

PROGRESS BUT STILL MORE TO DO

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Africa Down Under Conference
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MINERALS COUNCIL
SOUTH AFRICA








**AFRICA
DOWNUNDER**



**#MakingMining
Matter**

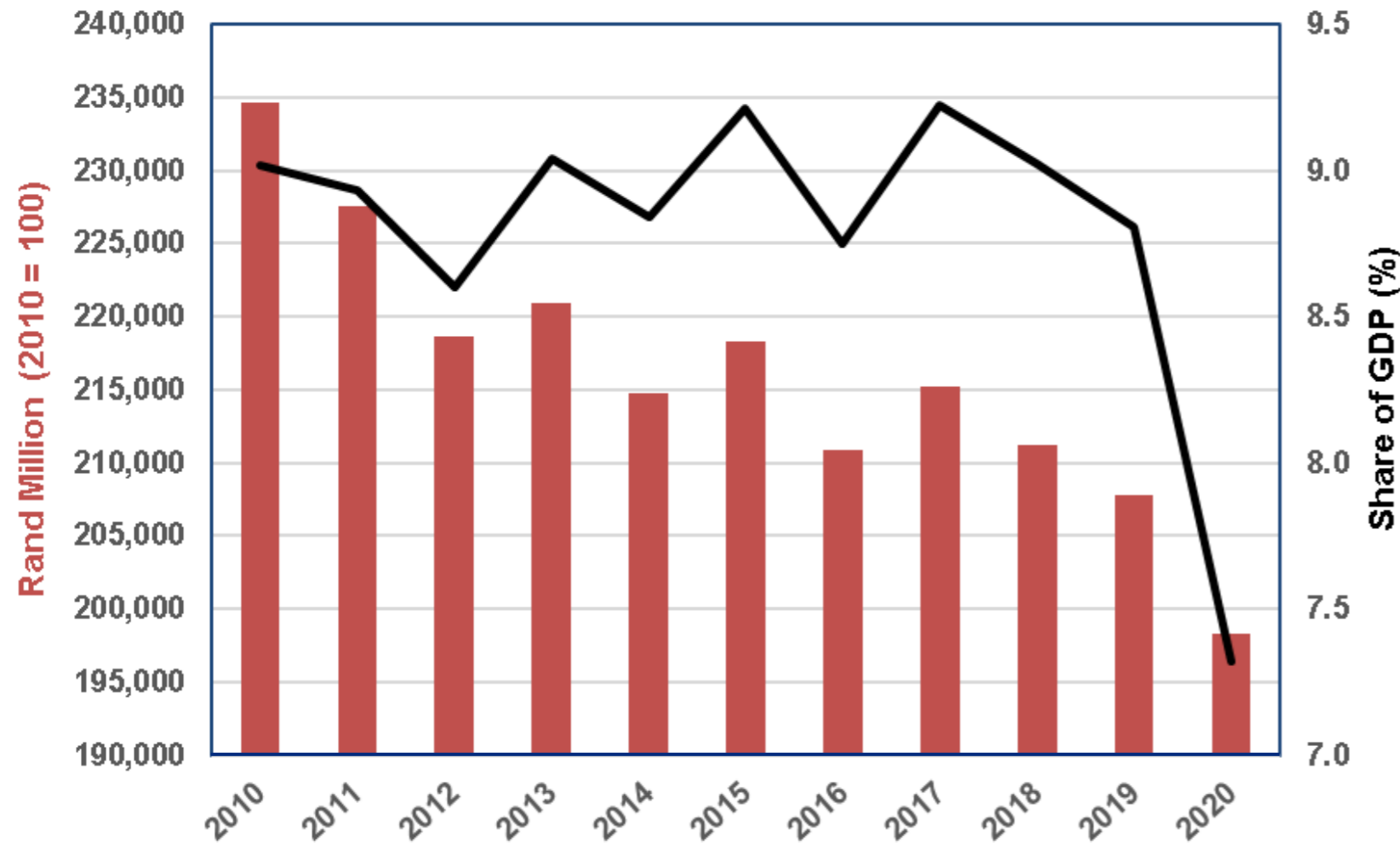
#MININGMATTERS

In 2020

	Direct contribution of mining to GDP:	R361.9bn
	Mineral export sales	R575.1bn
	Total primary mineral sales:	R608bn
	Royalties paid:	R11.8bn
	Value added taxes paid:	R34.7bn

Direct employment created by mining:	451,427 people employed
Indirect employment created by mining:	For every job in mining at least 2 more jobs are created up and downstream
Economic dependency:	Each mining employee supports 5 to 10 dependents
Remuneration to mining employees:	R148.5bn
PAYE paid by employees:	R26.2bn

CONTRIBUTION TO GDP



Aim to increase mining contribution to GDP to **10%**

Mining and related sectors can materially grow investment, production, exports and value creation for the country, through continued collaboration on critical reforms that will unlock this investment

RISK-BASED MEASURES TO DEAL WITH COVID


As the WHO declares COVID-19 a Pandemic, Minerals Council

- provides further guidance to members
- adopts a COVID 19 Preparedness Plan (10 Point Plan)
- adopts SOP on Management of COVID-19

Measures put in place **before** 27 March 2020 hard lockdown

MINING INDUSTRY ACTION PLAN ON COVID-19

Minerals Council response



TIMELINE

January 2020	Early February 2020	Week of 9 March 2020	11 March 2020	11 March 2020	15 March 2020	17 March 2020
WHO declares COVID-19 a Public Health Emergency of International Concern.	Minerals Council invites members with expertise in public health to assist in the development of a COVID-19 Preparedness Plan (10 Point Plan).	Minerals Council engages with ILO and WHO (Inspector of Mines).	WHO declares COVID-19 a pandemic after there are more than 100 countries across the globe.	Minerals Council issues interim SOP on COVID-19 to members.	President Cyril Ramaphosa declares a national state of disaster and asks for measures to be taken to combat the COVID-19 pandemic.	Minerals Council issues the final SOP on COVID-19 to members.

The Minerals Council, instead very closely to the message from the president, and is fully supportive of the measures he announced. The Minerals Council and its members are already doing many of the things he says he will do, fully aligned with the responsibilities.

10-POINT ACTION PLAN

- Engagement with Organised Labour and Government**
 - Minerals Council has engaged labour as a partner in its approach.
 - Minerals Council and its members have initiated arrangements with organised labour to ensure a level of direct communication.
 - Continuity and links are maintained with organised labour of various nationalities.
 - Minerals Council is in alignment with government, the Minerals Council:
 - continues to engage with the DMRE.
 - continues to engage with the Department of Health.
 - participated in the NED-AC (Special Purpose) Council meeting to discuss a common programme to slow down the spread of COVID-19.
 - has been invited to participate in the inter-departmental team leading the planning around COVID-19.
- Employee education and health promotion for employees, contractors and suppliers**
 - Workplace cleanliness and hygiene with disinfectants.
 - Regular thorough handwashing, sanitising, hand rubs.
 - Use of good respiratory hygiene, including covering mouth when coughing/sneezing.
 - Instructions for anyone with a cough, fever or fatigue.
- Health worker readiness**
 - Workplace hygiene.
 - Education on the management of COVID-19.
 - Flagging people with respiratory symptoms in workplace facilities, including provision of respiratory masks.
 - Available arrangements for supply of chronic medication for reduced visits.
 - Information on the NICD hotline.
- Ensuring access to consumables**
 - Ensure access for:
 - essential medicines, gloves, cleaning materials, gloves, protective clothing, and for medical surveillance.
 - food for employees, and contractors (if not self-provisioned).
- Proactive influenza vaccination**
 - NICD advises that it is important for employees to understand their role, value, and to take their role seriously.
 - Companies will be identifying employees who would be most at risk.
 - Minerals Council recognises that the 100% vaccination risk against COVID-19 will be difficult to ensure as employees' annual vaccinations are not compromised if they should become infected with the virus.
- Understanding the potential impact on employees who may be immunocompromised**
 - NICD advises that it is important for employees to understand their role, value, and to take their role seriously.
 - Companies will be identifying employees who would be most at risk.
 - Minerals Council recognises that the 100% vaccination risk against COVID-19 will be difficult to ensure as employees' annual vaccinations are not compromised if they should become infected with the virus.
- Case definition and management of suspected cases or contacts of cases**
 - This will be done in consultation with the NICD.
- Isolation of employees should the need arise**
 - As advised by NICD, only essential travel to areas where COVID-19 should be monitored.
 - WHO advises that people coming from COVID-19 affected countries should monitor their temperature twice a day, and take a fever once they have any symptoms, as well as a daily health check-up.
- Travel advice**
 - Any suspected or confirmed case will be reported to the Minerals Council (after consultation with NICD).
 - The Minerals Council will monitor and react on industry data.
- Reporting and communication in the event of a case**
 - The Minerals Council will continue to monitor international activities as presented by credible sources such as the WHO and NICD.
- Monitoring**

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STANDARD OPERATING PROCEDURE

The Minerals Council South Africa, on behalf of its members, has developed a Standard Operating Procedure (SOP) to assist in preventing the transmission of COVID-19 in South African mines. This procedure provides guidelines for the management of the employees and healthcare workers returning to work following the COVID-19 South African lockdown. It addresses possible exposure to SARS-CoV-2 the virus responsible for COVID-19 and subsequent illness, isolation and quarantine, and outlines the additional special steps and procedures to be followed in addition to the formal procedure for medical surveillance of any workers returning to work following a significant period of time away from work, based on the Department of Minerals Resources and Energy's (DMRE) standards of fitness to work.

This SOP is aligned with the SOP for Addressing Cases of COVID-19 also prepared by the Minerals Council, and the Guiding Principles on Prevention and Management of COVID-19 in SAMI published by the Department of Minerals and Energy (DMRE) on 25 March 2020.



- Before arrival**
- After arrival**
- Isolation area assessment**
- Follow up**
- Continuous measures**
- Reporting**

Before employees arrive at work, mining companies should have a return to work procedure in place, ensuring that:

- Sufficient resources are in place for pre-screening and isolation.
- Sufficient security, medical, social worker, counselling, employee assistance and administration staff are available.
- Necessary medical and hygiene supplies (PPEs, soap, water, sanitizers) are available.
- High-risk employees are provided with flu vaccination and prophylaxis.
- Cleaning and disinfecting consumables and services are available.

Companies are required to:

- Communicate new procedures for medical surveillance to employees before they leave their areas of residence during the lockdown.
- Screen healthcare workers before they screen employees and daily thereafter.
- Where possible, screen employees in labour loading areas before they return, and isolate or quarantine at source.
- Apply desinfection (physical distancing during transport).
- Intensify employee awareness and education on signs and symptoms of COVID-19 on their return.
- Inform employees of the duty to report their COVID-19 illness if they were tested before returning to work.

After employees arrive at work, mining companies should apply **infection prevention and control measures** to all forms of transport of employees, screening areas and working areas:

- Educating employees on measures to prevent infection such as social distancing and hygiene.
- Providing PPE, particularly for frontline staff.
- Encouraging employees to wear non-medical masks.
- Educating employees on how to use PPE and masks and receptacles to dispose of them.
- Reinforcing the need to take chronic medication.

Screening and referral

Companies should apply **screening at designated areas**, including pre-screening employees before they enter company accommodation and before entering the work premises and **referring employees** with elevated temperature and who meet the NICD criteria to isolation areas for assessment.

Isolation area assessment

- Employees should be assessed for COVID-19 signs and symptoms in an isolation area. Employees who meet the NICD criteria of a person under investigation must be referred to the designated Isolation Centre for testing.
- Employees whose test results are positive for COVID-19 are not very sick and have the capacity to self-isolate may do so at home for 14 days. Necessary PPE must be provided and contact tracing undertaken.
- The medical centre team must follow-up telephonically with the employee on a daily basis, record progress and refer to hospital if required.
- A register must be kept of employees presenting symptoms who are referred for isolation (DOH guidelines).

Follow-up

Employees must call the medical centre to arrange for an assessment and the issuing of a clearance letter after the isolation/admission period. Only after the fitness to work assessment, may a return to work note be issued and the line manager advised.

Continuous measures to be applied at work

Include training of staff and employees, continuously re-enforcing universal hygienic practices, enforcing physical distancing in the workplace, continue use of facemasks, and promotion of good hygiene practices.

Case reporting should be done through the NICD surveillance programme. Reports should also be submitted to the Minerals Council and DMRE. COVID-19 reporting applies to healthcare workers who become infected from a known source in the workplace.

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The full SOP may be downloaded from: <https://www.mineralscouncil.org.za/minerals-council-position-on-covid-19>

SUPPORT FOR NATIONAL VACCINATION INITIATIVE

The Minerals Council committed to supporting national government-led rollout of an urgently applied and effective vaccine programme

Support to extend beyond employees, to dependants and mining communities as far as this is possible and enabled

“The Minerals Council and its members have decided to play an active role, in partnership with our social partners, to help with the vaccine roll-out...the industry can play a material role in accelerating the vaccination programme on mines and in mining communities”



COLLABORATIVE APPROACH WITH UNIONS



MEDIA STATEMENT

MINERALS COUNCIL AND LABOUR UNIONS SUPPORT COVID-19 VACCINATION TO SAVE LIVES AND LIVELIHOODS

Urge employees to choose to get vaccinated as soon as they have the opportunity to do so

Johannesburg, 26 July 2021: The Minerals Council South Africa and labour unions, the Association of Mineworkers and Construction Union (AMCU), the National Union of Mineworkers (NUM), Solidarity and UASA have reaffirmed their support for South Africa's national vaccination programme, especially recognising the increasing role that the private sector plays in administering vaccines, and have urged all industry employees to choose to get vaccinated as soon as they have the opportunity to do so.

The industry supports the national #ChooseVaccination campaign, noting that vaccination is voluntary, and that no employee will be coerced to vaccinate, or discriminated against if they do not vaccinate.

The industry's vaccination programme is being undertaken under the National Department of Health's (NDoH) Occupational Health Site programme. Currently, 14 primary sites and 18 permanent and temporary outreach sites are operational. To date, around 34,000 employees and contractors have been vaccinated (including health care workers vaccinated under the Sisonke programme). A further 15 primary sites and five permanent and temporary outreach sites have received their requisite permits from the DoH and are expecting to be operational in the next two weeks. A further 27 primary sites have applied for registration.

The industry's vaccination process is fully aligned with the national priorities (that is, vaccinations currently open to 35-year olds and above), with the only difference being the companies' ability to bulk upload employee information onto the national Electronic Vaccine Data System (EVDS), and to schedule appointments at mine-based sites.




WHY YOU SHOULD VACCINATE

The vaccine will protect you and those you care about from getting seriously ill from Covid-19.

The more people who take the vaccine and follow all preventative measures, the sooner we can reach community immunity:

This is when Covid-19 has a hard time spreading because most people are already protected against it.

It will be many months before the vaccine is available to most people.

So when you are invited to get the vaccine, you have been chosen because of the job you do, or because you may be more vulnerable. You can step up and protect yourself and others by choosing to take the vaccine. **Those who have not been vaccinated are depending on you.**

#WeChooseVaccination.
Together we can #BeatCovid.

#MakingMiningMatter



COVID-19 VACCINES ARE ARRIVING IN SOUTH AFRICA.

Government has identified people over 60 years of age as the most important group to get the vaccine as soon as possible – because they are at the highest risk from COVID-19.

To be vaccinated, you must first register online at <https://vaccine.enroll.health.gov.za/#/>. You can do this on a phone or a tablet or a computer.

If you are struggling, you can ask someone to help you – a family member, a friend, a neighbour, someone at work or at your local clinic.

REGISTER NOW!

You can also register by

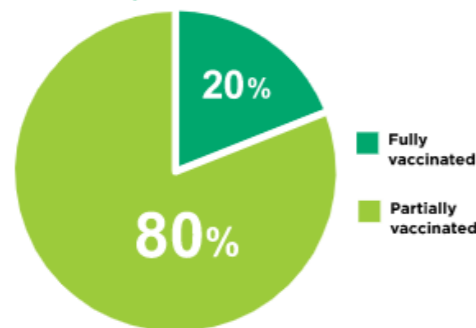
- WhatsApp - send "register" to 0600123456
- Dial "134*832" your ID number#
- If you do not have an ID number call "134*832#"

Protect yourself and protect others by supporting #Vaccination. Together we can #BeatCovid.


No-one will have to pay for their vaccination

VACCINATION PROGRAMME WELL UNDERWAY

- Industry's vaccination programme undertaken under the National Department of Health's (NDoH) Occupational Health Site programme
- 51 vaccination sites operating



Protect yourself and protect others
by supporting **#Vaccination**.
Together we can **#BeatCovid**.



32%
of employees and
contractors already
fully or partially
vaccinated



OUR JOURNEY SO FAR



CIL

Minerals Council launched its

WOMEN IN MINING INITIATIVE

to enhance representation and development of women in mining industry



Now we have developed a 2020 roadmap towards achieving our ambition, sharing potential initiatives and a strategy definition process for member companies to leverage

To achieve this, the Minerals Council aims to streamline member companies' gender diversity and inclusion strategies and implementation effort.

First steps in March 2020:

- **Launch of the White Paper**
- **Launch of gender-based violence initiative**



SIX
PRIORITY
INITIATIVES

#MakingMiningMatter

SEVEN FOUNDATIONAL MEASURES

- | | | | |
|----------|---|----------|---|
| 1 | Reaffirm Zero Tolerance for GBV through Stop Abuse campaign | 5 | Deploy ongoing companywide pulse check survey |
| 2 | Develop gender diversity and inclusion policies | 6 | Build inclusive physical environment |
| 3 | Provide reporting system for gender diversity issues | 7 | Supply PPE for women specifically |
| 4 | Initiate unconscious bias training to transform culture | | |

LOGISTICS A MAJOR CONSTRAINT

Average monthly export performance of mining sector in first half of 2021 has not returned to 2019 pre-Covid levels:

Total export sales
R1 billion and 2.7 Mt lower
than in H12020



Rail and port constraints have meant companies mining bulk commodities like iron ore, coal, chrome and manganese have been unable to benefit from higher global commodity prices.

High levels of theft and vandalism on TFR network, as well as other operational challenges

Working with Transnet to resolve constraints, improve performance and ultimately to get back to growth

BACKLOG IN PERMITTING BEING ADDRESSED

Survey of Minerals Council member companies in December 2020

Backlogs reported by DMRE in February 2021



Projects that have been prevented from being developed due to slow government processes, including delays in approval of permits and mining right transfers, issuing of water-use licences and environmental permits

R30 billion

MAKING SOUTH AFRICA AN ATTRACTIVE EXPLORATION INVESTMENT DESTINATION

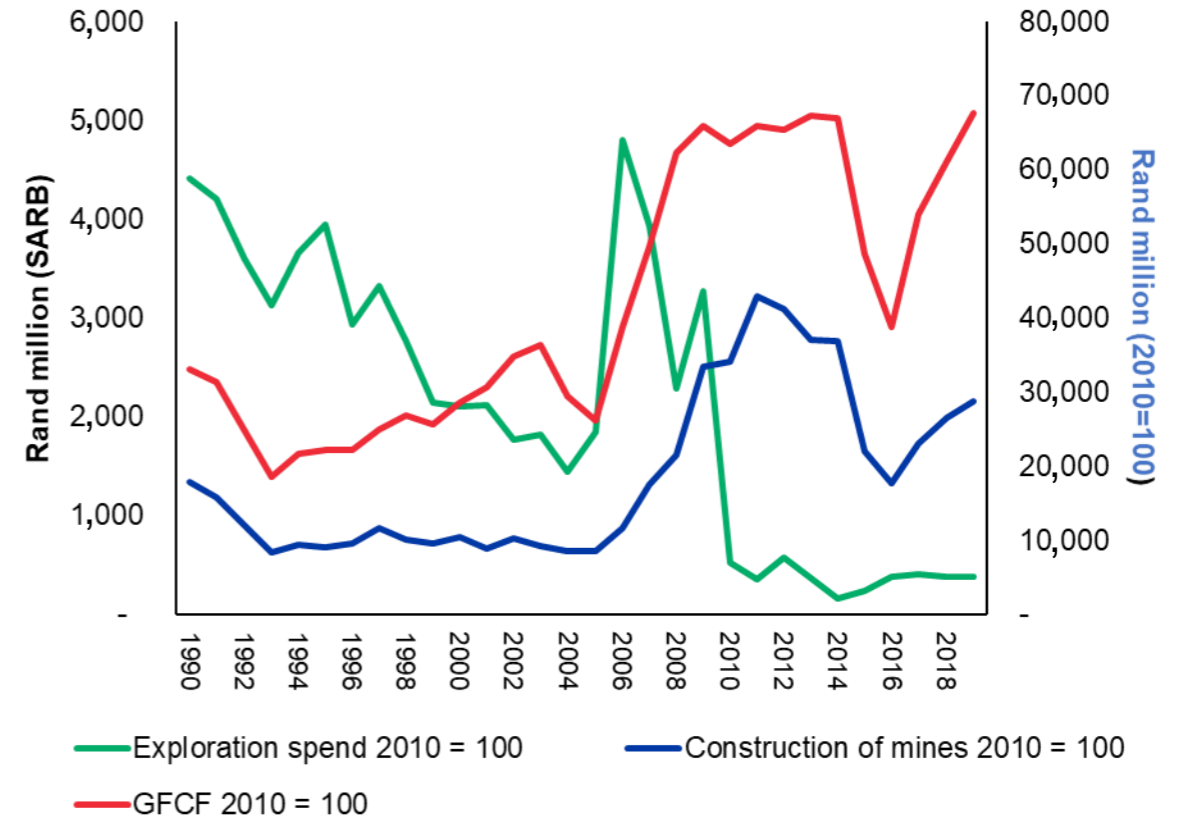
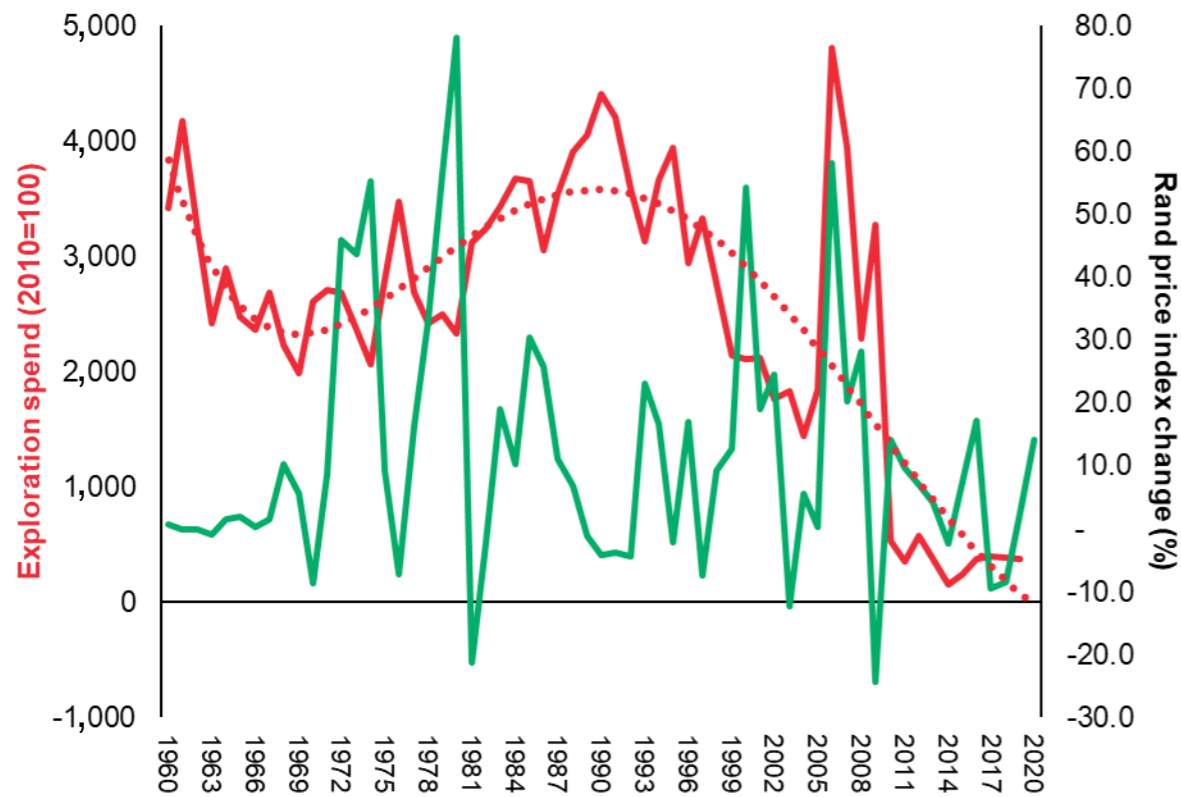
Exploration
is the lifeblood
of a thriving
mining industry...



But, in 2019, SA accounted for **only 1% of global exploration** expenditure and **only 0.1% of greenfields exploration** despite having an estimated resource of more than \$2.5 trillion of non-energy minerals.

Considering South Africa's untapped mineral wealth, this is a massive missed opportunity.

DRIVING GREENFIELDS





Exploration dollars

attracted per annum,
between 2000 and 2018:

Canada	~US\$2 billion
Australia	~US\$1.8 billion
South Africa	only US\$194 million

PLANNING FOR NEW CADASTRAL SYSTEM UNDERWAY

A cadastre system is an essential component of a modern mining economy, especially in attracting exploration investment



Critical to achieve Minister Mantashe's call to increase exploration investment to 5% over the next 5 years

Countries that successfully attract investment have efficient systems in place to apply for, grant and manage mining rights and permits

While the DMRE is responsible for assessing applications and granting mining rights and licences, the industry offered to contribute to reasonable costs of a new cadastre provided that the SAMRAD system is discontinued

A new cadastre system for South Africa must:

- 1 Improve transparency and security of tenure
- 2 Ensure standardisation of licensing procedures
- 3 Be user-friendly and automated as far as possible
- 4 Be secure, reliable and accurate
- 5 Manage the full lifecycle of mining, prospecting, exploration and production rights and permits

WHAT SOUTH AFRICA NEEDS TO BECOME AN ATTRACTIVE EXPLORATION DESTINATION

1

Replace SAMRAD with a transparent and efficient online mining cadastral system

2

No delays in the issuing of permits

3

Regulatory certainty, accountability and transparency

4

Efficient, cost-effective and reliable infrastructure

5

Access to funding and properly structured incentives



- Discussions and plans underway, in collaboration with DMRE
- DMRE plans to revitalize exploration expected soon

IMPACT OF UNAFFORDABLE, UNAVAILABLE ENERGY



Spiralling costs
and load shedding



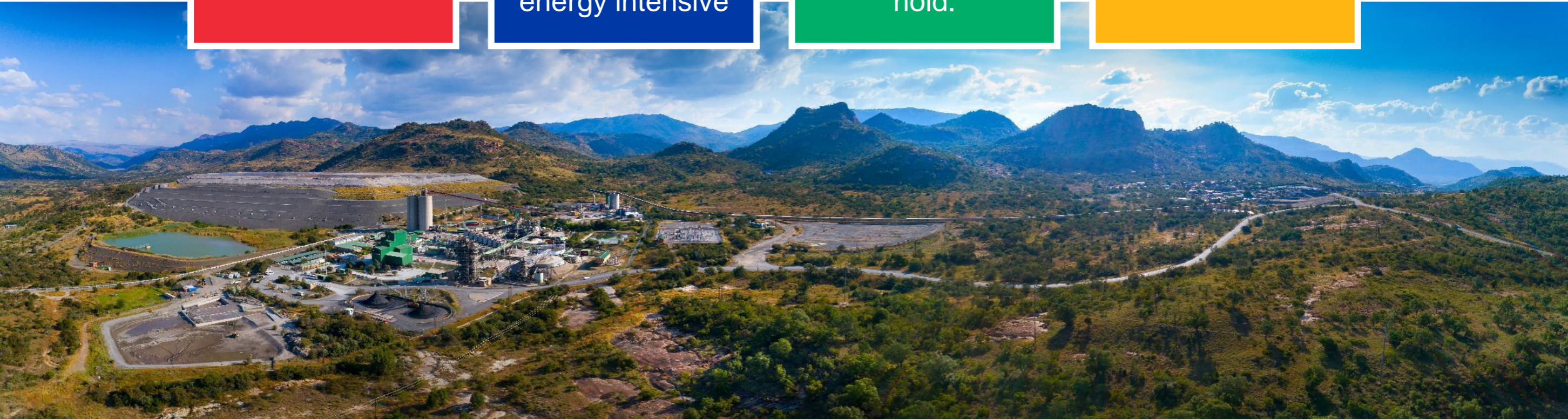
Industry has
adapted to
become less
energy intensive



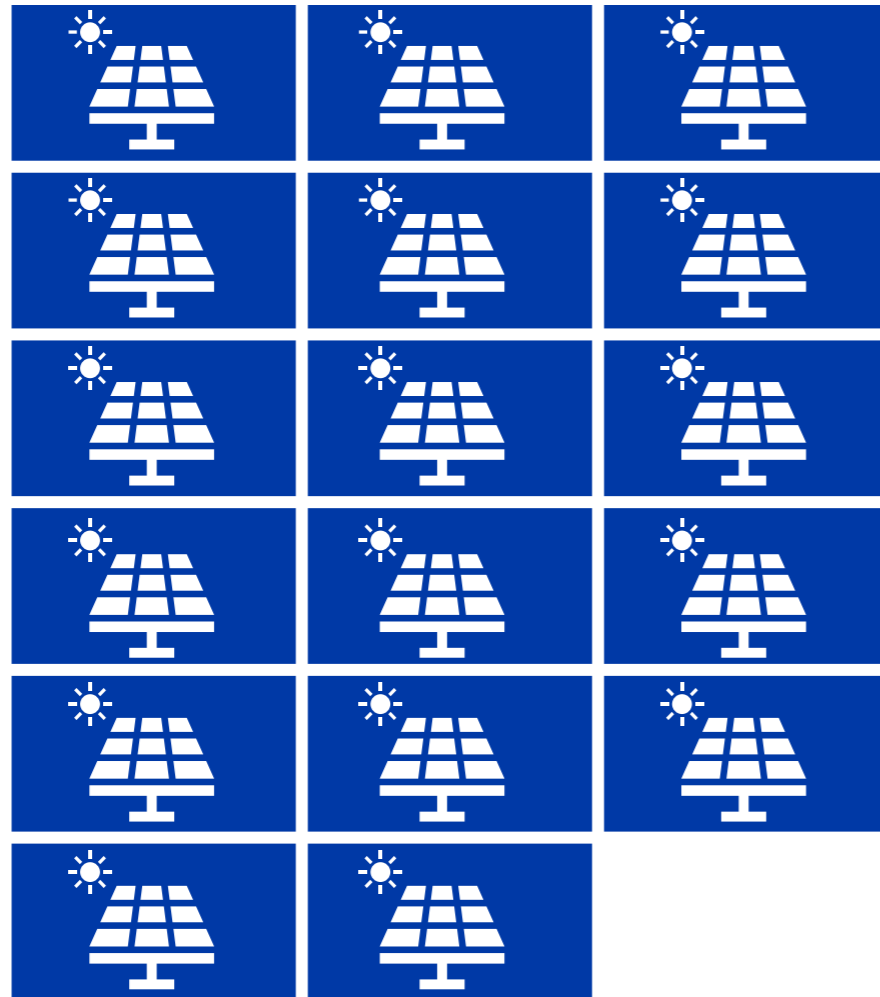
Smelters have
closed. New
mining projects on
hold.




Self-generation



SELF-GENERATION PROJECTS BECOMING A REALITY



= 
2.4GW

Approval of construction of
embedded 100MW energy projects a
massive advancement

17 self-generation projects in
various stages

ACCELERATING 4IR IN MINING

People-centred,
4IR-enabled
**MODERNISATION
STRATEGY**

Accelerated, transforming
innovation, capacity-building
programme to restore SA
as global leader in mining

Public-private partnerships
like the Mandela Mining Precinct to
facilitate modernisation

Innovation infrastructure, such
as a Test Mine where innovators
can turn research into globally
competitive products

Multi-source,
significant
mining innovation
investments



MANDELA MINING PRECINCT
MINDS FOR MINES

WHAT WE NEED FOR ECONOMIC RECOVERY

Five most critical structural and institutional reforms



Urgent
stabilisation of
South Africa's fiscus

**Improved
law enforcement**
to halve crime in
three years

Opening
Transnet and Eskom
to private investment
and competition

Creating policy and
regulatory certainty
to create global
investment
competitiveness

**Complete
reform**
of civil service



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