closure are equipped to meet that eventuality.
Management	All employees within the Paterson C, D, E, and F Bands.
Migrant labour	<p>Migrant labour refers to workers who originate from the rural labour-sending areas, who live in hostels or other mine-provided accommodation, and who have no formal local dependants.</p> <p>Three types of migrant labour are referred to in this Social and Labour Plan:</p> <ol style="list-style-type: none"> a) Provincial migrant workers are those who come from areas within the mine's host province but outside the mine community; b) South African migrant workers are those who come from other South African provinces; and c) Foreign migrant workers are those who come from neighbouring Southern African Development Community (SADC) states. It is these workers that are referred to as migrant workers in the Mineral and Petroleum Resources Development Act.

<p>Mine community</p>	<p>The mine community is defined as those towns, villages and settlements that fall within the area surrounding the mine.</p> <p>As far as the Social and Labour Plan is concerned, only the municipality or municipalities within the mine community from which the mine sources 10% or more of its labour are regarded as major labour-sending areas. Special consideration is given to these municipalities because of the requirements for planning and implementation of Integrated Development Plans (IDPs).</p> <p>Mine community issues that are directly and indirectly required by the regulations to be addressed in this Social and Labour Plan are:</p> <ul style="list-style-type: none"> a) Existing and expected patterns of human settlements and villages within this community; b) Patterns of labour sourcing for the mine; c) Common commuting habits to and from the mine on a daily or weekly basis for the purpose of work; d) Spending patterns of the mine's employees; e) The use of social amenities, recreational facilities and infrastructure; f) Commercial and industrial linkages; g) Provincial and municipal boundaries; h) Existing and proposed functional boundaries, including magisterial districts; i) Existing and expected land use, transport modes and routes; j) The need for coordinated social development programmes and services including the need for housing, nutrition and healthcare; and k) The need to rationalise the delivery of sustainable services and other socio-economic programmes as committed to in this Social and Labour Plan, particularly with respect to pragmatic delivery, financial viability and the mine's administrative capacity.
<p>Municipality</p>	<p>A local municipality that shares municipal executive and legislative authority in its area with a district municipality within whose area it falls and which is described in Section 155 (1) of the Constitution as a Category B municipality.</p>

<p>Rural labour-sending area (also see Major labour-sending areas)</p>	<p>A rural labour-sending area is a municipality outside the mine community from which the mine sources its labour. It is almost always located in what is traditionally regarded as a rural area such as the Eastern Cape Province.</p> <p>The following rural labour-sending issues are required by the Mineral and Petroleum Resources Development Act (MPRDA) regulations to be addressed in this Social and Labour Plan:</p> <ul style="list-style-type: none"> a) Patterns of labour sourcing for the mine; b) Areas of traditional rural communities; c) Existing and proposed functional boundaries, including magisterial districts; d) Wage remittances to such areas; e) Existing and expected land use, transport modes and routes; f) The need for coordinated social development programmes and services, including the need for housing, nutrition and healthcare; and g) The need to rationalise the delivery of sustainable services and other socio-economic programmes as committed to in this Social and Labour Plan, particularly with respect to pragmatic delivery, financial viability and the mine's administrative capacity.
<p>SLP</p>	<p>SLP mean this Social and Labour Plan.</p>
<p>Total discretionary spend</p>	<p>Total discretionary spend means that portion of mine capital and working cost component which comprises expenditure over which the mine management has discretion. The working cost component is made up of the mine's total ongoing operating expenditure less that money paid to:</p> <ul style="list-style-type: none"> a) Government: <ul style="list-style-type: none"> i. Central government departments; ii. Parastatal companies; iii. Provincial government; and iv. Municipalities and other local authorities. b) Imported proprietary technology; c) Key raw materials; and d) Inter-company transfers.
<p>Total procurement spend</p>	<p>Expenditure on capital goods, consumables and services. This includes both discretionary and non-discretionary expenditure.</p>
<p>Transitional workers</p>	<p>Those workers who originate from rural labour-sending areas (such as the Eastern Cape Province), who have established local, urban (second) families but support other (first) families in the rural areas.</p>

SECTION 1

Preamble (Regulation 46 a)

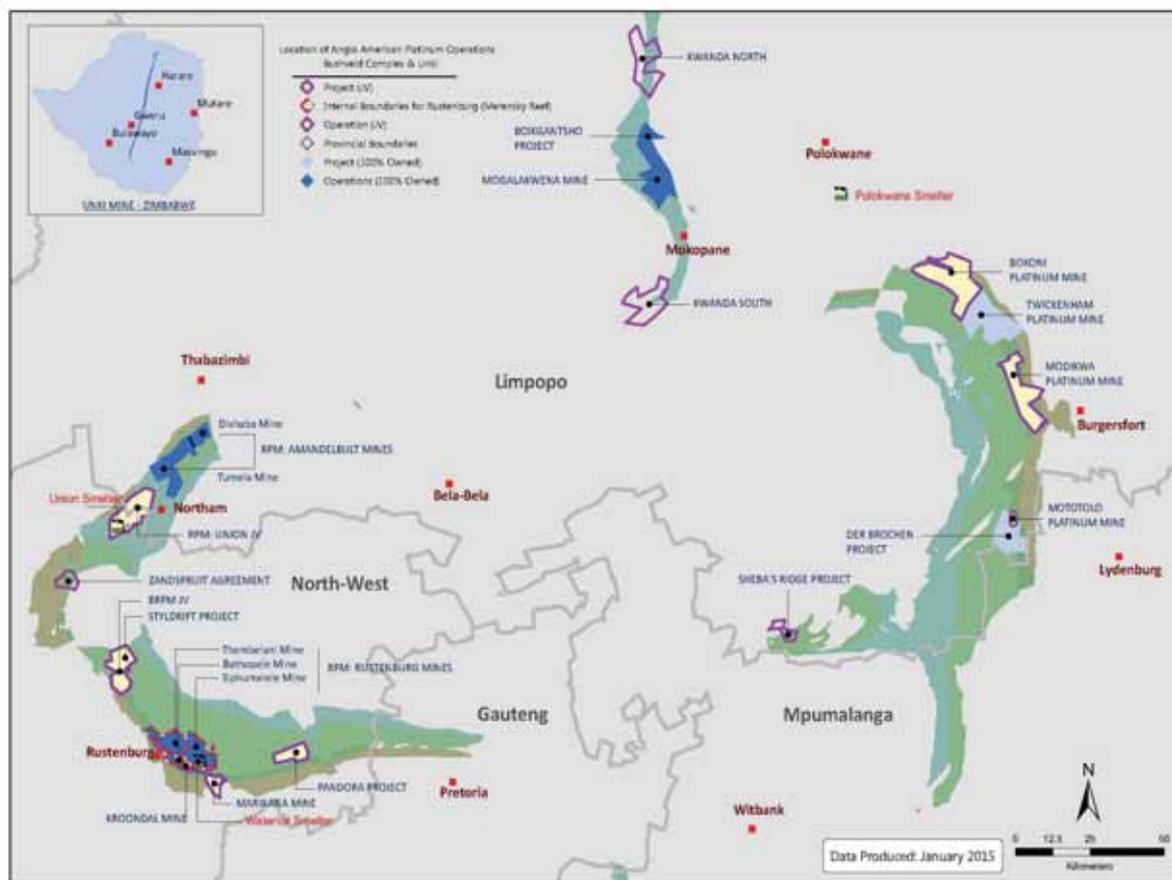
1. Company Details

1.1 Name of the company/applicant	Rustenburg Platinum Mines Ltd
1.2 Name of mine/production operation	Rustenburg Mines Pooling and Sharing Area (PSA)
1.3 Physical address	55 Marshall Street, Johannesburg, 2001
1.4 Postal address	P.O. Box 62179, Marshalltown, 2107
1.5 Telephone number	011 373 6358
1.6 Fax number	086 760 1542
1.7 Location of mine or production operation	Local municipality: Rustenburg Local Municipality District municipality: Bojanala District Municipality Province: North West
1.8 Commodity	Platinum, palladium, rhodium, iridium, ruthenium, gold, silver, cobalt, nickel and copper.
1.9 Life of mine	
1.10 Financial year	January – December
1.11 Reporting year	2016
1.12 Responsible person	Rudi Rudolph
1.13 Geographic origin of employees (mine community and labour-sending areas).	
a) Mine Community	b) Labour-sending area (Refer to Aquarius SA 2012-2016 approved SLP).
Province	(Refer to Aquarius SA 2012-2016 approved SLP).
North West	(Refer to Aquarius SA 2012-2016 approved SLP).
District Municipality	(Refer to Aquarius SA 2012-2016 approved SLP).
Bojanala District Municipality	(Refer to Aquarius SA 2012-2016 approved SLP).
Local Municipality	(Refer to Aquarius SA 2012-2016 approved SLP).
Rustenburg Local Municipality	(Refer to Aquarius SA 2012-2016 approved SLP).

1.1 Location of the Mine

Rustenburg Platinum Mines are located in the North West Province, within the Rustenburg Local Municipality, approximately 20km east of Rustenburg and 60km west of Brits. The mines are situated close to the main Rustenburg-Marikina road and the Rustenburg-Thabazimbi road.

The figure below shows the different mining lease areas for Rustenburg Platinum Mines.



Rustenburg Platinum Mines (Pty) Ltd (RPM) is the holder of the following nine mining rights at its Rustenburg Section:

NW 30/5/1/2/43 MR	NW 30/5/1/2/79 MR	NW 30/5/1/2/80 MR
NW 30/5/1/2/81 MR	NW 30/5/1/2/82 MR	NW 30/5/1/2/83 MR
NW 30/5/1/2/84 MR	NW 30/5/1/2/85 MR	NW 30/5/1/2/86 MR

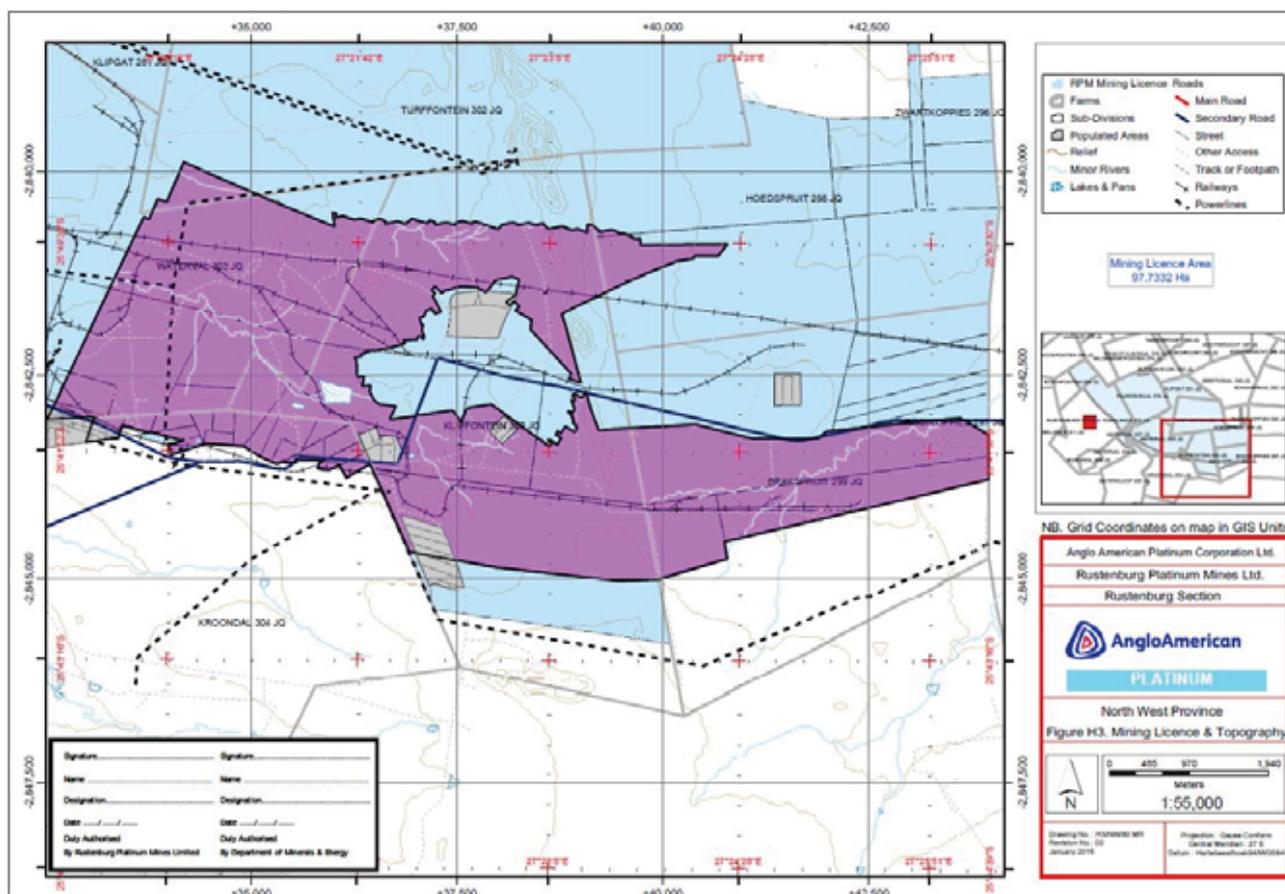
In the consolidated October 2004 MWP (and the July 2013 amendments thereto), production profiles were included on a consolidated basis, across the nine Rustenburg Section mining rights. Following discussions with the DMR, these production profiles have now been split into two sets of separate production profiles in line with the DMR's recommendations.

Rustenburg Platinum Mines accordingly wishes to consolidate the nine Rustenburg section mining rights into the following two mining rights described as follows:

- Consolidated Disposal 82 MR; and
- Consolidated PSA 80 MR.

The consolidated PSA 80 MR comprises farm portions of 80 MR, 81 MR, 83 MR and 86 MR, which have been contributed in parts into a pooling and sharing arrangement with Aquarius Platinum South Africa to make up the mines Kroondal and Marikana PSAs.

As a result of the consolidation, Rustenburg Platinum Mines presents two SLPs to the DMR. The first SLPs will cover all the areas outside the PSA with Aquarius South Africa and the second, which is this one, covers areas included in the PSA which are depicted by a pink colour in the diagram below.



Anglo American Platinum and Aquarius SA entered into a pooling and sharing arrangement for the mining of the area. According to the arrangement, Aquarius SA will be responsible for mining its part of the leased area and that which falls under Rustenburg Platinum Mines.

As a result of the arrangement and subsequent discussions held with the DMR Regional Manager, Anglo American Platinum will cover the Local Economic Development (LED) section of the SLP whilst Aquarius SA will cover all other sections which affect employees and procurement.

For sections outside the LED, the SLP of Aquarius SA is referred to and attached as Annexure A to this SLP.

1.2 The Demographics of the Rustenburg Mines Workforce

Refer to Aquarius SA 2012-2016 approved SLP.

SECTION 2

Human Resource Development Programme (Regulation 46 b)

Refer to Aquarius SA 2012-2016 approved SLP.

SECTION 3

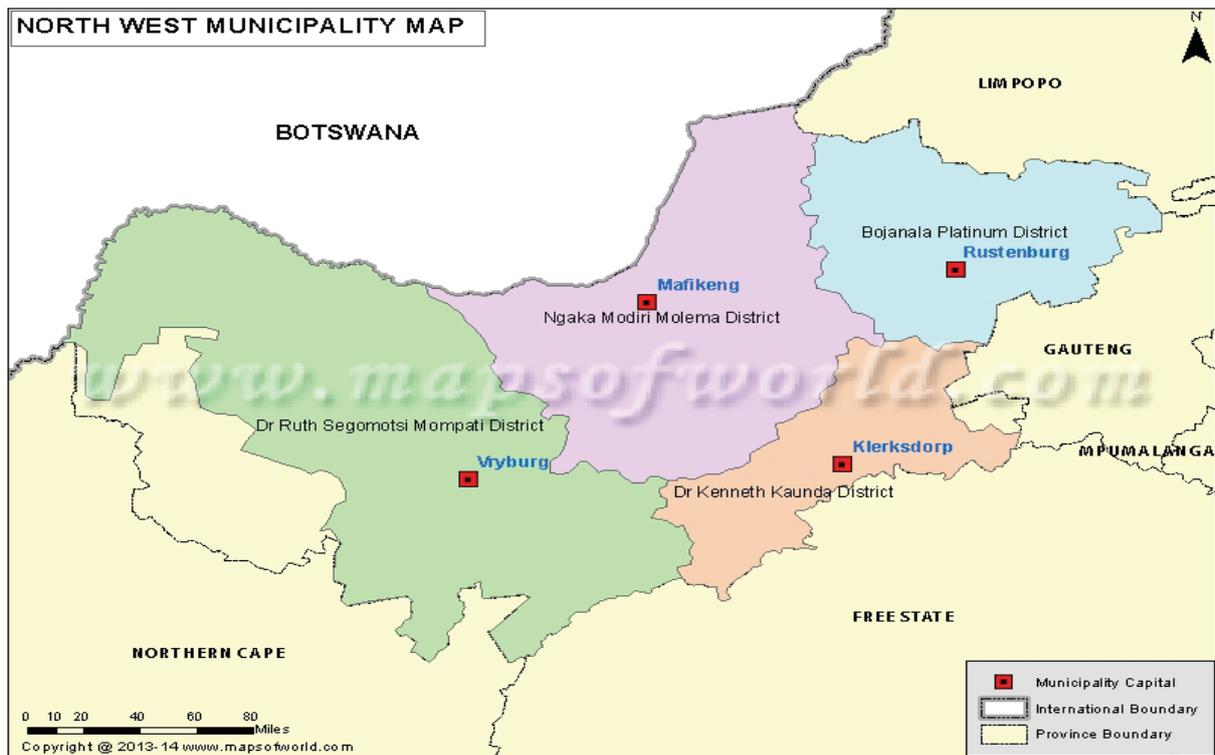
MINE COMMUNITY ECONOMIC DEVELOPMENT

3.1 Social and Economic Background Information of North West Province and Rustenburg Municipality (Regulation 46 (c) (i))

3.1.1 Overview of North West Province

North West Province is divided into four district municipalities, namely Bojanala, Dr Kenneth Kaunda, Dr Ruth Mompoti and Taung. These district municipalities are made up of 21 local municipalities. The province recorded a total population of 3,271,948 and 911,120 households in Census 2007, making it the second smallest province in terms of population size. This compares with a total population of 3,193,676 and 816,643 households recorded in Census 2011.

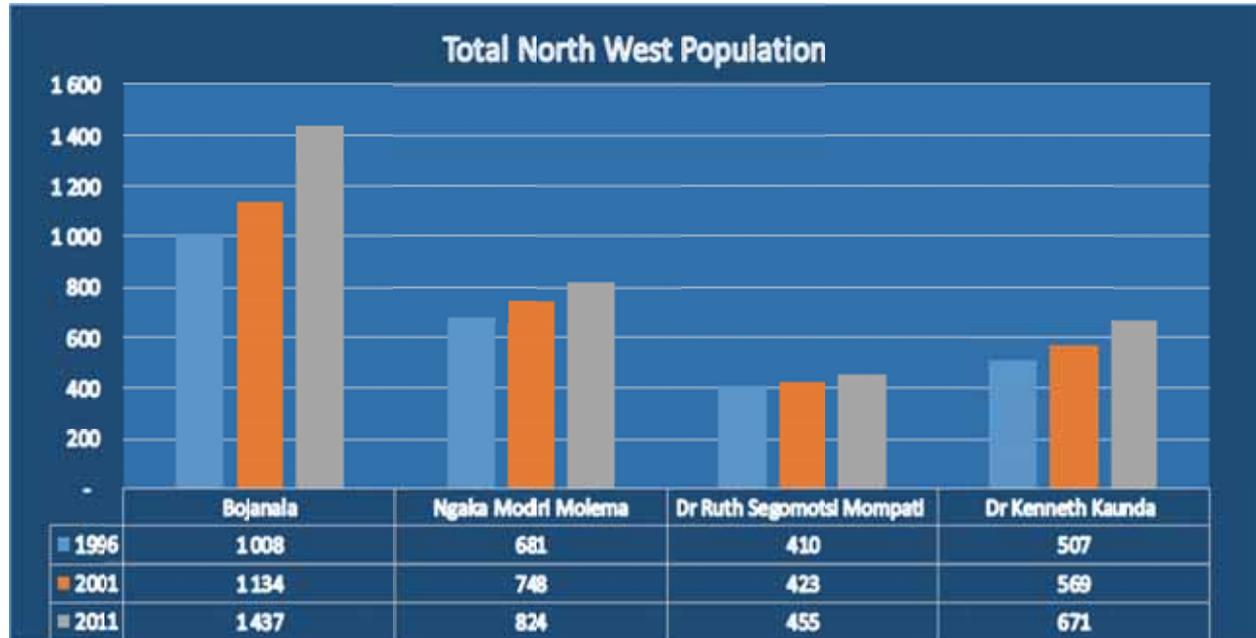
Figure 1: Map 1 North West Province and its neighbours



Source: North West Government: Department of Finance and Economic Development (cited by LGDS 2005:1).

Total North West Population

According to Census 2011, the population size of the North West had grown to 3,509,953 and 1,062,015 households as recorded in 2011.

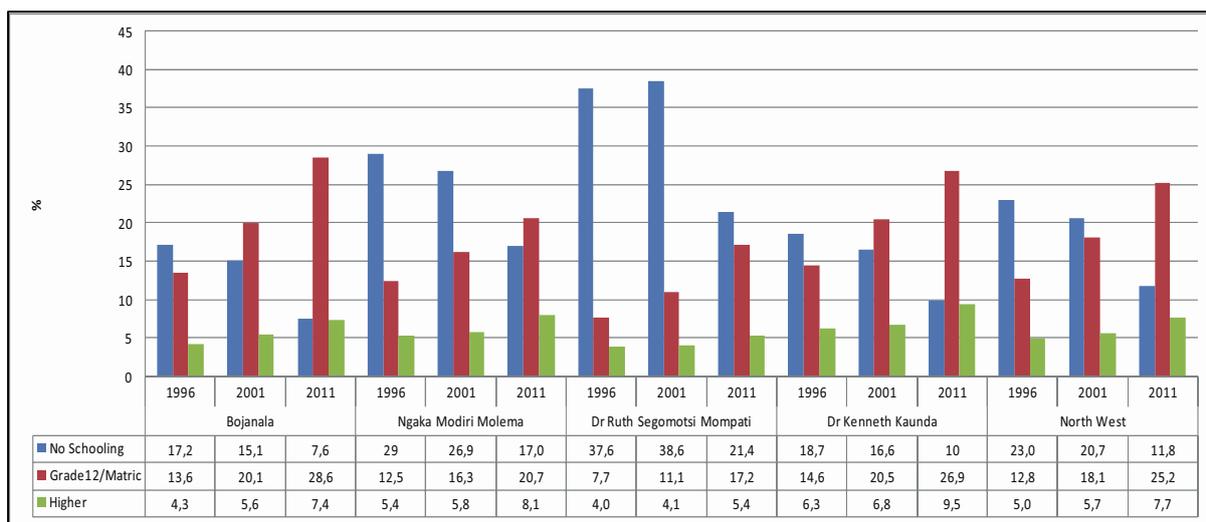


Education

The Department of Education has set strategic objectives in response to some of the systematic issues and pressing needs that are articulated in Action Plan 2014, which include the following:

1. The funding of special schools;
2. The need for greater access to special needs services for poor learners;
3. The need for a fundamental mindset shift in the way the schooling system regards special needs and disability;
4. The need to track the networking between special schools and full-service schools;
5. The capacity of districts to support ordinary schools with respect to specialist services and the loan of costly equipment; and
6. The provision of responsive training to FET learners in order to increase access.

Below is the representation of the education profile of the province in numbers as sourced from Census 2011:



Health

The Department of Health's strategic plan sets out the following objectives for the province:

1. Ensure effective management of the district's finances and assets;
2. Ensure the provision of quality healthcare services in districts;
3. Facilitate the process of continuous quality improvement (CQI);
4. Facilitate the appropriate appointment and development of human resources to ensure competent and performance-focused employees;
5. Ensure effective and appropriate organisational systems within districts;
6. Ensure the availability of suitable facilities in all districts;
7. Develop and maintain an appropriate referral system;
8. Establish and maintain appropriate governance structures at all health facilities; and
9. Facilitate decentralised management of districts.

Key Focus Areas

1. The promotion, protection and support of breastfeeding.
2. Micronutrient malnutrition control.
3. Disease-specific nutrition support, treatment, and counselling.
4. Growth monitoring and promotion.
5. Contribution to household food security.
6. Nutrition promotion, education and advocacy.
7. Human resource plan to strengthen institutional capacity and capabilities.

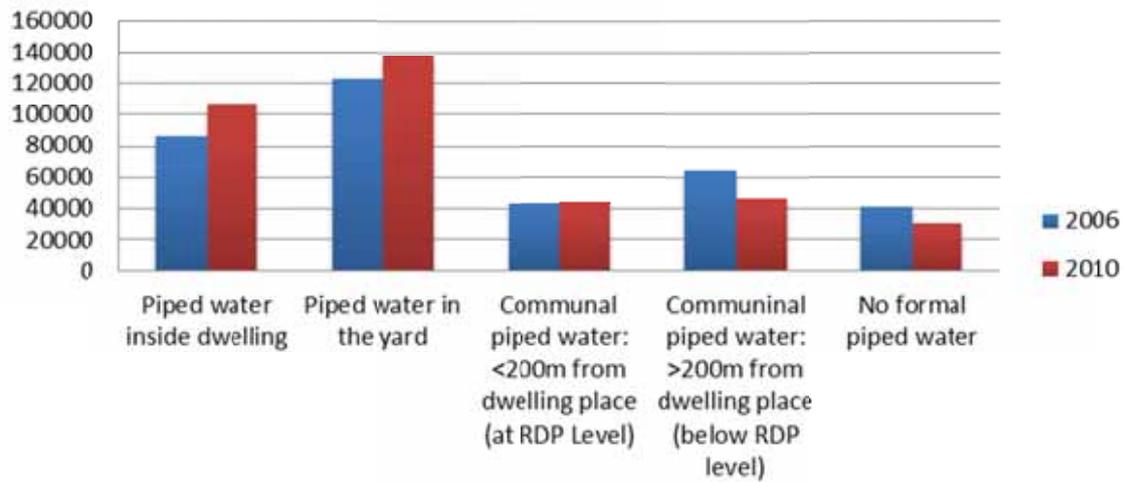
3.1.2 Overview of Rustenburg Local Municipality

Rustenburg Local Municipality is located in the centre of the Bojanala Platinum District with Madibeng Local Municipality (Brits area) to the east, Moses Kotane Local Municipality (Mankwe/Madikwe area) to the north, Kgetleng River Local Municipality (Swartruggens/Koster area) to the west, and the province of Gauteng to the south. There are 48 towns and settlements situated within Rustenburg Local Municipality. The town of Rustenburg, known as the Platinum Capital, and Thlabane are the main economic centres of the municipality. Within a distance of 20km from Rustenburg lie the four large residential urban areas of Phokeng, Luka, Kanana and Thekwane. These areas are, to a great extent, dependent on Rustenburg for employment and retail activity. Rustenburg and Thlabane are the largest centres of population concentration, employment opportunities and shopping facilities. The majority of the population of Rustenburg Local Municipality lives within Rustenburg and the four residential areas mentioned.

Below is the table illustrating the profile of the Rustenburg Municipality and the adjacent Moses Kotane Municipality.

PROFILE	MOSES KOTANE	RUSTENBURG
POPULATION	In 2001, the population size of Moses Kotane was 237,175, growing to 242,554 in the 2011 census, with the economically active population growing from 60.7% to 63.1%.	In 2001, the population size of Rustenburg was 387,096, growing to 549,575 in the 2011 census, with the economically active population growing from 71% to 72.5%.
GENDER	For every 100 males, there are 1.012 females, translating into a higher male population in the area.	For every 100 males, there are 0.821 females, translating into a lower male population in the area.
EDUCATION	In 2001, the population size with no schooling was 18.9%, dropping to 9.3% in 2011, while those with Matric increased from 18.4% in 2001 to 27.6% in 2011. The population with higher education dropped from 5.7% to 5.1% from 2001 to 2011.	In 2001, the population size with no schooling was 11.8%, dropping to 5.4% in 2011, while those with Matric increased from 22.3% in 2001 to 31.4% in 2011. The population with higher education increased from 6.3% to 8.4% from 2001 to 2011.
UNEMPLOYMENT	The official unemployment rate in 2011 was 37.9%, with 47.4% of that population being the youth.	The official unemployment rate in 2011 was 26.4%, with 11.8% of that population being the youth.
HOUSING	In 2001, households were 61,759 and increased to 75,193 in Census 2011.	In 2001, households were 113,394 and increased to 199,044 in Census 2011.
INFRASTRUCTURE	Education: <ul style="list-style-type: none"> • 349 Primary Schools • 127 Intermediary Schools • 116 Secondary Schools • 20 Combined Schools • 2 Technical Colleges • 1 University 	

Access to water



3.2 Key Economic Activities in the Area of Operation (Regulation 46 (c) (ii))

3.2.1 Economic Activities of North West and Rustenburg Municipality

North West Province

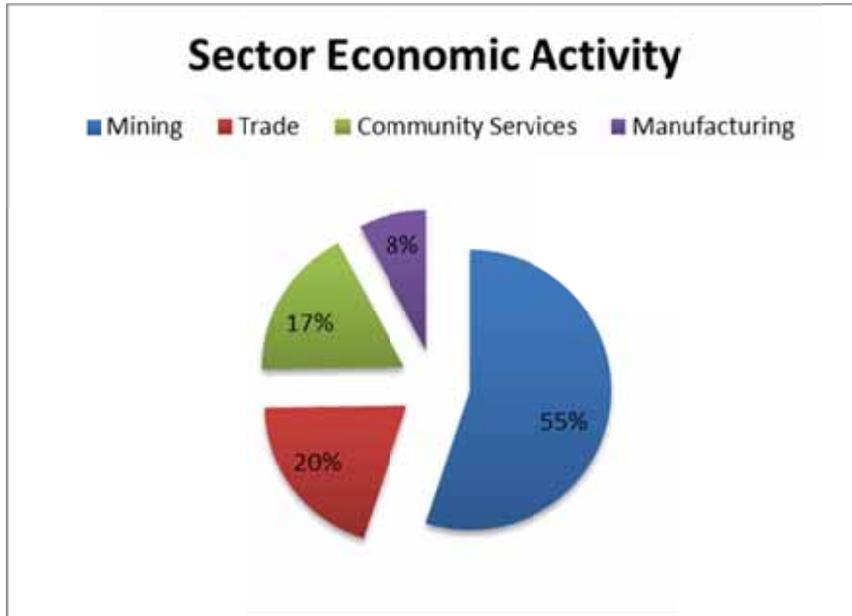
The North West Province is a medium-sized province in relation to the others in the country. The economy is small, with a 4.9% contribution to the national Gross Domestic Product (GDP). The province is characterised by high levels of poverty and unemployment as well as low literacy levels. These are some of the challenges that the province is faced with from an economic perspective.

Mining, tourism and agriculture have been identified as the main driving forces of economic development and prosperity together with associated manufacturing industries; however, job creation, diversification and poverty eradication still need to be improved. Second only to mining, agriculture is the most important economic activity in the North West Province.

Outside of the mining and minerals sector, private sector production activity is mostly limited to agriculture, food production and food security, industrial development and tourism. Water is a scarce natural resource and is often a limiting factor for development.

The PGDS activities, along with the general improved conditions of the national economy, have assisted in maintaining positive trends with regard to the economic growth. The province has set an ambitious but achievable target of growing the economy from its current sluggish 2% to at least 6% in the next five years. In line with the National Development Plan, the long-term vision for the North West is to be the second largest economy in the country by 2030. The Premier has indicated that for the foreseeable future, mining shall continue to play an important part as a sector in the economy of the province.

Rustenburg



The official unemployment rate in 2011 was 14.6%, with 47.4% of that population being the youth.

3.2.2 Other Mining Companies that Operate around the Operation

There are a number of operators in the Bojanala District, which are mainly platinum mines.

Name of Mining Company	Commodity
Samancor	
Northam Mine	Platinum
Tharisa Mining	Platinum
Aquarius	Platinum
Lonmin	Platinum
Impala	Platinum
Glencor	
Royal Bafokeng Platinum	Platinum

3.3

Negative Impact of the Mining Operation

	Yes	No	If yes, how will you address it?
Relocation of people		No	
Exhumation of graves		No	
Influx of people		No	
Other	Yes. Downscaling of operations and possible exit from the Rustenburg area.		

3.4 The Needs of the Area in Order of Priority

North West's Strategic Objectives and Key Focus Areas

STRATEGIC OBJECTIVES	PRIORITIES
<p>The challenges to fight poverty and unemployment, and improve the low level of expertise and skills, are both immediate and long term, and require primary goals for sustained growth and economic development as follows:</p> <ol style="list-style-type: none"> 1. The Economic Goal requires an average economic growth rate of 6.6% per annum, to halve unemployment over a 10-year period. 2. The Poverty Eradication Goal to wipe out the 'basic needs' backlog in accordance with the provisions of the Constitution and prepare the poor for future growth and development. 	<p>Transversal priorities that must be promoted at all levels of interaction in the province to support the two macro goals are:</p> <ol style="list-style-type: none"> 1. Growth and Investment: Physical infrastructure and technical support. 2. Agricultural and Rural Development: Capacitate, empower cooperatives, emerging farmers and facilitate market access. 3. Mining and Energy: Work with the DMR to achieve the Mining Charter and beneficiate. 4. Manufacturing: Beneficiation in jewellery making, etc. 5. Tourism: Promote industry through cultural tourism, entertainment and hospitality industries as well as build human capacity. 6. Construction and Infrastructure: Use the state as a resource to drive transformation in the sector. 7. SMME: Promote small businesses with the objective of providing jobs. 8. Training and Skills Development: Invest largely in SMMEs and ED in the province.

Key Focus Areas	Challenges
<ol style="list-style-type: none"> 1. Financial health of the province through targeted debt collection, specifically from provincial and national state departments. 2. Building institutional capacity and accelerating provincial human capital to stimulate economic growth and development. 3. Brand North West has suffered major reputational damage due to the bad conditions of most of our roads. 4. Good governance through effective implementation of the Clean Audit targets and Auditor General's recommendations. 	<p>The province faces the following socio-economic strategic issues that need to be addressed:</p> <ol style="list-style-type: none"> 1. Unemployment; 2. Poverty; 3. Economic growth; 4. HIV/AIDS prevalence; 5. Food security; 6. Physical infrastructure; 7. Illiteracy; 8. Rapid population growth; and 9. Urbanisation and migration.

Rustenburg Municipality Strategic Objectives and Key Focus Areas

STRATEGIC OBJECTIVES	PRIORITIES
<ol style="list-style-type: none"> 1. To ensure the good health of the community by providing comprehensive primary healthcare and ensuring the implementation of HIV/AIDS programmes. 2. To promote safety and security. 3. To create an integrated ICT platform. 4. To promote, attract and retain investors through maximising private sector investment, forging partnerships and creating conditions conducive to entrepreneurial activity and investment. 5. To promote capacity building through skills development. 6. To maximise investment in social infrastructure. 7. To encourage a diverse economic landscape and promote job creation for locals. 8. To ensure sustainable environment management and protection. 	<ol style="list-style-type: none"> 1. Efficient provision of quality basic services and infrastructure within a well-planned spatial structure. 2. Drive diversified economic growth and job creation. 3. Ensure municipal financial viability and management. 4. Maintain a clean, green, safe and healthy municipal environment for all. 5. Transform and maintain a vibrant and sustained rural development. 6. Uphold good governance and public participation principles. 7. Drive optimal municipal institutional development, transformation and capacity building.
CHALLENGES	
<ol style="list-style-type: none"> 1. High unemployment levels, lack of job opportunities and long-term dependency on government grants. 2. Non-payment of municipal services. 3. Dependency on mining and lack of diversification into other economic areas. 4. Poor city image – the entrance to the town has a negative impact on FDI and national investors. 5. Imported skills used by mines and misunderstanding of the concept of LED versus poverty alleviation. 	

3.5 Rustenburg Platinum Mines Local Economic Development Plan

Background and Context

The sustainability of our mining activities depends on our ability to contribute to the well-being and prosperity of our host communities. The challenging social context in South Africa highlights the need for sustainable community development as both a commercial and a social imperative. Anglo American Platinum remains committed to the transformation and economic empowerment of the host communities of its operations. The empowerment is executed in partnership with the relevant stakeholders, particularly the members of the host communities.

Broad stakeholder consultation and engagement was done as part of the development of this Social and Labour Plan.

Our Strategic Approach to Community Development

Inclusive stakeholder engagement underpins our approach to ensuring that we are respectful of human rights, and responsive to stakeholder aspirations and concerns in the communities in which we operate and from where we source labour. We are building durable relationships with these communities and delivering developmental benefits and opportunities aimed at increasing their capacity now and in the future.

Our strategic intent is:

- To create and deliver sustainable value to our stakeholders;
- To improve relations with stakeholders and the Company's reputation; and
- To create a sustainable business, communities and environments around our operations for the benefit of all stakeholders.

Most of our operations are located in rural areas characterised by low levels of formal economic activity, inadequate provision of infrastructure and poor levels of service delivery. Our mines represent a centre of socio-economic activity and an important source of welfare. Our approach to community development is based on understanding local contexts and using our core business to promote development. These activities typically involve:

- Developing local procurement and local suppliers;
- Building local capacity;
- Providing access to infrastructure, education and health facilities; and
- Investing in enterprise and skills development.

Many of these programmes will be undertaken in partnership with non-governmental organisations (NGOs), communities and local governments.

Our Social Performance department works closely with our Sustainability, Supply Chain and Local Procurement departments to promote socio-economic upliftment in communities close to our operations and in the areas from which we draw our labour (Lesotho, Mozambique and South Africa's Eastern Cape Province). We seek to align our social and infrastructure investment projects with South Africa's National Development Plan (NDP). All our operations have functioning community engagement forums that meet at least quarterly. We continuously monitor the quality of our engagement and the structures and communication channels in place, especially at community level, to ensure that these are effective.

Our Stakeholders

Our approach to engaging stakeholders is based on:

- Understanding and being responsive to the interests and concerns of our stakeholders is one of our principal priorities and challenges.
- Maintaining effective stakeholder relations.

Our ability to create a sustainable business is inextricably linked to our stakeholders – most directly with our employees and the communities surrounding our operations, but equally with the stakeholders who indirectly affect, or are affected by, what we do, including governments, shareholders, partners and suppliers. We are committed to working with our stakeholders in government, business and civil society to promote good governance and the responsible use of mineral wealth, and to prevent corruption.

We believe that establishing relationships built on trust and respect is fundamental to our ability to create value. The need to invest in building mutually beneficial relationships is of increasing importance given the fact that many stakeholders currently have low levels of trust in business generally. The five-month strike in the first half of 2014 deepened the already low levels of trust between mining companies, workers and their unions, and government. Our focus has been on re-establishing relationships and building and maintaining trust. Some of the key issues we have been addressing include:

- Job security and the limited opportunities for local recruitment as a result of skills gaps.
- Reputational and relationship damage to the industry as a result of strike-related violence and conflict.
- Industry-wide issues such as migrant labour and employee housing and accommodation.
- Communicating with government, employees, unions and communities regarding our intended sale of non-core assets.

Our stakeholder engagement processes are underpinned by the following strategic intents:

- To become a partner of choice in promoting integrated, sustainable local economic development in the provinces where we operate.

- To build a reputation for consistent and reliable delivery – whether on production or on social or environmental commitments made to stakeholders.
- To effectively engage stakeholders in obtaining the right to, and support for, safe and profitable PGM mining.

The following initiatives were identified through rigorous consultation and engagement with communities, municipalities and relevant government departments.

3.5.1 Education and Skills Development

Project 1	Support to Learner Development				Education					
PROJECT NAME	Support to Learner Development				Education					
BACKGROUND	It is widely accepted that South Africa is a country in transition and that to achieve accelerated and shared growth, it is critical to develop its people. Throughout the country there is agreement that a severe shortage of skills hampers long-term, sustained economic growth and the effectiveness of service delivery. There is a huge need to produce more matriculants proficient in mathematics, science and technical skills, and it is the aim of Anglo American Platinum to support the schools in the communities where they operate in order to strengthen the pipeline that they depend on to provide the candidates who are competent and confident, and who have the skills and experience required for the workplace.									
	RESPONSIBILITY	DISTRICT MUNICIPALITY	LOCAL MUNICIPALITY	VILLAGE NAME	TIMEFRAME				TOTAL BUDGET	
	SP Manager ,Bojanala District and Rustenburg circuit Managers of the DoE	Bojanala	Rustenburg	Seraleng, Sondela, Karlienpark	2016	2017	2018	2019	2020	750,000
OUTPUT	KEY PERFORMANCE AREA	KEY PERFORMANCE INDICATOR								
	business partners	Education for the partnership	Q1-Q4	150,000	Q1-Q4	150,000	Q1-Q4	150,000	Q1-Q4	150,000
Improvement in learner performance (numeracy & literacy) in three consecutive years (2018-2020) over 5 years in ANA and NSC	Supplement and enrich learners' learning	Procurement and provision of required services and equipment	Q1-Q4	150,000	Q1-Q4	150,000	Q1-Q4	150,000	Q1-Q2	
		Improved learner performance through improved teacher content and pedagogical knowledge, improved learner access to digital education resources and strengthening of curriculum delivery	Q1-Q4	150,000	Q1-Q4	150,000	Q1-Q4	150,000	Q1-Q2	
CLASSIFICATION OF JOBS	MALE ADULTS	FEMALE ADULTS	MALE YOUTH	FEMALE YOUTH	COMMENTS					
SHORT TERM					Experienced/specialised trainers and integrators from the province, not necessarily from the village/host community					
MEDIUM TERM					Experienced trainers and integrators from the province, not necessarily from the village/host community					
LONG TERM			85 beneficiaries	85 beneficiaries	1.2 % of approximately 6800 High School learners impacted with increased employability					
COMPLETION AND EXIT STRATEGY	Focused on systems strengthening via multi-stakeholder partnerships led by the DOE, hence a transition plan rather than an exit plan would be incorporated and guided by an signed MOU in terms of the ongoing project maintenance									
	Seraleng, Sondela, Karlienpark									

Project 2		Support to Teacher Development				Education				
PROJECT NAME	Support to Teacher Development									
BACKGROUND	It is widely accepted that South Africa is a country in transition and that to achieve accelerated and shared growth, it is critical to develop its people. Throughout the country there is agreement that a severe shortage of skills hampers long-term, sustained economic growth and the effectiveness of service delivery. There is a huge need to produce more matriculants proficient in mathematics, science and technical skills, and it is the aim of Anglo American Platinum to support the schools in the communities where they operate in order to strengthen the pipeline that they depend on to provide the candidates who are competent and confident, and who have the skills and experience required for the workplace. In its endeavour to contribute to these challenges, Union Mines plans to support the Department of Education to build content & pedagogical knowledge/capacity of teachers, content knowledge of learners & management capability of school leadership (75 trainees/year X 5 years=375 trainees). Extension of 2015 Teacher, Learner & Leadership Development. Teacher Content and Pedagogical Gaps (Gateway Subjects) with minimal impact on contact time, Supplement Gr12 2015 Learners Content Gaps (Math, English, Physical Science etc.) with access to 'extra education digital support', Supplement GET and FET Learning and Teaching, Supplement LTSM Shortages, Facilitate Curriculum Advisor & Peer support &									
OUTPUT	RESPONSIBILITY	DISTRICT MUNICIPALITY	LOCAL MUNICIPALITY	VILLAGE NAME	TIMEFRAME				TOTAL BUDGET	
	SP Manager, Bojanala District and Rustenburg circuit Managers of the DoE	Bojanala	Rustenburg	Seraleng, Sondela, Karlienpark	2016	2017	2018	2019	2020	750,000
	KEY PERFORMANCE AREA				150,000	150,000	150,000	150,000	150,000	
Improved teachers' content and pedagogical knowledge to improve learner performance above	KEY PERFORMANCE INDICATOR				150,000	150,000	150,000	150,000	150,000	
	Signed MOU with the Department of Education for the partnership				Q1-Q4	Q1-Q4	Q1-Q4	Q1-Q4	Q1-Q2	
	Support the development of teachers' Content and Pedagogical Knowledge to improve teacher performance				Q1-Q4	Q1-Q4	Q1-Q4	Q1-Q4	Q1-Q2	
	5 Teachers trained per year in DoE approved courses per year to improve content and pedagogical knowledge				Q1-Q4	Q1-Q4	Q1-Q4	Q1-Q4	Q1-Q2	
CLASSIFICATION OF JOBS	MALE ADULTS	FEMALE ADULTS	MALE YOUTH	FEMALE YOUTH	TOTAL				COMMENTS	
SHORT TERM					0				Experienced/specialised trainers and integrators from the province, not necessarily from the village/host community	
MEDIUM TERM					0				necessarily from the village/host community	
LONG TERM			150	237	387				1.2% of approximately 6800 High School learners impacted with increased employability	
COMPLETION AND EXIT STRATEGY	Focused on systems strengthening via multi-stakeholder partnerships led by the DOE, hence a transition plan rather than an exit plan would be incorporated and guided by an signed MOU in terms of the ongoing project maintenance									

Seraleng, Sondela, Karlienpark

3.5.2 Income-Generating Projects (Enterprise Development)

PROJECT NO 5	FOCUS AREA		Enterprise Development						
PROJECT NAME	ED Support and Linkages								
BACKGROUND	Enterprise Development has been identified as one of the Key strategic Drivers for local economic development in communities. In line with Anglo Platinum policy, RUSTENBURG (RPM) has identified existing enterprises that include local youth and women owned small businesses for further development and strengthening. These businesses generally require technical support and assistance to jump start them to become high performing business. Additional support must be provided to the entrepreneurs to access new markets as well as access funds to grow their businesses. Through additional support, these entrepreneurs will be able to take advantage of opportunities to supply the mine and other related businesses through quality and consistent service. The positive spinoffs of such intervention is that the businesses will be able to increase job opportunities, and thus improve the livelihoods of the local community members. Specialist business support partners will be paired with the local applicants in order to ensure that sustainability is created for these emerging business. The intention will be to grow them until they are fully capacitated to pursue business on their own independently.								
OUTPUT	RESPONSIBILITY	DISTRICT MUNICIPALITY	LOCAL MUNICIPALITY	VILLAGE NAME	TIMEFRAME		TOTAL BUDGET		
	SP Manager	Bojanala Platinum	Rustenburg	Seraleng, Sondela, Karlienpark	2016	2017	2018	2019	2020
	KEY PERFORMANCE AREA	KEY PERFORMANCE INDICATOR			1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
	Skills Needs assessment		Business Skills Report and Market analysis report		Q1	Q4	Q4	Q4	Q4
	Provision of specific and intended training and capacity development		Targeted businesses enrolled and completing training interventions		Q2	Q1	Q1	Q1	Q1
	Support with access to markets and development		Additional customer bases created		Q3	Q1	Q1	Q1	Q1
	Coaching, Mentoring and ongoing evaluation (Capacity Building interventions)		Dashboard maintenance; on Profitable Business; Jobs created		Q3-Q4	Q1-Q4	Q1-Q4	Q1-Q4	Q1-Q4
CLASSIFICATION OF JOBS	MALE ADULTS	FEMALE ADULTS	MALE YOUTH	FEMALE YOUTH	TOTAL				
SHORT TERM	0	0	3	4	7		Support on the targeted existing businesses in Glass Beads		
MEDIUM TERM	4	4	5	5	18		supported through ED Support over a medium term period of 3		
LONG TERM	2	2	3	3	10		supported through ED Support over a medium term period of 5		
COMPLETION AND EXIT STRATEGY	Develop the targeted business to a level where their revenue streams grow and they create employment opportunities through coaching and mentoring								
Provide a report on Beneficiaries and how they will benefit in pdf format as Appendix 3.5									
The support for local emerging enterprises as well as the training provision for the owners and employees of these targeted businesses will create viable businesses with growth prospects that will assist and support job creation, sustainability, alleviation of poverty and general improvement in the standards of living of the community members.									

3.5.3 Health and Social Welfare

PROJECT NO 6	FOCUS AREA				Health									
PROJECT NAME	Support the expansion of health promotion and disease prevention				Health									
	<p>Since first launched in 2010 to address HIV Counselling and Testing (HCT), mass campaigns based on a screen, test, treat and maintain health strategy has become as cornerstone to address HIV and AIDS, TB and non-communicable diseases such as hypertension and diabetes. These campaigns are typically been organised as public and private sectors partnerships to ensure high coverage and maximal impact. The current TB campaign for mine workers and mining communities is a good example of this call for partnerships.</p> <p>While the initial focus may have appeared to be on screening and testing, the importance of ensuring people access treatment and maintain their health has become increasingly important.</p> <p>Under The Presidency's Operation Phakisa, the National Department of Health has assessed the challenges around accessing the health systems at clinics. In particular, patients on chronic treatment such as anti-retro virals, anti-hypertensive and diabetic medication face significant challenges in receiving their medication in addition to making the required lifestyle changes to optimise their health. To this end, the National Department of Health has as part of its re-engineering of Primary Health Care introduced a chronic care model that includes an initiative to supply medication directly to patients in the community using Community Health Workers. This will reduce clinics visits from a minimum of 12 visits per year to only 3, which represents a major cost saving for patients accessing care while also helping to decongest facilities.</p>													
BACKGROUND	RESPONSIBILITY	DISTRICT MUNICIPALITY	LOCAL MUNICIPALITY	VILLAGE NAME	TIMEFRAME	TOTAL BUDGET								
	SP Manager	Bojanala	Rustenburg	Seraleng, Sondela and Karlienpark	2016	2017	2018	2019	2020	R 100,000	R 100,000	R 100,000	R 100,000	R 500,000
OUTPUT	KEY PERFORMANCE AREA	KEY PERFORMANCE INDICATOR												
Specific agreement with North West Department of Health	Signing of a specific agreement with department	The North West Department of Health and Mine to support its chronic care services.												
Specific agreement with implementing partner	Signing of a specific agreement with implementing partner	In collaboration with the North West Department of Health the mine												
People screen and tested for HIV, TB and priority chronic diseases	Community-based outreach services provided	Implementing partner provides mobile outreach services in designated communities in line with												
Patients on chronic medication supported	Community-based provision of chronic medication supported	Implementing partner supports outreach services in designated												
Health data collected	Maintaining health information systems	Providing the North West Department of Health with quality												
CLASSIFICATION OF JOBS	MALE ADULTS	FEMALE ADULTS	MALE YOUTH	FEMALE YOUTH	TOTAL	COMMENTS								
SHORT TERM	0	0	0	0	0									
MEDIUM TERM	0	0	0	0	0									
LONG TERM	0	0	0	0	0									
The Department of health is a partner in this intervention and will continue surviving. The completion of a clinic in Seraleng is also an exit point for this intervention.														

SECTION 4

PROCESSES PERTAINING TO MANAGEMENT OF DOWNSCALING AND RETRENCHMENT

Refer to Aquarius SA 2012-2016 approved SLP.

SECTION 5

FINANCIAL PROVISION (Regulation 46 € (i), (ii), (iii))

5 Five-Year Financial Provision

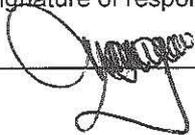
Financial provision for a five-year period						
ITEM	2016	2017	2018	2019	2020	TOTAL
LED	3,500,000	1,650,000	1,650,000	1,600,000	1,600,000	10,000,000
TOTAL	3,500,000	1,650,000	1,650,000	1,600,000	1,600,000	10,000,000

SECTION 6 UNDERTAKING

I, S A IKGASWANE the undersigned and duly authorized thereto by
Rustenburg Platinum Mines Ltd Company undertake to adhere to the information, requirements,
commitments and conditions as set out in the social and labour plan.

Signed at Rustenburg on this 14th day July 2015

Signature of responsible person



Designation

HR Manager: Operations

Approved

Signed at RUSTENBURG on this 14th day of JULY 2015

Signature:



Designation:

HEAD OF OPERATIONS



AQUARIUS

PLATINUM (SOUTH AFRICA) (PROPRIETARY) LIMITED

Kroondal Platinum Mine Social and Labour Plan

Social and Labour Plan 5 Year Targets.

2011 - 2016

November 2011

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CHAPTER 1 - INTRODUCTION AND PREAMBLE

1. Introduction

1.1.1 Submission of a Social and Labour Plan

In November 2006 the then Minister of Mineral And Energy approved the application for converting the Old Mining Order Right to the New Mining Order Right of AQPSA - Conversion number NW 104 MR.

When submitting the application, AQPSA submitted SLP targets for a 5 year period ending October 2011. These targets are now due for revision for the next 5 years starting October 2011 to September 2016.

The objectives of the SLP (section 41 of the Regulations) are to:

- promote employment and advance the social and economic welfare of all South Africans;
- contribute to the transformation of the mining industry; and
- ensure that holders of mining rights contribute towards the socio-economic development of the areas in which they operate.

The Elements of the Mining Charter as announced by the Minister of Mineral Resources in September 2010 form the basis of the next 5 year target setting.

Progress with regards to the programmes outlined within the SLP in respect to human resource development, local economic development and the management of downscaling and retrenchment must be reported in annual SLP reports and submitted to the relevant regional Department of Minerals Resources (DMR).

1.1.2 Aquarius Platinum's business model and contractor compliance

AQPSA is the South African operating subsidiary of Aquarius Platinum Limited (AQP) which is currently listed on the Australian, London and Johannesburg stock exchanges.

AQP has been uniquely successful in bringing into operation small-scale deposits using methods and operating systems that differ from those used by the major players in the industry. The key principles underlying AQP's philosophy include:

- identifying, acquiring and mining small-scale deposits, which have often been overlooked by the major players;
- utilising an Australian approach of capital- rather than labour-intensive mining. This results in a higher degree of mechanisation and safety, and other innovations in design, mining and processing;
- employing the concept of contract mining and processing which brings with it 'bought-in' expertise and resources which results in a quicker build-up and leaner more cost-effective structure and flexibility;
- ensuring a low overhead structure across the board, from exploration to operations, management and corporate finance;
- raising capital on international markets in the form of both equity and debt; and
- entering into long-term contracts for the sale of concentrate to overcome barriers to entry within the platinum group metals (PGMs) business of processing facilities and marketing infrastructure.

An understanding of AQP's business model is vital when considering Kroondal Platinum's SLP and its subsequent implementation. A fundamental implication of the business model on the SLP provisions and implementation is the limited number of AQPSA employees on the mine and conversely the extensive use of contractor companies to carry out the majority of the mine's operations. Whilst AQP has always considered the contractors' employees as falling largely under their own ambit as employees, the MPRDA's definition of employees (section 1 of the Act) has reinforced this perspective.

Section 101 of the Act refers to the utilisation of contractors to carry out mine-related activities on behalf of the mineral rights holder. AQP has, in the course of compiling this SLP, very closely adhered to the requirements to ensure that its contractors comply with both the spirit and letter of the minerals legislation, with due cognisance of its unique business model. Furthermore, it is important to note that throughout this SLP, reference to the mine's workforce is assumed to include that of its contractors' employees and not simply AQPSA's employees.

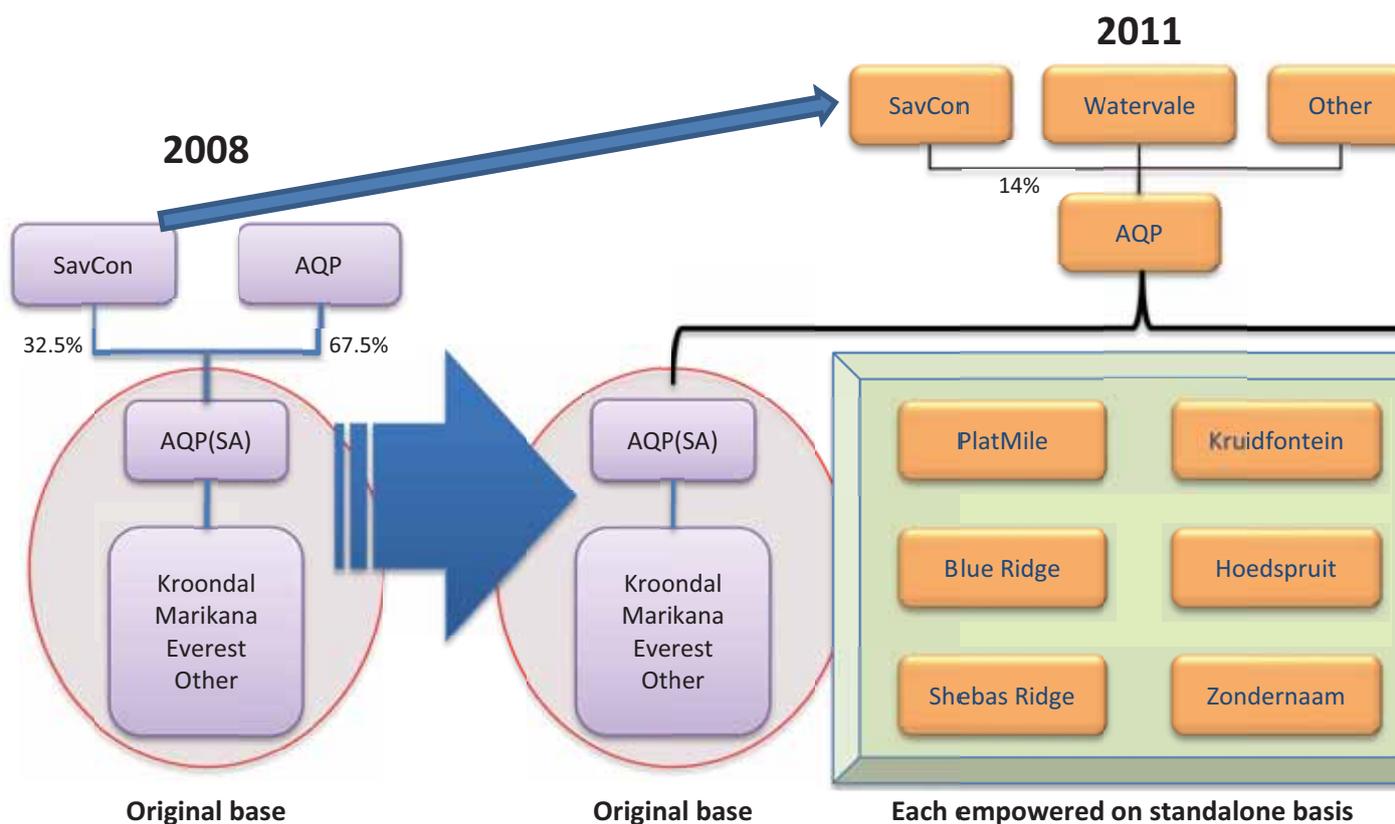
1.1.3 Aquarius Platinum's shareholding structure

Savannah Resources Consortium (SavCon), a black empowerment consortium, which consists of Savannah Resources, Chuma Holdings (owned and managed by three women) and Malibongwe, a rural non-governmental organisation (NGO), focusing on the development of women is the AQPSA BEE partner. The history of this relationship is as follows:

- Aug 2004: Savannah Consortium purchased 29.5% of AQP(SA) for R 860 million. Funds used to construct the Everest Platinum Mine. Balance is owned by AQP (50.5%) and Impala Platinum (20%)
- Oct 2006: Kroondal, Marikana and Everest Platinum mines granted new order mining rights
- Nov 2006: Aquarius purchased 3.5% shareholding in AQP(SA) from SavCon with Ministerial consent - SavCon then owned 26% of AQP(SA) with balance owned by AQP (54%) and Impala Platinum (20%)
- Apr 2008: A repurchase of 20% Impala Platinum shareholding in AQP(SA), SavCon owned 32.5 % of AQP(SA) with resource base of 100 4E PGM Moz
- Oct 2008: SavCon converted its 32.5% shareholding in AQP(SA) to 20% shareholding in AQP. Ownership in LSE listed entity with exposure to broader Group activities, including Mimosa Platinum in Zimbabwe.
- Nov 2008: Global market collapse and suspension of operations at Everest Platinum Mine impacted AQP Group.
- Mar 2009: AQP Group raised capital through a rights issue, equity placement and bond placement to settle RMB Bridging Facility. SavCon shareholding in AQP consequently diluted from 20% to 16.5%
- Jul 2009: Acquisition of Blue Ridge and Sheba's Ridge, included equity payment. Savcon shareholding in AQP consequently diluted to 14% but resource base grew to 120 4E PGM oz. Attributable empowered resource basis back to AQP(SA) of 17.25%.
- Nov 2010: Establishment of Watervale as transactional empowerment partner, 52.5 % owned by Savannah Resources. Watervale purchased 1.8 million AQP shares from SavCon. Combined BEE shareholding in AQP at 14% with attributable empowered resource basis back to AQP(SA) of 17.25%
- Apr 2011: Acquisition of Hoedspruit and Kruidfontein, included partial equity payment. Savcon and Watervale shareholding in AQP consequently diluted to 13.8% but resource base grew to 147 4E PGM oz with attributable empowered resource basis back to AQP(SA) increasing to 21%
- Apr 2011: Proposed cash acquisition of Booyendal South, growing resource base to 189 4E PGM Moz which will increase the attributable empowered resource basis back to AQP(SA) to 27%. This transaction will include additional 5% empowerment within Southern Booyendal to comply with 26% requirement on stand-alone basis.

Figure 1.1 below illustrates how the empowerment in a subsidiary company has been converted to a shareholding into the primary entity, representation on the AQP Board. AQP is listed on the London Stock Exchange, Australian Stock Exchange and Johannesburg Stock Exchange. Thus, there is enhanced empowerment exposure to further transactions on AQP's ability to raise capital and transact on an equity basis. Although Savcon now has a smaller shareholding this is in a larger and growing resource base.

Figure 1.1: Aquarius Platinum's shareholding structure



1.1.4 Aquarius Platinum's Transformation Programme

AQP has recognised the need to go beyond a mere 'tick-box' approach to legislation and regulatory compliance with BEE and to move away from solely equity compliance towards a measurable commitment to all the underlying objectives of the Broad-Based Socio-Economic Charter (the Charter) and Mining Charter Scorecard. The AQPSA Board has established a shared transformation vision for the company with the objective of restructuring a wide spectrum of activities within the company regarding BEE. As a first step a Transformation Committee was established comprising AQPSA's corporate affairs director as Chairperson, the managing director and a non-executive director. However, in 2008 the Board appointed a Director: HR and Transformation to report both at Exco and Board Level in driving the Transformation Agenda. Transformation issues are discussed and decided at these levels.

The Transformation Agenda includes:

- driving transformation at all levels within the company as well as assisting with formulation of company-wide transformation policy;
- building alignment at board and leadership levels around transformation and clearly and effectively conveying these policies throughout the company;
- achieving a culture of transformation and devising appropriate structures to assimilate the Charter and Scorecard into all AQP operations;
- aligning transformation with the company's strategic decision-making process and integrating it into existing individual employee, mine and company performance measures;
- monitoring and reviewing transformation in the company and to developing an internal Aquarius Scorecard based on the Charter Scorecard, which is actively debated at Board level regarding progress in transformation; and
- ensuring that AQP remains ahead of the curve in delivering a positive contribution to the so-called 'triple bottom line' where, in addition to financial performance, the economic, social

and environmental performance of the company is engrained in the thinking and actions of all our investors/owners, managers, employees, customers, suppliers, communities and consultants.

1.1.5 Current operations at Kroondal Platinum

Kroondal Platinum is situated close to Rustenburg in the North West Province and mines PGMs. Kroondal Platinum, which has been in operation since 1999, had a planned life of mine until 2006. However, as part of a Pooling and Sharing Agreement (PSA) between AQPSA and Rustenburg Platinum Mines Ltd (RPM), the operations at Kroondal were expanded to include additional mining activity on the farms Klipfontein 300JQ and Brakspruit 299JQ.

These mineral reserves form part of the RPM UG2 Reef ore, within the Rustenburg Layered Suite of the Western Bushveld Complex. The expansion of Kroondal Platinum facilitated by the PSA agreement, has extended the life of Kroondal Platinum by 13 years to 2019.

Only underground mining is employed with the ore being processed at two on-site metallurgical plants to produce a concentrate which is shipped to Impala Refining Services (IRS) and RPM in Rustenburg.

In accordance with AQPSA's business model, the operational activities at the mine are outsourced to two specialised contractors (refer to Table 1.1). These are:

- Murray and Roberts Cementation (MRC), which undertakes underground mining; and
- Minopex, which operates the metallurgical plants.

A summary of the workforce at Kroondal Platinum, consisting of the employees of AQPSA and of the contractors, is presented in Table 1.1 below.

Table 1.1: Workforce at Kroondal Platinum - information as at 30 September 2011

AQPSA/contractor	Service provided to the mine	Number of employees at the mine	Company's BEE classification
Aquarius Platinum (SA) (Pty) Ltd	Management	23	14% BEE shareholding
Murray and Roberts Cementation (Pty) Ltd (MRC)	Underground mining operations	4612	26% BEE shareholding
Mineral Operations Executive (Pty) Ltd (Minopex)	Operations and maintenance of platinum processing plant	244	25% BEE shareholding
		4879 ¹	

¹ This figure may fluctuate according to changes in workforce requirements as the mine's business plan changes during the course of the mine's life.

1.2 Preamble

1.2.1 Name of holding company

Aquarius Platinum (South Africa) (Proprietary) Limited (AQPSA)

1.2.2 Name of the mine

Kroondal Platinum Mine

1.2.3 Physical address

Waterval Road, off Kroondal Village, North West Province.

1.2.4 Postal address

PO Box 624, Kroondal, 0350

1.2.5 Telephone and fax number

Tel: +27 (0)14 536 4000; Fax: +27 (0)14 536 4015

1.2.6 Location of the mine

The Kroondal Platinum Mine is located in the North West Province within the Bojanala Platinum District Municipality, some 25 kilometres north-east of Rustenburg.

1.2.7 Commodity

The mine produces platinum group metals and associated minerals (PGMs).

1.2.8 Life of the mine

The expected remaining life of Kroondal Platinum is 8 years.

1.2.9 Financial year

23 June to 22 June

CHAPTER 2 - HUMAN RESOURCES DEVELOPMENT PROGRAMME

2.1 Introduction

This section will outline AQPSA's Human Resources Development Programmes at Kroondal Platinum as required by Section 46 of the Regulations to the MPRDA and the HRD objectives of the Broad Based Socio-Economic Charter for Mining.

Although the mining and operational activities at Kroondal Platinum are carried out by contracting companies (MRC, and Minopex) under the management of AQPSA, there is a common approach to the collective Human Resources Development Programme at Kroondal Platinum and the contractors are working closely with AQPSA to ensure that the appropriate implementation and reporting mechanisms are in place to fulfil the requirements of the MPRDA.

The structure of the section is based on the underlying human resources development principles and methodology that is used by both AQPSA and its contractors. The HRD elements addressed and emphasized on this SLP are:

- Labour Planning
- Skills Audit
- Skills Development, which are inclusive of
 - Functional literacy and numeracy
 - Core and portable skills training
 - Learnerships
 - Internships
 - Bursary
 - Mentorship

2.2 Labour Planning

2.2.1 Introduction

AQPSA and its contractors use a process of Labour Planning that provides the basis for the implementation of the SLP at Kroondal Platinum. Labour Planning is a systematic, fully integrated organisational process that involves proactively planning ahead to determine future organisational human resources needs and to avoid talent surpluses and shortages within the organisation.

2.2.2 Commitment

Whilst labour forecast is a medium to long term methodology of predicting the human resources requirements, Aquarius Platinum and its main contractors, annually review its production and financial targets and at the same time engages on a complement process to determine its labour requirements and how to further enhance the skills capacity of the workforce.

With a shorter life of mine than it was five (5) years ago when the first SLP was submitted and with the changing mining environment, Aquarius Platinum commits to review its labour planning accordingly on an ongoing basis and commits to:

- Review, update, and maintain position profiles and career paths that have already been put in place by AQPSA and each contractor over the last five (5) years
- Based on the requirements of the business, determine year-on-year the human resource requirements of the mine and plan with employees the appropriate interventions for advancement and development of employees
- Update the mine's employment equity targets for women in mining and HDSAs in management and continue implement interventions to maintain or surpass current achievements

- invest a percentage of annual payroll in essential skill development activities reflective of the demographics, but excluding mandatory skills levy, as follows:
 - Target for 2011 = 3.5%
 - Target for 2012 = 4%
 - Target for 2013 = 4,5%
 - Target for 2014 = 5%

2.3 Skills Audit

2.3.1 Introduction

To continually evaluate the skills base, AQPSA and its contractors will maintain the process of performing a Skills Audit on the existing workforce at Kroondal Platinum. The assessments performed during the Skills Audit will also be inclusive of the recruitment process to ensure that any new employees' skills requirements are covered.

2.3.2 Commitment

Over the years Aquarius Platinum and its contractors have been conducting an ongoing skills audit either at appointment phase of new employees or with the general workforce. The ongoing skill audit process will continue and it will be aimed at:

- Identifying and determining new recruits'/employees' qualification and skills profile from the recruitment and placement phases and carried through to the employee development planning phase
- Assessing ABET levels as we progress on the current ABET programme towards 2014
- Determining core and portable skills that are required and could be used by employees should they leave Aquarius employment
- Determining any previous employee experience which should be assessed through RPL
- Identifying which skills are required for future jobs

2.4 Functional literacy and numeracy

2.4.1 Introduction

The objective of functional literacy and numeracy programmes at Kroondal Platinum is to make the opportunity available to all interested employees at all levels and job categories so that they are actively encouraged and are able to participate in further training and development opportunities.

Over the last years Aquarius Platinum and its contractors put in place the ABET programme. Although ABET is at no cost to the employees, the programme has its challenges in attracting and retaining participants from the workforce. In this regard, in 2010 Aquarius platinum constructed a fully fledged ABET Centre at Kroondal Mine with full time facilitators. To encourage and retain employees' participation an incentive based retention strategy was also implemented. This initiative has improved access and attendance of ABET and the opportunity to study on a part-time basis.

2.4.2 Commitment

Towards 2014 Aquarius Platinum has committed to at least get most if not all current employees qualifying for ABET to have reached a minimum of ABET level 3 with the aim of having every willing and able employee to have reached or surpass ABET level 4 by 2016.

Current information regarding the literacy and numeracy of the Kroondal Platinum workforce is that there are 1482 employees in need of ABET training up to Level 3. The table below outlines the current ABET training need:

ABET Level	Total
Pre-ABET	461
Level 1	297
Level 2	420
Level 3	304
Total	1482

2.4.3 Implementation plan

The ABET Centre, situated at Kroondal Mine, can accommodate 300 part-time ABET participants per annum. In order to fully utilize this facility Kroondal mine commits to:

- Continue to find ways and means to attract encourage and retain a higher levels of participation in BET by employees who needs it.
- Enrol on an annual basis, across all ABET levels, at least 225 part-time learners. The adjacent Marikana Mine employees who need to improve their literacy, will also be accommodated at the ABET Centre and shall constitute the rest of the annual 300 learner intake.
- Despite the ongoing challenges with part-time ABET participation, Kroondal shall endeavour to achieve a target pass rate of 80% of those participants who stay /remain with the programme.

On an annual basis from FY2012 to FY2016 Aquarius commits to ensuring employees who needs ABET to enrol and participate in ABET as per table below:

	ABET need as at 30 September 2011			Targeted enrolment per Financial Year up 2016				
	Total Employees (2011)	Total ABET need (2011)	% ABET need vs. Total employees	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016
Targeted annual part-time ABET participants across all levels based on current ABET need (NB. not absolute number of employees but participants p.a.)	4879 ²	1482	30%	225	225	225	225	225

² This figure may fluctuate according to changes in workforce requirements as the mine's business plan changes during the course of the mine's life.

2.5 Core & portable skills training

2.5.1 Introduction

While core skills training are targeted at addressing both the company's and the individual's training needs, it is also important that this provides the employee with marketable skills beyond his/her employment at the mine. Thus, skills training should be, wherever feasible, portable outside the platinum mining industry into other mining and related sectors. Further, skills development should address the need for skills that are portable beyond the mining industry.

2.5.2 Implementation

Core skills training is targeted at meeting AQPSA's and the contractors' needs to meet their business objectives. However, AQPSA and the contractors are also committed to training additional employees so as to create a 'skills pool' from which they can draw from over and above those that can be foreseen in the planning process. This 'skills pool' will also contribute to the general enhancement of skills among the workforce and prepare employees for possible future advancement should the opportunities arise.

Core Technical Skills Training including Portable Skills Training within and outside the mining industry.

Table 2.2(a): AQPSA skills development at Kroondal Platinum

	2011/ 2012	2012/ 2013	2013/ 2014	2014/ 2015	2015/ 2016
Engineering		2	2	2	2
Operational skills	10	15		10	
Health and Safety		1	1	1	1
Induction	4	4	4	4	4
Change management/Management Dev skills		15	10	10	15
Labour relations/Contractor Management		4	4	4	4
Mentorship Training		8	4	4	4

The above skills development plan is for AQPSA employees only. Development courses are aimed at professional development and are of a higher level

Table 2.2 (b): Minopex skills development at Kroondal Platinum

	2011/ 2012	2012/ 2013	2013/ 2014	2014/ 2015	2015/ 2016
Engineering	40	40	40	40	40
First Aid	40	40	40	40	40
Health and Safety rep	20	20	20	20	20
Induction	258	258	258	258	258
Overhead Crane	10	10	10	10	10
Manitou Driver	10	10	10	10	10
Basic Rigging	2	2	2	2	2
Basic PLC	2	2	2	2	2
Advanced PLC	1	1	1	1	1
Basic Fire Fighting	40	40	40	40	40
Advanced Fire Fighting	5	5	5	5	5
Mentorship Training	4	4	4	4	4
VSD Training	2	2	2	2	2
Sampling and Evaluation	8	8	8	8	8
Basic Computer Training	5	5	5	5	5
Basic Mineral Processing	40	40	40	40	40

Above skills development plan is for Minopex employees only. Courses are of a more technical nature and related to the operation and maintenance of the metallurgical plant.

Table 2.2 (c): MRC skills development at Kroondal Platinum

	2011/ 2012	2012/ 2013	2013/ 2014	2014/ 2015	2015/ 2016
Mining Comp A (Total)	119	119	119	119	119
Mining Comp B (Total)	435	435	435	435	435
Blasting assistants skills program	237	237	237	237	237
Engineering	601	601	601	601	601
Operational skills	671	671	671	671	671
Artisan Training	250	250	250	250	250
Blasting Ticket Holder	225	225	225	225	225
First Aid	250	250	250	250	250
Health and Safety rep	90	90	90	90	90
Induction	4398	4398	4398	4398	4398
Supervisory training eg LTS	90	90	90	90	90
Mine Overseer's Certificate	2	2	2	2	2
Mine Manager's Certificate	2	2	2	2	2

Above skills development plan is for MRC employees only. Courses are of a more technical nature and related to the mining operations.

2.6 Learnerships

2.6.1 Introduction

A learnership is a structured process for gaining theoretical knowledge and practical skills in the workplace. Learners learn on and off the job to get a qualification and workplace experience simultaneously. It is occupationally directed and leads to a nationally recognised qualification that is made up of registered unit standards consisting of learning outcomes. As such, it provides the learner with a portable skill.

The provision of learnerships within AQPSA and its core contractors is aimed at addressing current and future skills and competency needs in terms of the Labour Planning process. Learnerships are also aimed at addressing hard to fill vacancies. In addition, learnerships will assist in addressing skills shortages and unemployment challenges by recruiting learners externally and training them in-house. This will support the objective of increasing the pool of available labour particularly in communities surrounding the mine.

Table 2.3 represents the targets to be achieved in respect of learnerships for the period 2011-16.

Table 2.3 Learnership targets at Kroondal Platinum

Study Field	Duration	2011/2012				2012/2013				2013/2014				2014/2015				2015/2016			
		Expected No. of New Enrolments	Participants from previous year	Total Participants	Expected Pass out	Expected No. of New Enrolments	Participants from previous year	Total Participants	Expected Pass out	Expected No. of New Enrolments	Participants from previous year	Total Participants	Expected Pass out	Expected No. of New Enrolments	Participants from previous year	Total Participants	Expected Pass out	Expected No. of New Enrolments	Participants from previous year	Total Participants	Expected Pass out
MINOPEX																					
Engineering Electrician	3 Years	1	0	1	0	0	1	1	0	0	1	1	0	0	1	1	1	1	1	1	0
Engineering Fitter	3 Years	1	0	1	0	0	1	1	0	0	1	1	0	0	1	1	1	1	1	1	0
Total Minopex Learnerships		2	0	2	0	0	2	2	0	0	2	2	0	0	2	2	2	2	2	2	0
AQPSA																					
Engineering Electrician	3 Years	3	0	3	0	0	3	3	0	0	3	3	0	0	3	3	3	1	3	3	0
Engineering Boilermaker	3 Years	3	0	3	0	0	3	3	0	0	3	3	0	0	3	3	3	1	3	3	0
Engineering Fitters	3 Years	4	0	4	0	0	4	4	0	0	4	4	0	0	4	4	4	1	4	4	0
Blasting Certificates	2 Year	4	0	4	0	0	4	4	4	4	4	4	0	0	4	4	0	0	4	4	4
Total MRC Learnerships		14	0	14	0	0	14	14	4	4	14	14	0	0	14	14	10	3	14	14	4

2.7 Bursary and Internship Plans

2.7.1 Introduction

AQPSA recognises the responsibility to provide opportunities for HDSAs and/or students to gain work-related experience that will help prepare them for the world of work. In addition, as a key strategic objective of attracting and retaining top calibre people into the organisation, the provision of bursaries and internships is fundamental. Further objectives of AQPSA's Internship and Bursary Programmes are:

- to establish a framework of financial assistance (bursaries) to students who have the potential to be developed into senior managerial positions;
- to create career paths to senior positions for students with potential to be developed.

2.7.2 Bursaries

The bursary programme endeavours to assist students studying through a recognised tertiary institution, to meet enrolment fees and study costs, as well as offering them work experience in their fields of study during vacation periods.

Although all bursaries on the mine will be provided by AQPSA only, some of the contracting companies provide bursaries at corporate level. In such instances, the bursary students may undertake experiential training at Kroondal Platinum.

Table 2.4 below reflects the AQPSA bursars.

Disciplines that will be considered for bursaries	Year	Total Number of Bursaries
Mechanical Engineers Electrical Engineers Mining Engineers	FY 2011/2012	8
	FY 2012/2013	8
	FY 2013/2014	8
	FY 2014/2015	8
	FY 2015/2016	8

2.7.3 Internships

Internships are an organised professional training and work experience programme with the goal of providing high quality training and practical exposure. These programmes have a logical sequence that would build on the skills and competencies acquired during university training. Internships are critical building blocks to alleviate past discriminatory practices and contribute to AQPSA attracting and retaining top calibre people.

The duration of the internships may be from one to 12 months depending on the nature and field of study. Table 2.5 below reflects the targets for the provision of internships at Kroondal Platinum.

Table 2.5 Targets for the provision of internships at Kroondal Platinum

Study Field	Duration	2011/2012				2012/2013				2013/2014				2014/2015			
		Expected No. of New Enrolments	Participants from previous year	Expected No. of New Enrolments	Participants from previous year	Total Participants	Expected Pass out	Expected No. of New Enrolments	Participants from previous year	Total Participants	Expected Pass out	Expected No. of New Enrolments	Participants from previous year	Total Participants	Expected Pass out	Expected No. of New Enrolments	Participants from previous year
MINOPEX																	
Electrical Engineering	2 to 12 months	1	0	1	0	0	1	1	1	0	1	1	1	0	1	1	1
Metallurgy	2 to 12 months	0	1	1	1	1	1	1	0	1	1	1	0	1	1	1	0
Total Internships at Minopex		1	1	2	1	1	0	2	1	1	1	0	2	1	2	1	0

2.8 Mentorship

Mentoring is a mutually agreeable relationship that is sustained over time and intended to further the education and professional development of the protégé. It is a broad activity in which an experienced and wiser employee hands on to a junior employee (the protégé), in a very personal way, not just the skills but also the experience, attitudes and attributes that create successful people. The aim of mentorship is to improve the competencies (knowledge, skill, attitude) of employees to meet the current and future demands of the job. Mentorship assists and supports employees to manage their own learning in order to maximise their potential, develop their skills, improve their performance and grow into new roles.

Table 2.6 below reflect the targets for the provision of mentorship at AQPSA and its core contractors
Table 2.6: Targets for the mentoring of employees at Kroondal Platinum

	Mentoring Category:	FY 11/12	FY 12/13	FY 13/14	FY 14/15	FY 15/16
AQPSA	Successors	6	6	6	6	6
	Bursary students	Included in Contractors below				
	Learnership students	Included in Contractors below				
	Internships	Included in Contractors below				
MINOPEX	Learnership students	3	3	3	3	3
	Internships	2	2	2	2	2
	TOTAL	5	5	5	5	5
	No. of mentors available	6	6	6	6	6
MR	Bursary students	9	8	8	8	8
	Learnership students	14	14	14	14	14

Learner miners	24	25	25	25	25
TOTAL	47	47	47	47	47
No. of mentors available	25	25	25	25	25

2.9 Employment Equity Plans

2.9.1 Overview

The revised Mining Charter (September 2010) describes employment equity as “Diversification of the workplace to reflect the country’s demographics to attain competitiveness” The Kroondal Platinum SLP incorporates two specific employment equity objectives that are in line with the broad objectives of the MPRDA and the Mining Charter, i.e:

- the development and retention of HDSAs in management within AQPSA and its contractors; and
- an increase in the participation of women in mining.

2.9.2 HDSAs in management

Of key concern to AQPSA, in line with the broad objectives of the MPRDA and the Mining Charter, is the development and retention of HDSAs in management within AQPSA and its contractors. Equity in management can only be achieved through the development of coherent policies and practical programmes. The attraction and retention of HDSAs and the nurturing of talent to supplement current numbers and provide for succession within the core business contractors will be the focus of both AQPSA and its contractors.

The revised Mining Charter (September 2010) states as a requirement that by 2014 “In order to create conducive environment to ensure diversity as well as participation of HDSA at all decision making positions and core occupational categories in the mining industry, every company must achieve a minimum of 40% HDSA demographic representation at:

- Executive Management (Board)
- Senior Management (Exco)
- Middle Management
- Junior Management
- Core and Critical Skills

In addition, mining companies must identify and fast track their talent pools to ensure high level operational exposure in terms of career path programmes”.

The current status and specific annual targets in respect of employment equity at Kroondal Platinum are detailed in Table 2.7 for the next five years.

Table 2.7 Current statistics and targets for HDSAs in management at Kroondal Platinum

Number of employees as at end September 2011										
Category	African		Coloured		Indian		White	Subtotals (A)	White	Grand totals (B)
	Male	Female	Male	Female	Male	Female	Female		Male	
Top Management (1)	1	0	0	0	0	0	1	2	2	4
Senior Management (2)	2	0	0	0	1	0	0	3	6	9
Middle Management (3)	35	3	1	0	1	0	17	57	81	138
Junior Management (4)	32	1	2	0	2	0	1	38	105	143
Core & Critical Skills (5)	3481	518	13	5	4	0	31	4052	560	4612
Total of the above	3551	522	16	5	8	0	50	4152	754	4906

(1) Board level. Only AQPSA board members. (2) AQPSA EXCO members plus contractors' senior management. AQPSA plus contractors. (4) Only contractors since AQPSA do not have any employees in this category. (5) These are skills necessary and inextricably linked to day-to-day operations OR skills that enhance the performance of an operation and are in scarce supply. This could include artisans, engineers incl rock engineers, professionals (i.e. recognized by a professional body), specialists (e.g. surveyor, safety, geologist, metallurgist, winding engine driver, environmental, etc.), technologists, technicians, and

Percentage HDSAs at different levels										
	Subtotals as in table above (A)	Grand totals as in table above (B)	A as percentage of B	TARGET						
				2010	2011	2012	2013	2014		
Top management	2	4	50.00	20%	25%	30%	35%	40%		
Senior management	3	9	33.33	20%	25%	30%	35%	40%		
Middle Management	57	138	41.30	30%	35%	40%	40%	40%		
Junior Management	38	143	26.57	40%	40%	40%	40%	40%		
Core and Critical Skills	4052	4612	87.86	15%	20%	30%	35%	40%		
TOTAL	4152	4906								

2.9.3 Women in mining

Encouraging and retaining women in the employ of AQPSA and its contractors, particularly within mine-related employment areas, is also of significant concern and receives appropriate resources and attention in line with the Labour Plans developed in order to meet the companies' employment equity targets.

Although the revised Mining Charter (September 2010), does not specifically set targets for Women in Mining, Kroondal Platinum Mining has, in the previous SLP made progress towards achieving the 10% WIM and commit to continue to use the 10% WIM target as a minimum requirement, whilst it endeavours to achieve more WIM.

Table 2.8 represents the current status and the targets to be achieved in respect of women in mining positions for the period 2011-16.

Table 2.8 Current statistics and targets for women in mining at Kroondal Platinum

	Total Women (A)	Grand totals as in table above (B)	A as percentage of B	TARGET				
				2010	2011	2012	2013	2014
Women in Mining occupations	558	4612	12.10%	10%	10%	10%	10%	10%

CHAPTER 3 - LOCAL ECONOMIC DEVELOPMENT PROGRAMMES

3.1 Local Economic Development Projects at Kroondal Platinum Mine

3.1.1 Overview

Kroondal Platinum will commit 0.5% of its annual pre-tax profit towards all its LED project for each financial year. This financial provision is R5,008,000 for FY2011/12 and will meet the costs of the mine's participation and implementation of the various projects identified. Table 3.1 presents the LED projects for 2011/12 and following years. Please note the financial commitments listed for the following years starting 2012/2013 are subject to the Mine's declared pre-tax profits and may change compared to the indicated figures for each year.

Table 3.1 LED Projects for 2011/12 and following years

No.	LED Projects	Project partners	Location	FY 2011/2012	FY 2012/2013	FY 2013/2014	FY 2014/2015	FY 2015/2016	Total
1	Socio Economic Needs Assessments of Mine Adjacent Communities	Stakeholders, RLM, Councilors & community	Mine adjacent communities	R 500,000.00					R 500,000.00
2	Infrastructure Development and/or Formalisation of Ikemeng e.g. water, electricity, sanitation & roads	Rustenburg Local Municipality	Ikemeng Village	R 3,647,000.00	R 2,420,000.00	R 2,390,000.00	R 2,310,000.00	R 0.00	R 10,767,000.00
	2.1 Professional & Legal Fee			R 127,000.00	R 200,000.00	R 170,000.00	R 90,000.00	R 0.00	R 587,000.00
	2.1.1 Consultants & Town Planner			R 50,000.00	R 50,000.00	R 50,000.00			150,000
	2.1.2 Legal fees			R 20,000.00	R 50,000.00	R 20,000.00	R 20,000.00		110,000
	2.1.3 Surveyor			R 30,000.00	R 50,000.00	R 50,000.00	R 20,000.00		150,000
	2.1.4 Marketing			R 27,000.00	R 50,000.00	R 50,000.00	R 50,000.00		177,000
	2.2 Chemical Toilets			R 1,220,000.00	R 915,000.00	R 609,996.00	R 304,998.00	R 0.00	R 3,049,994.00
	2.2.1 Service & Maintenance			R 1,220,000.00	R 915,000.00	R 609,996.00	R 304,998.00	R 0.00	3,049,994
	2.3 Infra Structure Development			R 2,300,000.00	1,305,000	1,610,004	1,915,002		7,130,006
	2.3.1 Sanitation - 30% (R3,3m) of Municipal Infra structure Grants + Chemical Toilet Operational Cost (R1,2m) Recapitalization			R 0.00	1,305,000	1,610,004	1,915,002		4,830,006
	2.3.2 Metered Water Connections - 30% of Municipal Infra structure Grants			R 2,300,000.00	R 0.00	R 0.00	R 0.00	R 0.00	2,300,000
3	Community Projects			R 381,000.00	R 400,000.00	R 400,000.00	R 400,000.00	R 400,000.00	R 1,981,000.00
	3.1 Community Mine Skills development	Community Leaders	Mine adjacent communities	R 341,000.00	R 400,000.00	R 400,000.00	R 400,000.00	R 400,000.00	1,941,000
	3.2 Community Bursary Funding	Department of Mineral Resources	North West Province	R 40,000.00	R 0.00	R 0.00	R 0.00	R 0.00	40,000
	3.3 Facilitation of Local SMME / Entrepreneurial Skills Development				R 500,000.00	R 500,000.00	R 500,000.00	R 500,000.00	2,000,000
4	Educational Projects		Ikemeng Village	R 480,000.00	R 360,000.00	R 240,000.00	R 0.00	R 0.00	R 3,580,000.00
	4.1 Tirelong Early Childhood Development Centre Operations	Community Leaders	Kroondal	R 480,000.00	R 360,000.00	R 240,000.00		R 0.00	1,080,000
	4.2 Tirelong School Yard Improvements		Kroondal		R 500,000.00	R 0.00	R 0.00	R 0.00	500,000
5	Partnership in facilitating Ikemeng/ Kroondal Community Resource Centre					R 500,000.00	R 900,000.00	R 600,000.00	2,000,000
	TOTAL			R 5,008,000.00	R 4,180,000.00	R 4,030,000.00	R 4,110,000.00	R 1,500,000.00	R 21,877,994.00

3.1.2 Project 1: Socio Economic Needs Assessment

There is a growing need for the assessment of the socio economic needs of mine adjacent communities. This will assist in the identification and prioritization of projects to meet the identified needs and/or future changing needs.

Table 3.2 Socio Economic Needs Assessment



3.1.3 Project 2: The Formalisation of Ikemeleng

Ikemeleng is an informal settlement, situated near Kroondal Platinum and spread over 200 hectares of land that formerly belonged to: Aquarius Platinum SA (Pty) Ltd, BHP Billiton, Kroonvest (Pty) Ltd, Aug Behrens (Pty) Ltd and Deutsche Evangelisch Lutheran Church (Kroondal).

In 2004 the Board of AQPSA initiated a process to formalise this settlement in order for it to become a proper residential area within the Rustenburg Local Municipality (RLM). Over the last five years significant progress has been achieved to formalize this settlement and only a few administrative and town planning processes are still outstanding to close the formalization process. In subsequent years the rest of the funds will be used towards the provision of relevant professionals to assist with whatever spatial planning / adjustments required as the development of the township progresses.

Table 3.3 Project Framework for the Formalisation of Ikemeleng

PROJECT No 2 : Formalisation of Ikemeleng						
PROJECT BACKGROUND: The informal settlement near Kroondal has grown to unmanageable size and therefore formalisation of this community will enhance the livelihoods of the residents in the communities		OBJECTIVES: To facilitate the formalisation of this community in conjunction with RLM to ensure sustainable provision of local municipal services.				
PERFORMANCE INDICATORS	TARGET GROUPS:	LOCATION:			EMPLOYMENT OPPORTUNITIES:	
	Informal settlers in Ikemeleng	Ikemeleng			Male : 7	Female: 5
ACTIVITIES	RESPONSIBILITY	TIME FRAME				
		2011/12	2012/13	2013/14	2014/15	Total
Surveying/registrations/Transfers	SLP Coordinator	100,000	150,000	120,000	40,000	410,000
Marketing and erection of signage boards	SLP Coordinator	27,000	50,000	50,000	50,000	177,000
	Total	127,000	200,000	170,000	90,000	587,000

3.1.4 Project 3: Ikemeleng Metered Water Connections

Ensure there is water provision in the village, promote health to all members of the community and meet the basic services of the community members.

Table 3.4 Ikemeleng Metered Water Connections

PROJECT No 3 : Ikemeleng Metered Water Connections							
PROJECT BACKGROUND: There was a lack of basic services at the Ikemeleng Informal settlement and AQPSA signed an MOU with the RLM to ensure water provision in the settlement following formalization. The RLM sought MIG funding and AQPSA would contribute 30% of the total project cost.				OBJECTIVES : To ensure water provision in the village, promote health to all members of the community and meet the basic services of the community members.			
PERFORMANCE INDICATORS	TARGET GROUPS:	LOCATION:			EMPLOYMENT OPPORTUNITIES:		
	Ikemeleng Community	Ikemeleng			Male: 8	Female: 8	Disabled : 0
ACTIVITIES	RESPONSIBILITY	TIME FRAME					
		2011/12	2012/13	2013/14	2014/15	2015/16	Total (R)
Designs/ drawings	SLP Co-ordinator	400 000					400 000
Surveying	SLP Co-ordinator	380 000					380 000
Technical Services/ Construction	SLP Co-ordinator	1 520 000					1 520 000
Stakeholder Engagement	SLP Co-ordinator						
	Total	2 300 000					2 300 000

3.1.5 Project 4: Ikemeleng Chemical Toilets

Ensure basic sanitation and reduce the threat of waste to human health and environment.

Table 3.5 Ikemeleng Chemical Toilets

PROJECT No 4 : Ikemeleng Chemical Toilets							
PROJECT BACKGROUND: There was a lack of basic services at Ikemeleng and AQPSA over the years leased 200 chemical toilets for the community. However, with the imminent housing development on the individual unit stands AQPSA intend to phase out these toilets over a period of time whilst in a reduce manner maintain their existence. As the toilets are reduced the operational cost of the eliminated toilets will be recapitalized towards the sanitation infrastructure agreed upon in 2008 with RLM				OBJECTIVES : To maintain current chemical toilets whilst phasing in the (Ventilated pit latrines) VIP toilets parallel by reinvesting the chemical toilet funds into the VIP toilets			
PERFORMANCE INDICATORS	TARGET GROUPS:	LOCATION:			EMPLOYMENT OPPORTUNITIES:		
	Ikemeleng Community	Ikemeleng			Male: 4	Female: 2	Disabled : 0
ACTIVITIES	RESPONSIBILITY	TIME FRAME					
		2011/12	2012/13	2013/14	2014/15	2015/16	Total (R)
Establishment	SLP Co-ordinator	250 000					250 000
Service and maintenance	SLP Co-ordinator	970 000	915 000	609 996	304 998		2 799 994
	Total	1220 000	915 000	609 996	304 998	-	3 049 994

3.1.6 Project 5: Ikemeleng Sanitation Infrastructure

Ensure there is a basic sanitation infrastructure in the village, promote health to all members of the community and meet the basic services of the community members.

Table 3.6 Ikemeleng Sanitation Infrastructure

PROJECT No 5 : Ikemeleng Sanitation Infrastructure							
PROJECT BACKGROUND: There was a lack of basic services at the Ikemeleng Informal settlement and AQPSA signed an MOU with the RLM to ensure basic sanitation in the settlement following formalization. The RLM sought MIG funding and AQPSA would contribute 30% of the total project cost.				OBJECTIVES : To ensure basic sanitation infrastructure in the village, promote health to all members of the community and meet the basic services of the community members.			
PERFORMANCE INDICATORS	TARGET GROUPS:	LOCATION:			EMPLOYMENT OPPORTUNITIES:		
	Ikemeleng Community	Ikemeleng			Male: 15	Female: 10	Disabled : 1
ACTIVITIES	RESPONSIBILITY	TIME FRAME					
		2011/12	2012/13	2013/14	2014/15	2015/16	Total (R)
Designs/ Drawings	SLP Co-ordinator		100 000	100 000	100 000		300 000
Surveying	SLP Co-ordinator		10 000	10 000	10 000		30 000
Technical services/ Construction	SLP Co-ordinator		1 195 000	1 500 000	1 805 000		4 500 000
Stakeholder Engagement	SLP Co-ordinator						
	Total		1 305 000	1 610 000	1 915 000	-	4 830 000

3.1.7 Project 6: Early Childhood Development Centre

Providing assistance in the operational costs of the ECD to ensure foundational education for the children of Ikemeleng and surrounding areas in preparation for further learning.

Table 3.7 Early Childhood Development Centre Operational Costs

PROJECT No 6 : Tirelong Early Childhood Development Centre (ECD) Operations							
PROJECT BACKGROUND: AQPSA was responsible for the construction and equipment of an ECD Centre at Tirelong school in Ikemeleng. The centre ran short of operational funding as it was not yet registered with relevant Government departments to ensure funding. AQPSA consented to funding the centre for a period of three years while granting it time to secure funding.				OBJECTIVES : To ensure foundational education for the children of the village and surrounding areas in preparation for further learning.			
PERFORMANCE INDICATORS	TARGET GROUPS:	LOCATION:			EMPLOYMENT OPPORTUNITIES:		
	Ikemeleng Community	Ikemeleng			Male: 1	Female: 6	Disabled :
ACTIVITIES	RESPONSIBILITY	TIME FRAME					
		2011/12	2012/13	2013/14	2014/15	2015/16	Total (R)
Salaries/ Wages	SLP Co-ordinator	232 800	155 976	104 503.92			493 279.92
Consumables	SLP Co-ordinator	108 000	72 360	48 481.20			228 841.20
Overheads/Maintenance	SLP Co-ordinator	139 200	93 264	62 486.88			294 950.88
Stakeholder Engagement	SLP Co-ordinator						
		480 000	321 600	215 472			1 017 072

3.1.8 Project 7: Tirelong School Yard Improvements

A need was identified to complete the renovations by ensuring a neat and structured environment to enhance the school's milieu and ensure a holistic approach to education

Table 3.8 Tirelong School Yard Improvements

PROJECT No 7 : Tirelong Schoolyard improvements							
PROJECT BACKGROUND: AQPSA was responsible for the construction and extension of infrastructure at the school. A need was identified to complete the renovations by ensuring a neat and structured environment to enhance the school's milieu and ensure a holistic approach to education.				OBJECTIVES : To ensure whole school development including the environment.			
PERFORMANCE INDICATORS	TARGET GROUPS:	LOCATION:			EMPLOYMENT OPPORTUNITIES:		
	Ikemeleng Community	Ikemeleng			Male: 4	Female: 2	Disabled :
ACTIVITIES	RESPONSIBILITY	TIME FRAME					
		2011/12	2012/13	2013/14	2014/15	2015/16	Total (R)
Designs/ Drawings	SLP Co-ordinator		50 000				50 000.00
Surveying	SLP Co-ordinator		30 000				30 000.00
Technical services/ Construction	SLP Co-ordinator		420 000				420 000.00
Stakeholder Engagement	SLP Co-ordinator						
			500 000				500 000.00

3.2 Procurement progression plan at Kroondal Platinum Mine

3.2.1 Overview

AQPSA has recognised that to effectively participate in the transformation of the South African economy, it has to institute preferential procurement within its purchasing operations and across its entire supplier base

The objective of AQPSA's preferential procurement policy is to maximise opportunities for HDSAs to supply goods and services to AQPSA. This will contribute to the development of sustainable HDSA business enterprises, and will contribute to the purchasing and procurement requirements of the MPRDA and Mining Charter.

Table 3.1 presents the procurement distribution as at September 2011 (current) and the targets for the procurement areas of services, capital and consumables for the next five years at Kroondal Platinum and are in line with the changes made to the MRPDA.

Table 3.1: Preferential procurement targets at Kroondal Platinum Mine

YEAR	SERVICES	CAPITAL	CONSUMABLES
Current	76%	64%	95%
FY2012	70%	40%	50%
FY2013	70%	40%	50%
FY2014	70%	40%	50%
FY2015	75%	45%	60%
FY2016	75%	50%	70%

CHAPTER 4 - FINANCIAL PROVISIONS FOR THE SOCIAL AND LABOUR PLAN

4.1 Overview of financial provisions

As the associated market and economic conditions surrounding the operations may change the need to update the financial provisions may arise. Where changes in these assumptions are required, they will be reported on in the annual SLP Report. Actual financial expenditure in each of the three areas of the SLP, human resource development, local economic development, and closure and retrenchment management will be reported on in the annual SLP Report for the mine. Table 4.1 presents a summary of the financial commitment by the mine to each element of the SLP as from 2011.

Table 4.1: Five year financial undertakings in respect of Kroondal Platinum's SLP starting from 2011

	2011-12	2012-13	2013-14	2014-15	2015-16
Human Resource Development Programmes	3,5% of payroll	4% of payroll	4,5% of payroll	5% of payroll	5% of payroll
Local Economic Development Programmes	R5,008,000	0.5% of annual pre-tax profit			

4.2 Financial provision for human resource development programmes

While the exact breakdown of the financial provision for the Human Resource Development Programmes as outlined in Chapter 2 may change according to company needs and the evolving business plan during the life of the mine, three and half percent (3.5%) of the total wage bill a year will be committed for the programmes at Kroondal Platinum (inclusive of the contractors' workforce) for 2011/2012. It will increase to 5% by 2014 and remain at 5% till 2015/2016

4.3 Financial provision for local economic development programmes

In order to meet the scope of the Local Economic Development Programme as outlined in Chapter 3, Kroondal Platinum will commit 0.5% of its annual pre-tax profit for FY2011/2012 and subsequent years

4.4 Financial provision for the management of downscaling and retrenchment programmes

Two (2) to three (3) years prior to the planned closure at end of life of mine as stipulated in the approved mining rights, the company will enter into consultations with all the recognised unions and affected employees to implement the processes as outlined below.

This process will specifically include:

- A down scaling strategic plan and alternatives to avoid job losses and a decline in employment
- Skills audit to determine skills within the workforce which may be most vulnerable or difficult to be reabsorbed into the employment market and employees who may require up-skilling or retraining for self-employment and re-employment

In anticipation of the latter the company commits to refocus a portion of its Human Resource Development financial undertakings, (i.e.5% of the total wage bill (payroll) allocated to training as per above table 4.1) towards up-skilling or retraining for self-employment and/or re-employment of employees who may either face the prospects of retrenchment or not able to be reabsorbed into the employment market.

Should the need be determined for obtaining the specific skills development pertinent to the need of such employees, the budgeted financial undertakings under the Human Resource Development Programme will be paid directly to an agreed upon Service Provider identified to execute such training. The amount shall not exceed the budgeted amount per employee based upon the stipulated percentage of the payroll.

CHAPTER 5 - STATEMENT OF UNDERTAKING

5.1 Statement of undertaking

I, _____ the undersigned and duly authorised thereto by
_____ (Company) undertake to adhere to the information,
requirements, commitments and conditions as set out in this Social and Labour Plan.

Signed at _____ on this _____ day of _____ 20 _____

Signature of responsible person _____

Designation _____

Contact details _____

Approved

Signed at _____ on this _____ day of _____ 20 _____

Signature of responsible person _____

Contact details _____