

Greenside Colliery 2019-2023| In compliance with Regulation 46 of the Mineral and Petroleum Resources Development Act No. 28 of 2002 and Regulations



SOCIAL AND LABOUR PLAN GREENSIDE COLLIERY

MINING RIGHT: MP 30/5/1/2/2 (304) MR

APPLICATION FOR SECTION 102 FOR PERIOD 2019 – 2023

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PART ONE

PREAMBLE

1. Introduction

Effective 4 June 2021, Thungela Resources Ltd (“Thungela”) received its listing on the Johannesburg and London Stock Exchanges, which follows the completion of the demerger of Thungela from Anglo American plc. The legal name change from Anglo Operations (Pty) Ltd (“AOPL”) to Thungela Operations (Pty) Ltd (“TOPL”) will officially be effective early 2022. In anticipation of the formal name change, where reference is made to Thungela it will mean AOPL as the mineral right holder. Thungela is the parent company of AOPL which will be changed to TOPL.

In February 2021, Greenside Colliery submitted a Section 102 Application in terms of the MPRDA to include a portion of portion 9, portion of portion RE, portion of portion RE/145, portion of portion RE/1, portion of portion 171/145, portion of portion 172/27, portion of portion RE/27/1, portion of portion 28/1 and portion of portion 167/1 of the Farm Klipfontein 322 JS from the Khwezela Kleinkopje (“Bokgoni”) Mining Right with DMRE reference number MP 30/5/1/2/2/307 MR into the Greenside Colliery Mining Right with DMRE reference number MP 30/5/1/2/2/304 MR. The area to be included is known as the East Block area measuring 616.4995ha in extent. This section 102 application is still pending at the DMRE.

Thungela owns interests in and produces its thermal coal predominantly from six mining operations, namely Goedehoop, Greenside, Isibonelo, Khwezela, AAIC (operating the Zibulo colliery), Mafube Coal Mining (operating the Mafube colliery) and Butsanani Energy (operating the Rietvlei colliery). Thungela is the sole owner of each of these operations, except for AAIC, Mafube Coal Mining and Butsanani Energy, in which the Group has a 73%, 50% and 66.7% interest, respectively. The Group also has plans for two proposed mining operations in the form of the Elders Project and Dalyshope Project. The Elders Project, in which the Group has a 73% interest, is a proposed underground mine (at the exploration and technical study stage) and the Dalyshope Project is a proposed open cast mine for which a mining right application is pending approval. The Group also holds a 50% interest in Phola, which owns and operates the Phola Coal Processing Plant and a 23.22% indirect interest in RBCT, which owns and operates the Richards Bay Coal Terminal. Thungela also holds an interest of approximately 67% in Butsanani Energy, which in turn holds a 51% interest in RMC, which operates the Rietvlei colliery. Accordingly, the Company indirectly holds a beneficial interest of 34% in RMC.

1.1 Overview of Greenside Colliery

The Greenside colliery is an underground thermal coal mine located about 120 km east of Johannesburg and approximately 15 km southeast of eMalahleni in the Mpumalanga province. Greenside Colliery targets the extraction of the No. 4 seam to produce coal for supply into the export and domestic markets. The mine uses mechanised bord and pillar mining to exploit the coal. The shallowness of the No. 4 seam enables a high extraction rate and thus increased productivity.

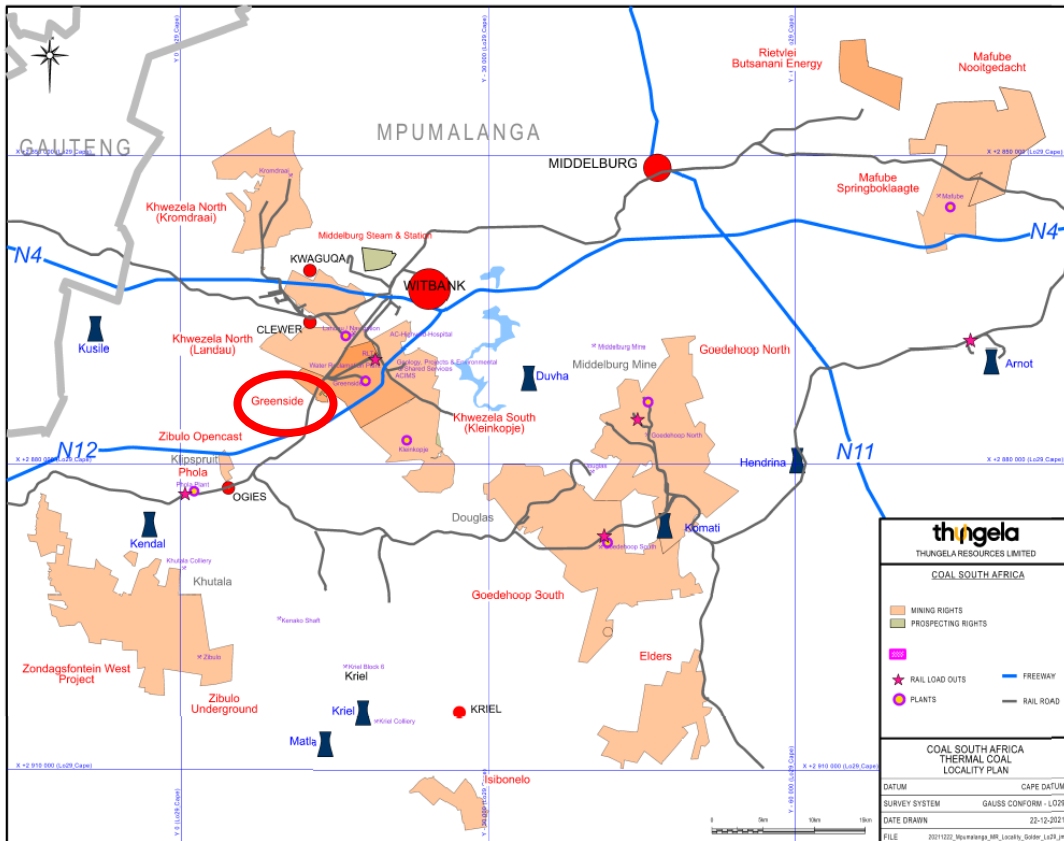
The colliery currently operates three coal processing plants, one to wash raw, primary mined coal (No. 4 seam plant), one to primary wash discard material from the mineral residue deposits (No. 5 seam plant) and a plant that treats the ultrafine material from the No. 4 seam plant. The No. 4 seam plant is fed with material mined from the five underground mining areas. This plant produces a primary export product

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and a lower quality 4,800 kcal/kg product. Product qualities are changed from time to time dependent on market demand. The mineral residue deposit reclamation produces a product for consumption in the domestic market.

Export product is conveyed to the rail load-out terminal which is situated approximately 2.5km northeast of the mine and shared with the Khwezela Colliery. Domestic product is sold into the market through third party operators.

Figure 1: Greenside Colliery Location



1.2 The aim and purpose of this report

The purpose of this report:

In accordance with Regulation 42 (2) (b) of the Mineral and Petroleum Resources Development Act No. 28 of 2002, AOPL hereby compiles the amended SLP which addresses the issues listed in the Department of Mineral Resources and Energy (“DMRE”) directive in term terms of Section 29 of the MPRDA.

The aim of the Social and Labour Plan is:

- To promote employment and advance the social and economic welfare of all employees and to uplift all stakeholders within the communities in which we operate;
- To contribute to the transformation of our industry; and

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- To ensure that the holders of mining rights contribute to the socio-economic development of the communities in which they operate, including major labour sending areas.

The purpose of this Social and Labour Plan is to provide assurance to the Department of Mineral Resources and Energy (DMRE) on future contribution committed by the mine. This document therefore follows Regulation 46 of the Regulations of the Mineral and Petroleum Resources Development Act (2002) (MPRDA), which outlines the required contents of the Social and Labour Plan. A minimum of three progress update meetings with relevant stakeholders will be convened each year

1.3 Definitions

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

- Anglo Operations (Pty) Ltd, a member of the Thungela Resources Limited Group, includes all employees at head office, technical divisions and mining operations.
- AOPL operations include all operational and technical personnel but exclude staff from our head office.
- Greenside Colliery is a mine wholly owned by AOPL.

1.4 Legislation and Regulations

The Following Legislation and Regulations are Relevant to the Social and Labour Plan:

- MPRDA (Mineral and Petroleum Resources Development Act).
- DMRE (Department of Mineral Resources and Energy) Guidelines for Social and Labour Plans.
- Skills Development Act No 97 of 1998.
- Employment Equity Act No 55 of 1998.
- Labour Relations Act of 1995.
- Basic Conditions of Employment Act of 1997.
- Broad-based Black Economic Empowerment Act No 53 of 2003

The afore mentioned as amended from time to time.

1.5 Associated Documents

Guided Documents Related to the Social and Labour Plan are:

- Social Impact Assessment Report
- Mine Workplace Skills Plan
- Mine Employment Equity Plan
- Mine Recruitment Plan (working document)
- Integrated Development Plans for eMalahleni Local Municipality and Nkangala District
- Policies and procedures related to:
 - Employment Equity Policy
 - Human Resource Development Policy

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- Retrenchment Policy
- BEE Specification Policy
- Preferential Procurement Principles Policy
- Learnership Procedure
- Mentorship Procedure

1.6 The particulars of the holder of the mining rights

Name of the company	Anglo Operations (Pty) Ltd, a member of Thungela Resources Limited Group
Name of the mine	Greenside Colliery
Physical address	Mineral, Property Rights and Permitting Department
	25 Bath Avenue, Rosebank
	Johannesburg
	2196
	Anglo Operations (Pty) Ltd
Postal address	PO Box 1521
	Saxonwold
	2132
Telephone number	076 822 0399
Fax number	N/A
Mine address	Groenfontein Farm
	Blackhill
	1032
	Greenside Colliery
Mine postal address	P.O. Box Blackhill
	Mpumalanga,1032
Telephone number	+27 (13) 690 4911
Mine fax number	+27 (13) 690 4311
Location of mine	Greenside Colliery is situated in Blackhill, about 15 kilometres south-west of the city of eMalahleni in the Mpumalanga province. It is approximately 120 kilometres east of Johannesburg in the Republic of South Africa.
Commodity	Coal
Life of mine	2027
Financial Year	January – December of each year
Reporting Year	31 March of each year
Responsible Person	General Manager

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Breakdown of employees per sending area	See section 2.9.3
SLP Period	2019 - 2023

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PART TWO

Human Resources and Development Programme

2. Human Resources and Development Programme

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

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

Greenside Colliery will continue to focus on the following areas for the next five years:

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

2.1 Skills Development Plan

Skill Development Facilitator	
Name of SETA	Mining Qualifications Authority (MQA).
Registration number with SETA	L270214811.
Name of Skills Development Facilitator	Sydwell Sibiya & Dikeledi Kgoro
Work Skills Plan proof of submission	Yes

Greenside Colliery has a training centre that is ISO 9001: 2015 certified and has recently obtained their Workplace Approval status from the Mining Qualifications Authority (MQA).

On an annual basis, Greenside Colliery submits the Workplace Skills Plan (WSP) and an Annual Training Report (ATR) in accordance with the Sector Education and Training Authority's (SETA) requirements.

Our levy number being L270214811 will continue to be used in the next 5 years.

2.2. Training Planned

2.2.1. Current Illiteracy Level and AET needs

Although AET marketing has taken place and will continue periodically; internal employees have in a declaration indicated no interest in embarking into AET, however a few of our

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contractors don't have basic numerically and literacy. This also applies to some of our local communities including farm dwellers who have indicated an interest in AET and this will help the uptake for the programme.

Table 1: AET Needs Levels

Level	Number of Illiteracy	Need	Cumulative need
No Schooling	0	N/A	0
AET 1	3	Yes	3
AET 2	9	Yes	9
AET 3	10	Yes	10
AET 4	12	Yes	12
TOTAL	34	Yes	34

The Adult School resources will be allocated in the new programme for employee's, contractors and community. The plan is to outsource an AET Training Provider specialist in managing this function with more focus on our contractors and host communities.

Despite the barriers in attracting employee candidates who could benefit from the programme, community members, contractors and employee dependants continue to embrace the programme.

Greenside has planned to attract 51 AET candidates to participate in the programme for the next reporting period as follows:

Table 2: AET Planned

AET Level	2019	2020	2021	2022	2023	Total Target
AET 1	0	0	0	0	0	0
AET 2	0	0	0	0	0	0
AET 3	3	2	1	1	1	8
AET4	5	7	7	7	7	43
Total Target	8	9	8	8	8	51
Total Budget	R35 000	R36 500	R37 700	R39 600	R39 600	R188 400

2.2.3. Core Business Training

Training planned will take account of all the different number of levels within the organisation. These will include short courses and technically and operationally aligned programmes crafted internally and other outsourced as per evolving needs of the mine.

2.2.4. Learnerships (Internal)

As per our commitment to Human Resources Development; employees upliftment and development are key and at the centre of our strategic intent in meeting individual and mine future human capital needs within the artisan and tradesman space.

Table 3: Internal Learnerships

Type/area of training	Targets and Timeline					Total budget
	2019	2020	2021	2022	2023	
Engineering	11	11	6	4	7	44
Mining	1	1	1	1	1	5
Total Target	12	12	7	5	8	44
Total Budget	R478 093	619 608	479 577	517 943	533 360	R2 628 581

2.2.5. Learnerships (external)

Our continued endeavours in decreasing the lack of unemployment and ensuring adequate feed to national artisan grid and we continue to maintain a 70% above recruitment of local candidates for our external learnership (18.2).

Table 4: External Learnerships

Type/area of training	Targets and Timeline					Total
	2019	2020	2021	2022	2023	
Engineering	12	8	21	28	32	101
Total Budget	R478 093	413 072	635 717	1 266 930	1 067 834	R3 861 646

2.2.6 Artisans Training

Our artisan training will carry all the hallmarks of the above dynamics in ensuring skills are acquired by the right people at the right time.

Based on the human capital development, these will include technical training most of which will not be sourced internally but sourced from external providers, original equipment manufacturers (OEM) and in some instances based on Health and Safety. Funding and costing remain a focal point in the decision-making model.

Table 5: Artisan Training Targets

Type/area of training	Targets and Timeline					
	2019	2020	2021	2022	2023	Total
Semi-skilled and Discretionary Decision-making	25	35	45	60	75	240
Total Number	25	35	45	60	75	240

2.2.7 School Support and Post Matric Programmes

The continued support in education and training for our host communities through numerous avenues has yielded to positive impacts as beneficiaries have been able to secure livelihoods through business and employment opportunities. We continue to focus on advancing the youth development elements as stated in the Human Resources Development Strategy and National Development Plan 2030.

During the next five years the co-creation of synergies between Greenside and FET colleges will be key in meeting and increasing funding and support of learners post matric. This will support and serves as direct feed to our learnership recruitment drive and processes.

2.3 Hard to fill vacancies

Thungela has initiated a number of capacity building initiatives to become self-sufficient in the supply of labour. One of these initiatives is an in-house bursary scheme. This includes a group of vacation students, trainees and university of technology students who have been employed as part of the Joint Initiative for Priority Skills Acquisition (JIPSA). In addition, we have learners in the system.

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

Hard to fill vacancies are addressed through bursary programmes, study assistance schemes and the provision of learnerships and skills programmes. Employees are encouraged to study in the fields where there is a scarcity of skills.

Table 6: Identified Hard to fill Vacancies

Occupation Level	Job title of vacancy	Main reason for being unable to fill the vacancy
Top Management	N/A	N/A
Senior Management	N/A	N/A
Professionally Qualified and experienced Specialists and Middle Management	Surveyor/Survey Manager VOHE Superintendent	It is a legal requirement in which the incumbent must be in possession of the Government Certificate of Competency. The market depicts the availability of such candidates
	Mechanical Engineers	The balance of qualifications and experience remains a challenge for filling in this vacancy.
	Rock Engineer	The balance of qualifications and experience is not always available
Skilled technical and academically qualified workers, junior managers, supervisors, foreman and superintendents	Technicians Plant Metallurgists	The balance of qualifications and experience is not always available. This is a scares skills that is always not available

2.4 Career Progression Path/Plan

The company has a Talent Management Strategy and Policy that looks at succession planning and development planning for band 6 and above roles. These are reviewed yearly, through conducting annual operational talent reviews, discipline reviews and then concluded with a company review. In these session's succession plans are amended and development actions agreed for individuals.

Formulized development plans, are an area that is currently under review. The system is available where development plans for band 6 and above need to be captured and monitored. There has been a slow up take of this by individuals however plans are in place for these to be completed and monitored to ensure development gaps are closed. In terms of development we follow a 70/20/10 rule, 70% of learning should be on the job learning, 20% coaching and mentoring and 10% formal learnings (courses/programs). Development should include possible exposure stints and opportunities in order to ensure that employees gain the right exposure, experience and skills required for the next level.

Training and development of the workforce is of importance to Greenside Colliery as it enhances the level at which our employees operate and enables us to remain relevant. Career progression and talent management forms part of the bigger plan of human resources

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development which encompass among other things training matrixes, individual development plan, talent identification that considers succession plan and talent placement.

The mobility of human resources in key and scarce positions in terms of the different roles in different disciplines is driven by organizational and individual needs, that seeks to ensure mutual benefit. Career progression path is achieved through the different departmental development plans.

Training programmes within career progression paths	Core mining occupations	Position starting from	Current training interventions	Target position working towards	Year 1	Year 2	Year 3	Year 4	Year 5
					No. of identified employees	No. of identified employees	No. of identified employees	No. of identified employees	No. of identified employees
Leadership Development NQF level 5	Engineering	Electrician	<ul style="list-style-type: none"> • Basic ER • Assertiveness • MS Word 1 & 2 • Power Point & Outlook • Leadership Programme 	Chargehand	2	2	2	2	2
Leadership Development NQF level 5	Engineering	Fitter	<ul style="list-style-type: none"> • Basic ER • Assertiveness • MS Word 1 & 2 • Power Point & Outlook • Leadership Programme 	Chargehand	1	1	1	1	1
Leadership Development NQF level 5	Mining	faceboss	<ul style="list-style-type: none"> • Basic ER • Assertiveness • MS Word 1 & 2 • Power Point & Outlook • Leadership Programme 	Shiftboss	1	1	1	1	1

Table 7: Number of education levels: Greenside Colliery as on 31 December 2019

OLD SYSTEM	MALE				FEMALE				TOTAL	
	African	Colored	Indian	White	African	Colored	Indian	White	Male	Female
No Schooling / Unknown	7	0	0	0	0	0	0	0	7	0
Pre - AET / Grade 1 - 3	40	0	0	0	0	0	0	0	40	0
AET 1 / Std 2, Grade 4	21	0	0	0	1	0	0	0	21	1
AET 1 / Std 2, Grade 5	1	0	0	0	0	0	0	0	1	0
AET 2 / Std 3/4, Grade 5/6	19	0	0	0	0	0	0	0	19	0
AET 3 / Std 5/6, Grade 7/8	21	0	0	0	0	0	0	0	21	0
AET 4 / Std 7, Grade 9	80	0	0	3	22	0	0	0	83	22
AET 4 / Std 7, Grade 10	1	0	0	0	0	0	0	0	1	0
Bachelor Honor's Degree/ Postgraduate Diploma/ Bachelor's	2	0	0	2	7	0	0	2	4	9
Higher Certificate/ Diploma/ Advanced Certificate/ NATED 4 - 6	22	0	0	12	17	1	0	0	34	18
Honours Degree/Postgraduate Diploma/Bachelor's Degree	1	0	0	2	2	0	0	0	3	2
Master's Degree	0	0	0	0	1	0	0	0	0	1
National/ Higher Certificate	6	0	0	0	1	0	0	3	6	4
Std 10 / Grade 12, NATED 3 / NCV Level 152	1	0	0	0	0	0	0	0	1	0
Std 10 / Grade 12, NATED 3 / NCV Level 22	0	0	0	0	0	0	0	1	0	1
Std 10 / Grade 12, NATED 3 / NCV Level 3	152	3	2	45	57	1	0	3	202	61
Std 10 / Grade 12, NATED 3 / NCV Level 4	1	0	0	0	1	0	0	0	1	1
Std 8 / Grade 10, NATED 1 / NCV Level 1	44	0	0	5	4	0	0	0	49	4
Std 9 / Grade 11, NATED 2 / NCV Level 2	89	0	0	10	22	0	0	0	99	22
Advanced Diploma/ B-Tech Degree/ Bachelor's Degree	18	0	0	8	6	0	1	1	26	8
TOTAL	526	3	2	87	141	2	1	10	618	154
									TOTAL	772

2.6 Coaching and mentoring for employees

2.6.1 Mentoring and Coaching

This involves creating a learning relationship with a mentor, it is our norm and practice to allocate a more senior manager for this role even though the trainee has a final decision. Our mentors act as both coach and role model and promote the employees' career development at length.

This is planned one-to-one instruction usually by competent higher-grade employees, Supervisors, Managers, Workplace Trainers or in rare circumstances an external coach. The Coach sets a good example of what is to be done, answers questions and generally helps the trainee develop their skills. At Greenside all our trainees have mentors.

In the next five years our focus will be to use the recently conducted Brainwave Talent role match psychometric assessments in crafting a model for our supervisory and frontline mentoring and coaching.

Table 8: Mentoring Programmes

Mentoring Program	Career Deliverables	Duration	HDP	Non-HDP	Female	Male
Supervisor Development Program	Management Development	12months	50	12	36	26
Management	Ascend	3months	2	1	1	2
Management	Explore plus		6	4	6	4
Professionals in Training	Management Development	18months	7	3	5	5

2.7 Bursaries and Internships

As Thungela we recognise the importance and organisational benefits derived from professional and career development of bursars on the programme. As such, Greenside will provide successful candidates with much needed financial support for the education, training and development of skills and knowledge that will be of direct benefit to both the candidates and future organisational needs. Our bursary systems are based on academic merits and other elements pertinent to Greenside Colliery Community Development and Social Performance needs.

Table 9: Bursaries Employees Financial Assistance

Area of Study	2019	2020	2021	2022	2023
Transport & Logistics Management	1	1	1	1	1
IT	0	0	1	1	1
Engineering	3	2	3	1	1
Fundamental & Project Management	0	0	1	1	1
Safety	1	0	1	0	0
HR	0	1	0	0	0
Environment	1	1	0	0	0
Total	5	5	10	2	2
Budget	R150 000	R150 000	R90 000	R60 000	R60 000

Although much work has been done in supporting students towards the fulfilment of their curricular requirement for P1 and P2 before completing their qualifications, this however falls short in meeting Internships requirements.

In the next five years our focus will be directed at embarking on up taking local diplomats and graduates for the sole fulfilment of the Internship requirements in line with the MQA Guidelines on Internships as our regulatory body for mines in Education Training and Development.

Examples of Type of disciplines to be considered for bursaries & internships

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

Table 10: Bursaries to be awarded Internal

Area of Study	2019	2020	2021	2022	2023
Mining	1	1	4	1	2
Engineering	3	2	2	4	2
Metallurgy	0	1	1	1	1
Environment	1	1	1	1	1
Total	5	5	8	7	6
Budget	R700 000	R750 000	R1 120 000	R960 000	R960 000

2.7.1 Community Scholarship Programme

The scholarship bursary scheme is aimed at affording learners from our communities with an opportunity to further their studies in a career field of their choice. The scholarship is a full bursary that comprises of tuition fees, accommodation fees, books and monthly living allowance. The budget is set over a period of five years taking into account the minimum duration of a qualification of three to four years.

Table 11: Bursaries/ Scholarships awarded External: Community Scholarship Bursary

Area of Study	2019	2020	2021	2022	2023
Engineering	1	1	1	1	1
Actuarial Science	1	1	1	1	1
Human Resources	1	1	1	1	1
BA Law / Humanities	2	2	2	2	2
Medical	1	1	1	1	1
Medical Lab Sciences	1	1	1	1	1
Total	7	7	7	7	7
Budget	R600 000	R600 000	R600 000	R600 000	R600 000

2.7.2 FET Sponsorship

During the next five years, the co-creation of synergies between Greenside and FET colleges will be key in meeting and increasing funding and support of learner post matric. This will help and serves as direct feed to our learnership recruitment drive and process.

Table 12: FET Support

Area of Study	2019	2020	2021	2022	2023
Mining	1	2	0	1	1
Engineering	2	3	3	2	2
Finance & Accounting	1	0	0	1	1
IT	1	0	2	1	1
Total	5	5	5	5	5
Budget	R67 500	R72 000	R72 000	R72 000	R72 000

Table 13: Internships MQA

Area of Study	2019	2020	2021	2022	2023
Mining & blasting	0	1	1		
Engineering	1		2	1	3
Survey		1		1	
Geology		1			1
HR		1		1	
Finance & Accounting	1		1		
Metallurgy	1		1		
SHEQ		1		1	
VOHE	1				1
Rock Engineering	1			1	
Total	5	5	5	5	5
Budget	R402 625	R402 625	R412 600	R412 600	R412 600

Table 14: Professionals in training for 2019-2023

Area of Study	2019	2020	2021	2022	2023
Mining & blasting	1	1	1	1	1
Engineering	1	1	1	1	1
Survey	1	1	1		
Geology	1	1		1	1
HR			1	1	1
Finance & Accounting					
Metallurgy	1	1	1	1	1
SHEQ				1	
VOHE	1	1	1		1
Rock Engineering	1	1	1	1	1
Business Improvement	1	1	1	1	1
Total	8	8	8	8	8
Budget	R4 000 000	R4 000 000	R4 000 000	R4 800 000	R4 800 000

2.7.3. Community Skills Development (Portable Skills Training)

In alleviation of youth unemployment and poverty the community skills development Non-Mining Skills (Portable Skills Training) is tactically aligned to our Social Performance in ensuring that it is combatting some of the socio-economic ills.

The plan going forward is to identify those skills needed to unlock employment and sustainability for youth within our greater communities and partner with SETA accredited local skills development providers for skills programmes identified during stakeholder engagement utilising Socio Economic Assessment toolbox (SEAT), IDP and Community Forums etc.

Carefully crafted scope of work will be in place with clear deliverables and timelines.

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Table 15: Portable Skills Programmes for Community

Training Programme	2019	2020	2021	2022	2023
Surface Machine Equipment (SME) Operator Training	60	60	20	10	10
Welding		15			
Hospitality			10		
Total	60	75	40	10	10
Budget	R250 000	R1 000 000	R750 000	R500 000	R500 000

2.8 Budget Provision

Budget provision for the company's bursary schemes is managed centrally. The budget is drawn up and approved on an annual basis, specifically to address the educational needs of the organisation.

Table 16: HRD Budget Allocation

Programme	Budget 2019	Budget 2020	Budget 2021	Budget 2022	Budget 2023
Skills Development Levies Act	R6 807 115	R7 283 613	R7 793 466	R8 339 009	R8 922 739
Learnerships	R5 964 359	R6 288 799	R6 619 788	R1 086 744	R1 300 879
Internal training	R4 850 000	R4 900 000	R5 210 000	R5 820 000	R5 820 000
External training	R505 125	R511 125	R522 300	R524 200	R524 200
Community Scholarship	R1 000 000	R1 000 000	R850 000	R1 000 000	R1 000 000
Community Skills Development	R250 000	R1 000 000	R750 000	R500 000	R500 000
TOTAL	R26 183 714	R20 983 527	R21 745 554	R17 269 953	R18 067 818

2.9. EMPLOYMENT EQUITY

As part of our normal engagement with internal stakeholders, the Employment Equity Committee has reviewed the challenges experienced during 2014-2018 and confirmed to follow the below strategy to improve Greenside employment equity Programme.

Table 17: Objectives for Employment Equity Plan 2019 - 2023

TIME FRAMES		Objectives
YEAR 1	January 2019 to December 2019	<ul style="list-style-type: none"> ■ Implementation of the new performance management system ■ Succession Planning at mine level to develop people ■ Frontline Leadership capacity building ■ Leadership Development Program ■ Advertise with disability organizations ■ Identify suitable positions for people living with disability ■ Develop a selection guideline for internal promotion and for licensing and acting
	January 2020 to December 2020	<ul style="list-style-type: none"> ■ Development Programmes to address gaps, such as PME, TAP ■ Conduct Workplace EEA analysis ■ Drive Thungela Diversity and Inclusion objectives ■ Frontline supervisory training <ul style="list-style-type: none"> ■ Ensure Skills matrices exist for all operators ■ Community Scholarship program
YEAR 3	January 2021 to December 2021	<ul style="list-style-type: none"> ■ Frontline Leadership capacity building ■ Leadership Development Program
YEAR 4	January 2022 to December 2022	<ul style="list-style-type: none"> ■ Leadership Development Program
YEAR 5	January 2023 to December 2023	<ul style="list-style-type: none"> ■ Leadership Development Programme

Table 18: Workforce Profile by occupational category and occupational levels as at December 2018

Category	HDSA						
	Total	HDP	%HDP	Total Women	%Woman	Total Disabled	%Disabled
Top Management	9	2	22%	0	0%	0	0,00%
Senior Management	5	2	40.00%	0	0.00%	0	0,00%
Professionally qualified and experienced specialists and middle management	37	23	62.16%	8	21.62%	0	0,00%
Technical and academically qualified workers, junior management, supervisors, foreman and superintendents	80	50	62.50%	14	17.50%	1	1.25%
Semi-skilled and discretionary decision-making	176	140	79.54%	35	19.89%	1	0,57%
Unskilled and defined decision-making	399	393	98.49%	67	16.88%	2	0,50%
Total	697	608	87.23%	124	17.79%	4	0,21%

2.9.1 HDP participation in management

At the company, we invest in the development of HDP employees. Preference is given to HDP candidates during the recruitment process and personal development plans are in place to further the careers of employees so that they can participate in the management structures of our organisation.

Table 19: HDP participation in management: Greenside's Colliery (2019 – 2023)

Element	Description	Measure	Target	2019	2020	2021	2022	2023
Employment Equity	Diversification of the workplace to reflect the country's demographics to attain competitiveness	Top management	50%	22%	33%	44%	55%	66%
		Senior management	60%	57%	57%	57%	57%	
		Professionally qualified/experienced specialists and middle management	60%	50%	46%	55%	50%	50%
		Junior Management	70%	32%	31%	29%	28%	28%
		Core & critical skills	60%	60%	61%	59%	56%	55%

2.9.2 Women in Mining

Thungela recognises the strength in diversity to be gained from employing women and has successfully increased the number of women employed at our operations. We ensure that women are engaged in all aspects of our business and the integration of women into previously male dominated roles is a priority. Our objective is to attract, retain and advance women in all disciplines and at all levels of the organisation.

Table 20: Women participation in mining at Greenside's Colliery (2019 - 2023)

Occupational Levels	Compliance Target	2019 Target	2020 Target	2021 Target	2022 Target	2023 Target
Top management	0	11%	11%	11%	22%	22%
Senior management	25%	29%	29%	29%	29%	29%
Professionally qualified and experienced specialists and mid-management	25%	23%	21%	25%	29%	29%
Technical and academically qualified workers, junior management, supervisors, foreman and superintendents	30%	33%	32%	31%	29%	29%
Semi-Skilled and Discretionary decision-making	30%	35%	18%	17%	17%	17%
Unskilled and defined decision-making	30%	0	17%	17%	17%	17%

2.9.3 Geographic origin of employees (mine community and labour sending areas)

As part of our focus on uplifting the people who surround our coal mining operations, we make every effort to source labour from our local communities. Greenside's Colliery's permanent workforce distribution is as follows:

Table 21: Greenside Labour Sending Area Statistics as in December 2019

Country of origin	Province	No of employees	% per area
India		1	0.13%
Great Britain		1	0.13%
Lesotho		8	1.04%
Swaziland		3	0.39%
Mozambique		7	0.91%
Zambia		5	0.65%
Malian		1	0.13%
Zimbabwean		1	0.13%
Sub-Total Migrant Labour only		27	3.50%
South Africa	Gauteng	79	10.23%
South Africa	Mpumalanga	452	58.55%
South Africa	Eastern Cape	39	5.05%
South Africa	KwaZulu-Natal	44	5.70%
South Africa	Free State	13	1.68%
South Africa	Limpopo	94	12.18%
South Africa	North West	16	2.07%
South Africa	Northern Cape	4	0.52%
South Africa	Western Cape	4	0.52%
Sub Total RSA Only		745	96.50%
Total Strength		772	100.00%

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PART THREE

Mine Community Development Programme

3. Mine Economic Development Programme

3.1 Socio-economic background information

Thungela operates mainly in two Municipal districts, namely Nkangala & Gert Sibande District Municipalities.

Greenside along with Khwezela, Goedehoop, Mafube and Zibulo collieries, are situated in the Nkangala district and therefore share the same socio-economic background as these mines. Nkangala is one of the three district municipalities forming the Mpumalanga province. These include Nkangala, Ehlanzeni and Gert Sibande.

Greenside Colliery is located within the eMalahleni Local Municipality, which is situated in the jurisdictional area of the Nkangala District (see Figure 5) of Mpumalanga Province. The district municipality is situated to the north-western side of the province and although it is the smallest district in the Mpumalanga Province in terms of land mass (21%) covering an area of approximately 2,678km, it has the second largest population concentration (35%) in the province. Nkangala District Municipality consist of the following six local municipalities:

- Emakhezeni Local Municipality
- Steve Tshwete Local Municipality
- Thembisile Hani Local Municipality
- Emalahleni Local Municipality; and
- Victor Khanye Local Municipality

At district level, eMalahleni contributes 46% of the GDP of the Nkangala region followed by Steve Tshwete (at 37%) indicating a concentration of economic activities in the area. Key sectors in the District include, energy, steel manufacturing and mining

3.1.2 Local Socio-Economic Background

The ELM consists of several towns, namely:

- KwaMthunzi Vilikazi;
- Wilge;
- Phola;
- Ogies;
- Rietspruit
- Ga-Nala
- Thubelihle
- Transvaal Navigation Collieries
- Clydesdale
- Van Dyksdrift
- Douglas;

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- Springbok;
- Wolwekrans;
- Balmoral; and
- eMalahleni (Witbank).

eMalahleni is considered a secondary city given the size of its population and its function. Most of the residents of ELM reside in eMalahleni. The other settlements exist to either serve the mining, steel or power industries or they exist by virtue of the convergence of railway networks. For some towns they no longer have the economic base (SACN, 2014).

3.1.2.1 Unemployment Rate

The average unemployment rate in the NDM is 44%, and this is even higher in areas such as Thembisile (51%) and Dr JS Moroka (61%). This results in a large portion of the population having to seek job opportunities outside the district, which in turn results in socio-economic challenges.

The unemployment rate in ELM has decreased from 38.4% to 24.3% in 2001 to 2016. The overall trend is positive but the youth unemployment rate lags behind.

3.1.2.2 Education

The ELM is characterised by low skills, this stems from early childhood education all the way through school and tertiary education. The majority (68,6%) of children under four years are not attending early childhood education facilities. This higher than the district (65.7%) and the provincial (67.4%) figures.

3.1.2.3 Household Size and Type

The household size is the smaller compared to the NDM and the Province, suggesting that there is a higher demand for houses. This has bearing on the demand for land for residential areas in light of the growth rate of ELM. Source: (Statistics South Africa, 2018)

3.1.2.4 Household Income

The average household annual income¹ in 2011 was R57,300, almost double that of the NDM (R29,400) and the Province (29,400) (Wazimap, 2018).

3.1.2.5 Health

The ELM's IDP states that the HIV prevalence rate is at 40.7% based on 2013 figures. The leading causes of death are influenza/pneumonia and tuberculosis (TB) (eMalahleni Local Municipality, 2018). It is likely that these are HIV related deaths. The prevalence of lung diseases in the area has bearing on issues related to air quality.

¹ The average annual household income is a median statistic. Meaning that half the households earn above this figure and the other half below this figure.

3.1.2.6 Access to Water

Access to safe drinking water is a key development area for ELM. The statistics shows that the majority (52.1%) of residents do not have access to safe drinking water, lagging far behind the NDM and the Province. Furthermore, 90.8% of ELM residents source their water from a tap (either in a dwelling or yard, or from a communal stand) and 9.2% get their water from other sources such as boreholes and streams (Statistics South Africa, 2018)

3.1.2.7 Sanitation

Between 2011 and 2016 there has been an improvement in the number of households that have access to sanitation (flush/chemical toilets) with 108,868 (72.4%) of households. There is a backlog of 41,554 households that need adequate sanitation. However, there are still houses without any access to toilets. A decrease in the number of households with no access is seen between 2011 and 2016 from 2,987 (2.5%) to 2,186 (1.5%) respectively (eMalahleni Local Municipality, 2018).

3.2 Key economic activities

3.2.1 Socio-economic profile

The NDM has a total population of about 1,3 million people living in approximately 160 different towns throughout the region. The breakdown is as follows:

Population breakdown of NDM

No	Municipality	Population
1	Victor Khanye	3.6%
2	eMalahleni	30%
3	Dr JS Moroka	19%
4	Emakhazeni	3.6%
5	Steve Tshwete	18%
6	Thembisile Hani	23.7%

(Source: NDM: IDP 2019/2020)

The eMalahleni Local Municipality (ELM), meaning “place of coal”, owing its existence largely because of the extensive coal reserves. Considered as the energy ‘mecca’ with four coal fired power stations and associated mines present, namely, Duvha, Kriel, Matla and Kendal. The Kusile coal fired power station is also being constructed in the area. It is also home to a well-established steel industry with Evraz Highveld Steel and Vanadium industrial complex housed within the local municipality (SACN, 2014).

3.2.2 Other mining companies operating in the area

Below are other mining companies operating within the eMalahleni Local Municipality:

- Glencore
- Seriti
- Wescoal Mining

Table 22: Most important industries per local municipality in the NDM

No	Municipality	Most important industry	% of GDP
1	Victor Khanye	Agriculture	5.2
2	eMalahleni	Mining and quarrying	2.4
3	Dr JS Moroka	Community and social services	-4.7
4	Emakhazeni	Agriculture	2.0
5	Steve Tshwete	Mining and quarrying	2.7
		Wholesale	13.4
		Community services	2.1
6	Thembisile Hani	Private households	2.0

(Source: NDM: IDP 2019/2020)

3.2.3 Local economic development key focus areas

The key local economic development focus areas of the NDM are discussed in this section and are done through coordination of district economic development and sectorial cluster plans in consultation with relevant stakeholders within the district. The goal of local economic development is to transform the Nkangala District into a hive of economic activity characterised by strong levels of investment, sustainable job creation and improved income levels in a way that builds on the distinctive potential of each municipality, preserves the integrity of the environment and avoids negative competition.

3.2.4 Community Engagement Processes

To improve our understanding of both the positive and negative impacts of our operation on our host communities, Thungela utilizes surveys and community engagements processes to facilitate more structured dialogue with our stakeholders. An extensive stakeholder engagement process was conducted between 2018 and 2019 which involved the profiling of communities as well as gathering information on the impact of our operation. The process enables the mine to have a better understanding of community needs as well as municipality's priorities in which the information gathered assists in the identification of LED projects.

Management responses to the concerns and priorities of stakeholders are published in a report, which is distributed to all stakeholder groups, including local, provincial and national government; non-governmental organisations and interested and affected parties. The implementation of the management responses generated during the stakeholder engagement process is taken into a social management plan, which are updated annually.

During this time, stakeholders are identified, and engagements take place through formal and informal meetings and interviews. It covers all activities that have the potential to impact on communities during the entire life cycle of the operations – from exploration through to project

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design, development, operation, decommissioning, closure and post closure.

3.2.5 Stakeholder consultation and involvement

Thungela subscribes to a Code of conduct which guide the way we conduct our business. Our main aim is to promote strong relationships with the communities that surround our operations through regular engagement on issues that may affect them.

Greenside Colliery participates in the local municipality IDP & LED forums. Greenside has monthly stakeholder engagement forums and quarterly future forum meetings, including directly and indirectly affected parties, interested parties and authorities. These enable our stakeholders to bring issues related to socio economic impacts to our attention, and we aim to resolve these issues promptly. Issues that cannot be resolved immediately are documented and investigated. The platforms are also used to update stakeholders about the SLP programmes and initiatives.

3.3 Negative Impacts of mining operation

3.3.1 Operations Negative Impacts

Below are the Greenside Colliery negative impacts identified by the operation and stakeholders during engagements;

Table 21: Negative Impacts Identified

Possible Negative Impact	Description of impact	how will you address it?
Local Employment	Lack of employment opportunities	Prioritise local employment for local communities during recruitment periods especially for low skills labour
Enterprise Development	Lack of business opportunities for local SMMEs	Unbundle major contracts to create an inclusive procurement process for local SMMEs
Safety, security & Crime	Illegal Mining and theft	Protection services patrols, trenches around the mine area, danger signage, community awareness and education on the dangers of illegal mining and theft
Community development (+)	Access to health services, and reduced burden of diseases within communities Access to basic services such as water infrastructure development	Contribute towards the upliftment of the community by directing SED funds towards the needs identified by communities.

3.4 Job creation

We are committed to uplifting the lives of the people in our host communities, close to our operations and therefore source labour, wherever possible, from our local communities. At the end of 2018, Greenside Colliery's workforce comprised 720 permanent employees and 408 contractor employees.

Through expansion projects, we envisage that there will be several opportunities created through employment, procurement and further skills development.

3.5 Mine Community Development Projects

In its Social and Labour Plan, Greenside Colliery committed to seven major community development projects which are aligned to Thungela Sustainability Strategy. The following table provides a list of identified community projects:

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TABLE 23: MINE COMMUNITY DEVELOPMENT PROJECT SUMMARY

Item	Project Name	Total Committed Budget	2019	2020	2021	2022	2023
1	Purchasing of Obstetrician Ambulance for Department of Health	R2m	R2m	R0	R0	R0	R0
2	Purchasing of Solar High Mast Street Lights for Communities	R1m	R 700 000	R100 000	R0	R100 000	R100 000
3	Construction of Siphosenkosi Centre for the Disabled (New Project identified)	R15m	R0	R0	R0	R7.5m	R7.5m
4	Township Economic Regeneration (Infrastructure – Industrial Park)	R3,5m	R500 000	R1,5m	R1,5m	R0	R0
	Township Economic Regeneration (Infrastructure – Industrial Park) East Block funds	R4.9m	R0	R0	R0	R1m	R1.5m
Total		R26.4m					
1	Impungwe Hospital	Previous SLP project that was carried over due to delays in completion. The project involved the construction of a hospital which is a swap of the current Witbank TB Hospital and Impungwe Hospital. Project completed and handed over in Q2 of 2020					

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TALBE 24: PROJECT 1 - OBSTETRICIAN AMBULANCE

Project Name		The name of the project: Procurement of Ambulances				Classification of project		Health/Service Delivery							
Background		<input type="checkbox"/> Procurement of obstetrician ambulances to assist the local hospital & local clinics during emergencies crisis within eMalahleni communities.													
Geographical location of project		Nkangala District Municipality		eMalahleni Local Municipality		Village name eMalahleni Township		Project Start Date 2019		Project End date 2023					
Output		Key Performance Area: Procurement of obstetrician Ambulances		Key Performance indicator: 1 Ambulance procured		Responsible entity Greenside Colliery and the Department of Health		Year 1 Procurement of ambulance		Year 2		Year 3		Budget R2m	
Classification of jobs		No of jobs to be created will be determined by the feasibility study		Male Adults		Female Adults		Male Youth		Female Youth		Total		Comments	
Short Term		Ambulance to be fitted with the obstetrician fittings		Nil		Nil		Nil		Nil		1			
Medium Term															
Completion date is 2019.															
Exit Strategy: This will be a once off procurement and donated to the Department of Health and Greenside will exit once the project has been handed over to the Department of Health.															
Sustainability of the project: The project will benefit the community of eMalahleni in situations of emergencies. Furthermore, over 220 TB patients within and outside eMalahleni Local Municipality Jurisdiction will have access to ambulance services during cases of emergencies.															

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TABLE 25: PROJECT 2 - PURCHASING OF HIGH MAST SOLAR STREET LIGHTS FOR COMMUNITIES

Project Name		The name of the project:			Classification of project e.g.		
		Purchasing of High Mast Solar Street Lights for communities			Infrastructure Upgrade		
Background		A need has been identified in within the surrounding communities to assist communities by procuring Solar High Mast Street Light which will improve visibility at night and reduce crime. Cognizance has been taken into consideration that there are increasing formal and informal settlement without street lights which is negatively impacting on community Safety and Security.					
Geographical location of project	Nkangala District Municipality	eMalahleni Local Municipality	Village name Mgewane Community	Project Start Date 2019		Project End date 2023	
Output	Key Performance Area: Purchase and installation of high mast Solar Lights	Key Performance indicator: Installed high mast lights within communities	Responsible entity Greenside colliery and the eMalahleni municipality	Year 1 Feasibility study and scope of work conducted And procurement process to be followed	Year 2 Completed	Year 3 Completed	Budget Est. R1m
Classification of jobs	Feasibility study & Scope of work completed Designs completed	Male Adults	Female Adults	Male Youth	Female Youth	Total	Comments
Short Term		2	1	2	3	8	
Completion date is 2021							
Exit Strategy: Greenside Colliery will enter into Memorandum of agreement with eMalahleni local municipality to take responsibility of the infrastructure maintenance.							
Sustainability of the project: The use of solar lights has a positive impact on the environment and is minimal on costs for maintenance. Having street lights in the Mgewane area will promote community safety & security as well as provide adequate illumination for motorists travelling in the R555 road.							

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TABLE 26: PROJECT 3 - CONSTRUCTION OF SIPHOSENKOSI CENTRE FOR THE DISABLED

Project Name		Purchasing of pothole patching machine			Classification of project:			
					Municipal Support			
Background		Siphosenkosi Centre for the Disabled is an organisation that has been taking care of disabled persons for more than ten years. The organisation lacks an appropriate building structure to accommodate the needs of the residents as such they have been unable to receive support (funding) from social development. Having a proper structure will ensure that the disabled persons are well accommodated and their rights as human adhered to.						
Geographical location of project		Nkangala District Municipality		eMalahleni Local Municipality		Village name: eMalahleni	Project Start Date 2019	Project End date 2023
Output	Key Performance Area Infrastructure project	Key Performance indicator Construction of the building	Responsible entity Greenside Colliery	Year 1 Feasibility study & EIA	Year 2 Implementation	Year 3 - 4 Implementation	Budget R15m	
Classification of jobs	No of jobs to be create	Male Adults	Female Adults	Male Youth	Female Youth	Total	Comments	
	20	5	5	5	5	20		
Short Term								
An endorsement letter from the Department of Social Development will be sought after and a signed MOU between Thungela & the department to be in place. After completion, the project will be handed to the department.								

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TABLE 27: PROJECT 4 - TOWNSHIP ECONOMIC REGENERATION

Project Name		Township Economic Regeneration			Classification of project:		
					Infrastructure Upgrade		
Background	eMalahleni Local Municipality has identified the project as an opportunity to encourage communities to have an economic hub which ensures the economy is also focused on non-mining activities. The programme would be well facilitated in partnership with the Thungela's ED programme in order to ensure sustainability.						
Geographical location of project	Nkangala District Municipality	eMalahleni Local Municipality	Village name: eMalahleni	Project Start Date	2019		Project End date
Output	Key Performance Area Integrated economic management strategy	Key Performance indicator Skills development, Infrastructure development and purchase of compactor truck	Responsible entity Greenside Colliery and eMalahleni Municipality	Year 1 Feasibility study & EIA	Year 2 Feasibility study & EIA	Year 3 - 4 Implementation	Budget R8,4m
Classification of jobs	No of jobs to be created 10	Male Adults 4	Female Adults 1	Male Youth 2	Female Youth 3	Total 10	Comments
Short Term							
Completion date 2023							
Sustainability of the project:: Agreement with the Municipality will be entered into to provide an opportunity for the enterprise to provide service on behalf of the municipality in eMalahleni so that the enterprises could be self-sustained.							

3.6 Preferential Procurement Plan

The table below details the discretionary spend for capital, consumables and service goods as at December 2018

Table 28: Top 20 Capital Spend

SUPPLIER NAME	HDSA (%)	SUPPLIER ADDRESS	CAPITAL SPEND %
HITACHI CONSTRUCTION MACHINERY	26%	MIDDELBURG	46%
JORMID ELECTRICAL	26%	MIDDELBURG	21%
KOMATSU SOUTHERN AFRICA (PTY) LT	25%	BOKSBURG	7%
CENTRAL AFRICA MACHINE SALES	26%	BENICON PARK	5%
SIMCO AFRICA MINING PRODUCTS	51%	HARTBEESPOORT	3%
CUMMINS DIESEL SALES & SERVICE A	0%	WENDYWOOD	3%
SUPERFECTA TRADING 209 PTY LTD	100%	BRACKENDOWNS	2%
BARLOWORLD EQUIPMENT SA PTY LTD	52%	GREENSTONE	1%
SCHEFFER MECHANICAL & REID & MITCHELL (PTY) LTD.	25%	WITBANK	1%
THEMBELIHLE EQUIPMENT (PTY) LTD	52%	BENONI SOUTH	1%
THEMBELIHLE EQUIPMENT (PTY) LTD	58%	BOKSBURG	1%
RITCHIE CRANE HIRE PTY LTD	54%	WITBANK	1%
OPENCAST SPECIALISED ENGINEERING	0%	BRACKENGARDENS	1%
BEARING MAN GROUP PTY LTD	30%	WITBANK	1%
JOY GLOBAL AFRICA PTY LTD	25%	JOHANNESBURG	1%
KEELEY GRANITE PTY LTD TA	15%	BRITS	1%
CONYMET DURATRAY (PTY) LTD	0%	SANDTON	1%
D C M LINE BORING CC	51%	MIDDELBURG	1%
BELL EQUIPMENT COMPANY S.A. (PTY	37%	MIDDELBURG	0%
TITANUS SLEW RINGS CC	0%	BEDFORDVIEW	0%

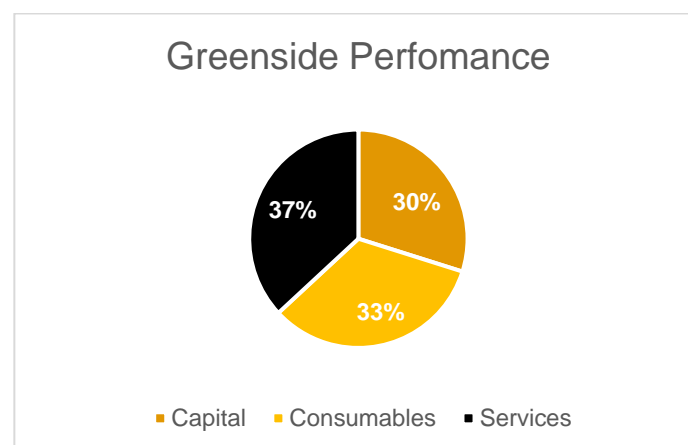
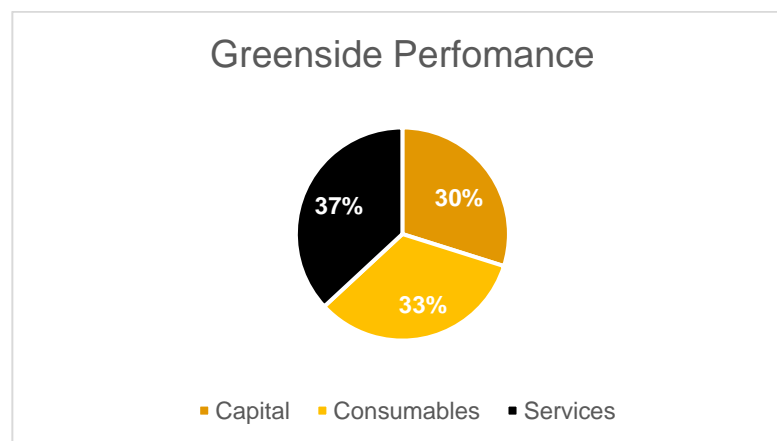


Table 29: Top 20 Consumables Spend

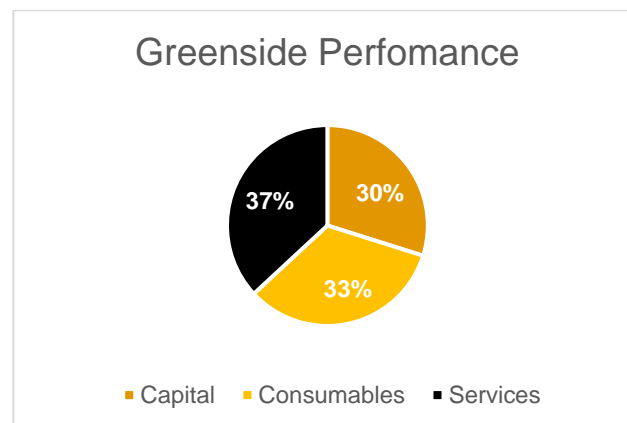
SUPPLIER NAME	HDSA (%)	SUPPLIER ADDRESS	CONSUMABLES SPEND (%)
VIDEX MINING PRODUCTS DIVISION	28%	WADEVILLE	6%
BEARING MAN GROUP PTY LTD	30%	WITBANK	6%
KENNAMETAL SOUTH AFRICA (PTY) LT	25%	KEMPTON PARK	4%
TMAT INDUSTRIES (PTY) LTD	100%	WITBANK	4%
TOTAL SOUTH AFRICA	52%	ROSEBANK	4%
JOY GLOBAL AFRICA PTY LTD	25%	JOHANNESBURG	4%
STURROCK AND ROBSON INDUSTRIES	0%	GERMISTON	3%
REUNKO STEEL SUPPLIES	100%	PRIVATE BAG X035	3%
ITHUBA BUSINESS ENTERPRISE PTY	100%	WITBANK	3%
INTERFLEX HOLDINGS (PTY) LTD	42%	DURBAN	2%
ROCBOLT TECHNOLOGIES (PTY) LTD	51%	ISANDO	2%
MORET MINING (PTY) LTD	24%	FONTAINBLEAU	2%
BETACHEM (PTY) LTD	0%	RANDBURG	2%
DUNLOP INDUS.PROD. PTY LTD TA	52%	NESTADT	2%
ABERDARE CABLES PTY LTD	55%	MIDDELBURG	1%
BRIAN PIENAAR NORTH (PTY) LTD	30%	WADEVILLE	1%
BOTSHABELO MINING & INDUSTRIAL	60%	WITBANK	1%
A.S.K. CATERING SUPPLIES CC	100%	LESLIE	1%
TRIDAN MINING SOLUTIONS	26%	REYNO RIDGE	1%
ORIENTAL RUBBER INDUSTRIES SA	26%	DUNSWART	1%



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Table 30: Top 20 Service Spend

SUPPLIER NAME	HDSA (%)	SUPPLIER ADDRESS	SERVICES SPEND %
ZIZWE OPEN CAST MINING (PTY) LTD	51%	LYDENBURG	27%
JOY GLOBAL AFRICA PTY LTD	25%	JOHANNESBURG	7%
SANDVIK MINING SYSTEMS RSA	25%	EAST RAND	6%
ENVIRONMETAL AND PROCESS	26%	DIE HEUWEL	6%
SANDVIK MINING AND CONSTRUCTION	25%	EAST RAND	3%
BIDVEST PROTEA COIN PTY LTD	35%	HIGHVELD	3%
RAMMY TRADING AND PROJECTS CC	100%	TASPET PARK	2%
MPEMBE PERFECT CLEANER	100%	WITBANK	2%
ATS SA	51%	WELTEVREDEN PARK	2%
EDSHA COLLECTIVE PTY LTD	100%	EMALAHLENI	2%
SUNFOX 121 CC T/A MINING	51%	MIDDELBURG	2%
TRIDAN MINING SOLUTIONS	26%	REYNO RIDGE	1%
SP MINE SAFETY SA PTY LTD	0%	BOKSBURG	1%
SHOPRITE CHECKERS (PTY) LTD 4420	10%	LERAATSFONTEIN	1%
SERVEST LANDSCAPING DIV SERVEST	51%	NORTHCLIFF	1%
BEARING MAN GROUP PTY LTD	30%	WITBANK	1%
TRENTYRE (PTY) LTD	30%	WITBANK	1%
NETCARE 911	13%	SUNNINGHILL	1%
MOTLOKWA WA MAMPHELA TRADING	100%	KRIEL	1%
NTSHONGWANA ELECTRICAL & CIVIL	100%	RIVER CRESENT	1%



3.7. Measure to address housing and living conditions

3.7.1 Preferred requirements to address housing:

Greenside Colliery continues to offer a market-related housing allowance to all its employees in order to encourage home ownership and enable employees to buy their own properties in developed areas. The adjusted allowances were determined against national property market price indices for entry- level to middle- and higher-income level housing to ensure that all employees are able to afford houses within these price ranges.

Greenside Colliery currently has 16 employees residing in company accommodation in Greenside Village. In support of Greenside's Housing strategy, the operation is in the process of demolishing the village houses and to date 111 houses have been demolished. Should an employee vacate company accommodation, housing in the village is demolished to encourage home ownership as all employees who don't opt for company accommodation receive a housing allowance to the value of R9000 per month.

eMalahleni Local Municipal strategy to address housing

eMalahleni's population has increased from 395 466 in 2011 to 455 228 people in 2016. It is the 3rd largest population in the province and 31.5% of total population of Nkangala in 2016. Population grew by 59 762 in the relevant period and recorded a population growth rate of 3.2% per annum between 2011 & 2016.

The population number for 2030 is estimated at more or less 707 530 people given the historic population growth per annum. This will put pressure on infrastructure development, service delivery & human settlement needs.

One of the strategic objectives outlined in the IDP of eMalahleni Local Municipality is to provide access to habitable, sustainable and affordable integrated human settlements for the people of eMalahleni.

Table 31: Housing allowances per employee grade

Employee grade	2020 RATES	2021 RATES	2022 RATES	2022 RATES	2023 RATES
Top Management	R9,000	R9,000	R9,000	R9,000	R9,000
Senior Management	R9,000	R9,000	R9,000	R9,000	R9,000
Middle Management	R9,000	R9,000	R9,000	R9,000	R9,000
Skilled	R9,000	R9,000	R9,000	R9,000	R9,000
Semi - Skilled	R9,000	R9,000	R9,000	R9,000	R9,000

3.7.2 Housing and Living Conditions Plan

The law requires mining companies to improve the standard of housing and living conditions of mine employees as stipulated in the Housing and Living Conditions Standard.

The Aim of the Housing and Living Conditions Plan is:

- To promote home ownership with the long-term goal of employees living in sustainable human settlements;
- To promote independence of all employees in terms of accommodation and ensure that employees are accommodated in their own formal accommodation;
- To enhance the social and economic long-term sustainability of the regions where Greenside operates through a housing model that is integrated within the districts and aligned to the Integrated Development Plans for those districts;
- To contribute to the transformation of our industry; and
- To meet the objectives and principles as outlined in the Housing and Living Conditions Standard for the Minerals Industry.

3.8 Nutrition Programme

The BE WELL program is multi-faceted, aiming as a primary focus, to support the optimum wellbeing of its employees. Allied to this is the support of employee's direct family members as the second level support to employees.

It is further recognised that employees operate not only in a family context but within the wider community and therefore the wider community will benefit from engagements with the BE WELL Management Program.

Wellness Management has emerged as a business priority due to increasing recognition that the health and wellbeing of employees directly impacts on the safety and productivity of the entire organization.

The World Health Organization's Global Plan of Action on Workers Health 2008-2017 [ratified for 2018] calls for effective interventions to prevent occupational hazards and to protect and promote health at the workplace and access to occupational health services.

Promotion of good nutrition through education/awareness and providing access to healthy meals is imperative for Greenside Colliery.

Through the BE WELL programme, Greenside Colliery provides a variety of instant porridge (Morvite or FutureLife), Powerade Energy Drinks as well as purified water for all its employees on a daily basis.

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PART FOUR

Management of downscaling and retrenchments

4. Management of downscaling and retrenchments

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

4.1. Establishment of a Future Forum

Greenside's Colliery has established a forum including both management, Trade union, eMalahleni Local Municipality and other stakeholders from each department.

The purpose of these discussions is to:

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

In 2018, no Greenside employee was retrenched. However, some of the overhead employees were deployed to other AOPL operations and are still carrying the remaining overhead count.

4.2. Mechanisms to avoid job losses and a decline in employment

Should prevailing economic conditions cause the profit revenue ratio of any operation to be less than an average of six percent for a continuous period of 12 months, Greenside Colliery would initiate the following processes which must include, but not be limited to, the following:

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

4.3. Managing retrenchments

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

- Consultation with all stakeholders
- The mine would follow the Labour Relations Act as well as the guidelines provided by the Department of Labour to ensure fair opportunities to train, redeploy employees and establish alternative measures short of retrenchment
- Our communication strategy would include:
 - Informing employees of possible retrenchments

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- Informing other interested and affected parties, including sending areas and local municipalities, of possible retrenchments at the operation
- Informing outside parties of possible retrenchments

4.4. Mechanisms to ameliorate social and economic impact

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

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

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PART FIVE

Financial provision

5. Financial provision

5.1 Human Resources Programme

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

Table 32: Financial provision for Human Resources Development for 2019 – 2023

Programme	Budget	Budget	Budget	Budget	Budget
	2019	2020	2021	2022	2023
Skills Development Levies Act	R6 807 115	R7 283 613	R7 793 466	R8 339 009	R8 922 739
Learnerships	R5 964 359	R6 288 799	R6 619 788	R1 086 744	R1 300 879
Internal training	R4 850 000	R4 900 000	R5 210 000	R5 820 000	R5 820 000
External training	R505 125	R511 125	R522 300	R524 200	R524 200
Community Scholarship	R1 000 000	R1 000 000	R850 000	R1 000 000	R1 000 000
Community Skills Development	R250 000	R1 000 000	R750 000	R500 000	R500 000
TOTAL	R26 183 714	R20 983 527	R21 745 554	R17 269 953	R18 067 818

5.2 Mine Community Economic Development

The following represents the financial provision for Greenside Colliery's Local Economic Development projects:

Table 33: Financial Provision for Local Economic Development Projects

Item	Project Name	Total Committed Budget	2019	2020	2021	2022	2023
1	Purchasing of Obstetrician Ambulance for Department of Health	R2m	R2m	R0	R0	R0	R0
2	Purchasing of Solar High Mast Street Lights for Communities	R1m	R 700 000	R100 000	R0	R100 000	R100 000
3	Construction of Siphosenkosi Centre for the Disabled (New Project identified)	R15m	R0	R0	R0	R7.5m	R7.5m
4	Township Economic Regeneration (Infrastructure – Industrial Park)	R3,5m	R500 000	R1,5m	R1,5m	R0	R0
	Township Economic Regeneration (Infrastructure – Industrial Park) East Block funds	R4.9m	R0	R0	R0	R1m	R1.5m
Total		R26.4m					
1	Impungwe Hospital	Previous SLP project that was carried over due to delays in completion. The project involved the construction of a hospital which is a swap of the current Witbank TB Hospital and Impungwe Hospital. Project completed and handed over in Q2 of 2020					

5.3 Management of downscaling and retrenchments

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

Item	Process	Total Committed Budget	2019	2020	2021	2022	2023
1	Consultation with stakeholders						
	Informing employees of possible retrenchments						
	Informing other affected parties						
	Informing outside parties						
	Assessment and counselling services for affected employees	R500 000	R100 000	R100 000	R100 000	R100 000	R100 000
	Self-employment training programmes						
	Life skills training programmes						
	Life skills training programmes						
	Regeneration of local economies						
	Other						

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PART SIX

Undertaking

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The person responsible for the Social and Labour Plan, who is responsible to make known the Social and Labour Plan to the employees and who must be contacted for follow-ups, requests, reports, queries, enquiries, discussions, etc. at time of such needs must make the following undertaking on behalf of the Mine or Production Operation. The General Manager or any other person so appointed must approve the Social and Labour Plan.

I, the undersigned and duly authorized thereto by Greenside Colliery undertake to adhere to the information, requirements, commitments and conditions as set out in the Social and Labour Plan.

Signed at Greenside Colliery on January 2022

SN

Sihle Nkomo

Human Resources Manager

Linda Dlodlu

Linda Dlodlu

Regional Manager Social Performance

Leonore van Wyk

Leonore van Wyk

Head of Mineral, Property Rights and Permitting

Neo Monareng

Neo Monareng

General Manager