

# Leeuwpan Coal Mine

## Social And Labour Plan

### 2021 – 2025

**exxaro**  
LEEUPAN | COAL

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## ACRONYMS

AET	Adult Education and Training
BEE	Black Economic Empowerment
BMP	Basic Management Programme
BSc	Bachelor of Science
BU	Business Unit
CSA	Coal Supply Agreement
CTC	Colliery Training College
DBE	Department of Basic Education
DM	District Municipality
DMR	Department of Mineral Resources
DoL	Department of Labor
EE	Employment Equity
EEA2	Employment Equity Report for the DoL
ESOP	Employee Share Option Scheme (Mpower)
FET	Further Education and Training
FLM	First Line Management
GCC	Government Certificate of Competency
GET	General Education and Training
GDP	Gross Domestic Product
HET	Higher Education and Training
HDSA	Historically Disadvantaged South Africans
HR	Human Resource Practitioner
IDP	Individual Development Plan
JV	Joint Venture
LED	Local Economic Development
LM	Local Municipality
LRA	labor Relations Act (Act No. 66 of 1995)
MoU	Memorandum of Understanding
MPRDA	Mineral and Petroleum Resources Development Act, 2002 (Act No. 28 of 2002)

MQA	Mining Qualifications Authority
MTPA	Million Tons Per Annum
NATED	National Technical Education (N-courses)
NGO	Non-Government Organisation
NSDS	National Skills Development Strategy
NQF	National Qualifications Framework
PGDS	Provincial Growth Development Strategy
PPE	Personal Protective Equipment
RDP	Reconstruction and Development Programme
SARS	South African Revenue Services
SEF	Small Enterprise Foundation
SETA	Sector Education Training Authority
SHE	Safety, Health and Environment
SHEQ	Safety, Health, Environment and Quality
SLP	Social and Labor Plan
SMME	Small Medium Micro Enterprise
STD	Standard
STI	Short Term Incentive
UIF	Unemployment Insurance Fund
VSP	Voluntary Severance Package
WSP	Workplace Skills Plans (WSP)



# SECTION ONE

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## INTRODUCTION

**In compliance with Regulation 46 (a)  
of the Mineral and Petroleum Resources Development Act**

## 1. SECTION 1: PREAMBLE

### 1.1 GENERAL INFORMATION

Table 1: Details of applicant/ holder of the mining right and min

<b>Name of applicant</b>	Exxaro Coal (Pty) Ltd
<b>Name of mine</b>	Leeuwpan Coal Mine
<b>Company registration number</b>	2000/011078/07
<b>Physical address</b>	Kenbar 257, R50 Nigel / Leandra Road, Delmas, Mpumalanga
<b>Postal address</b>	P.O. Box 2353 Delmas 2210
<b>Telephone number</b>	013 665 7600
<b>Fax number</b>	013 665 7630
<b>Location of mine</b>	Lat 26deg/10min/7sec – Long 28 deg/ 43 min/50sec
<b>Commodity</b>	Coal
<b>Life of mine</b>	10 years (to 2031)
<b>Financial year end</b>	December
<b>Reporting year</b>	1 January to 31 December
<b>Responsible person</b>	Mangaliso John Sethethi
<b>Email address</b>	<a href="mailto:mangaliso.sethethi@exxaro.com">mangaliso.sethethi@exxaro.com</a>
<b>Geographic origin of employees</b>	Victor Khanye Local Municipality, Delmas, Mpumalanga

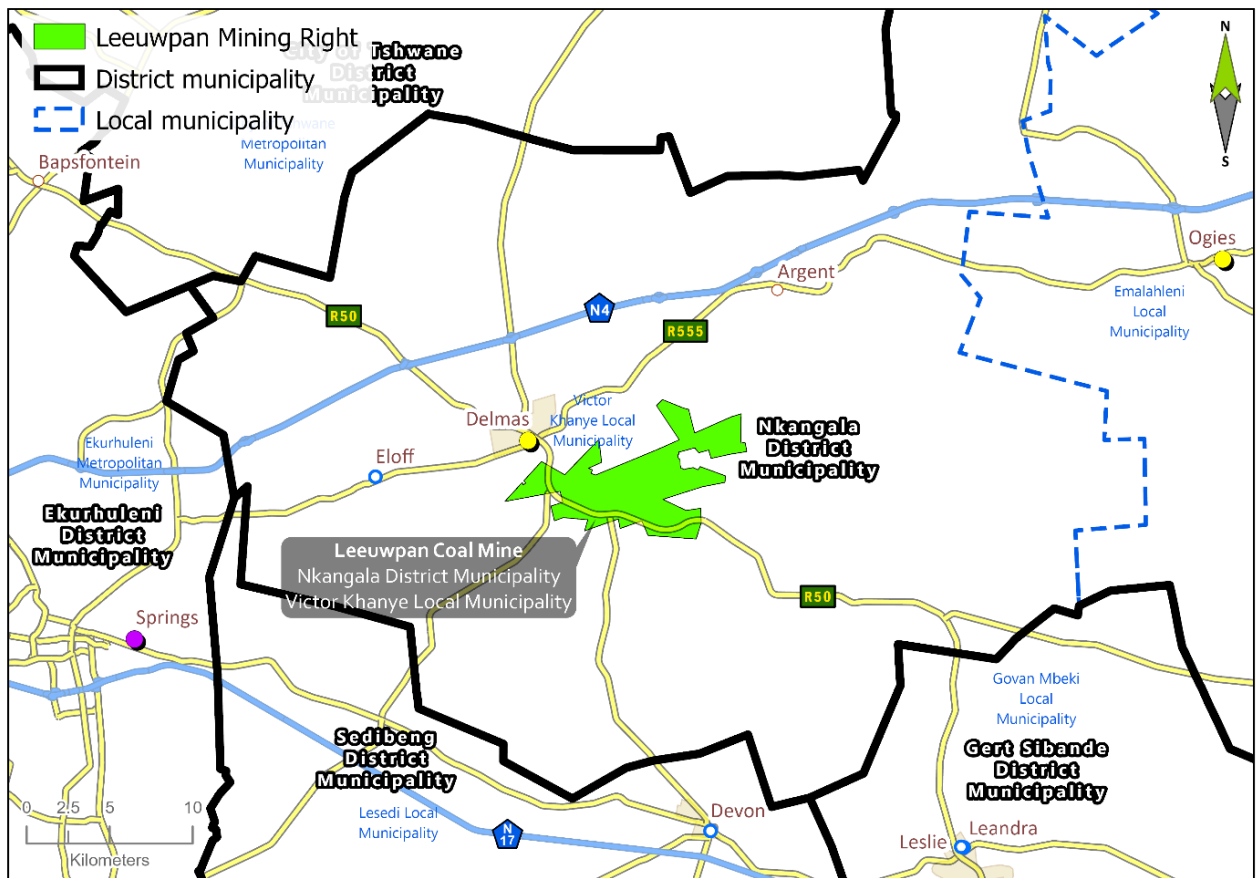
Leeuwpan Coal Mine is located in the Delmas coalfield, on the western border of the Witbank coalfield. Leeuwpan is in the Victor Khanye Local Municipality in Mpumalanga Province and it is 10km South-East of the town of Delmas, 80km east of Johannesburg and 70km South-East of Pretoria. It lies alongside the R50 hard-topped secondary road and is serviced by a rail track that includes a rapid load-out station.

Leeuwpan is an opencast operation with various reserves, in various pits, mined simultaneously. Current mining operations are in the OL and OI reserves. The OI box-cut was completed in September 2018, with first coal expected in Q1 2019. The mine uses trucks and shovels for mining-related operations, it is estimated that the mine will be in production until 2031, with the mining right lapsing in 2040.

Leeuwpan supplies both domestic and export markets. The mine is equipped with a rapid rail load-out station, which is the preferred means of coal offtake, although road transport is accommodated.

Leeuwpan has two dense medium separator (DMS) plants that beneficiate export thermal coal and a crush-and-stack (CS) plant that handles selectively mined thermal coal, mainly for the local market. The second DMS plant commissioned in 2016, is operated by Fraser Alexander (FA DMS). The original DMS plant produced a 5 700kcal/kg product whose market ended in Q4 2018, necessitating the change to a 5 200kcal/kg product. The FA DMS, on the other hand, was geared to produce a 5 200kcal/kg product. The CS produced a 4 200kcal/kg product. All three plants produce mainly thermal coal.

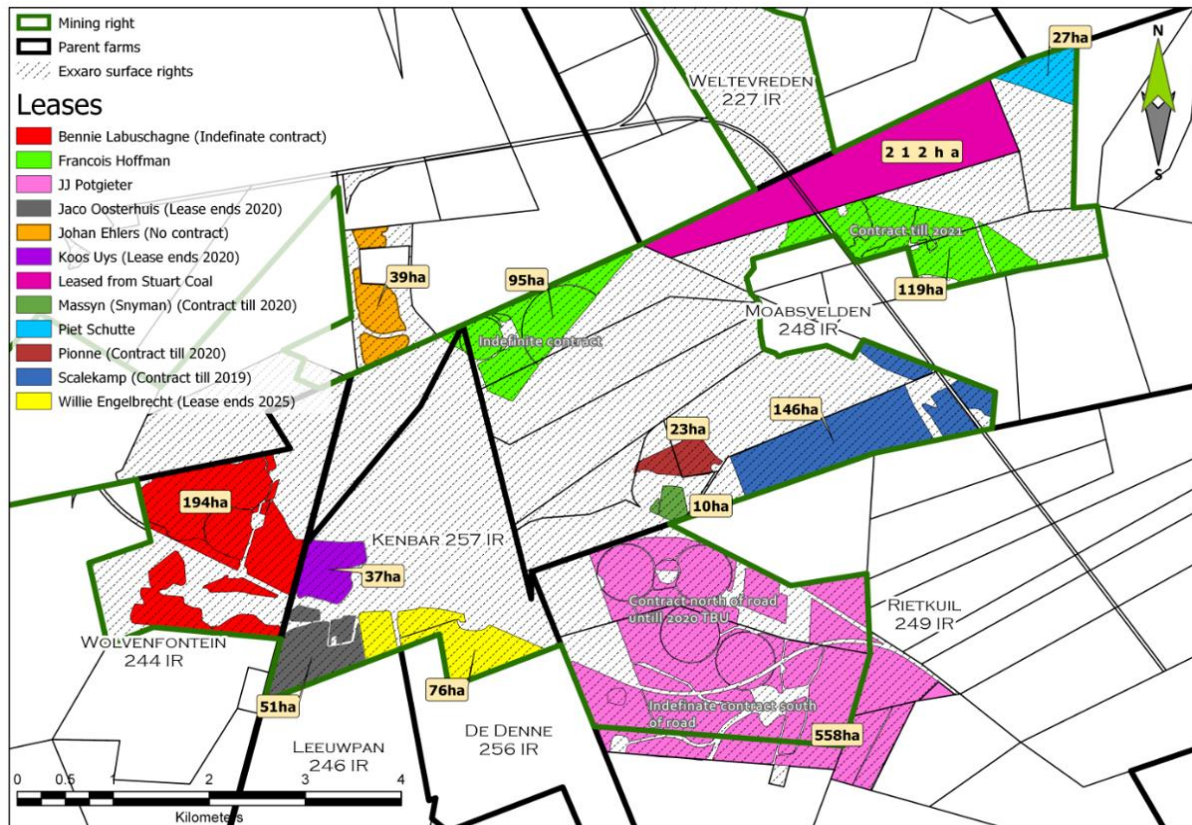
## 1.2 LOCATION OF MINE



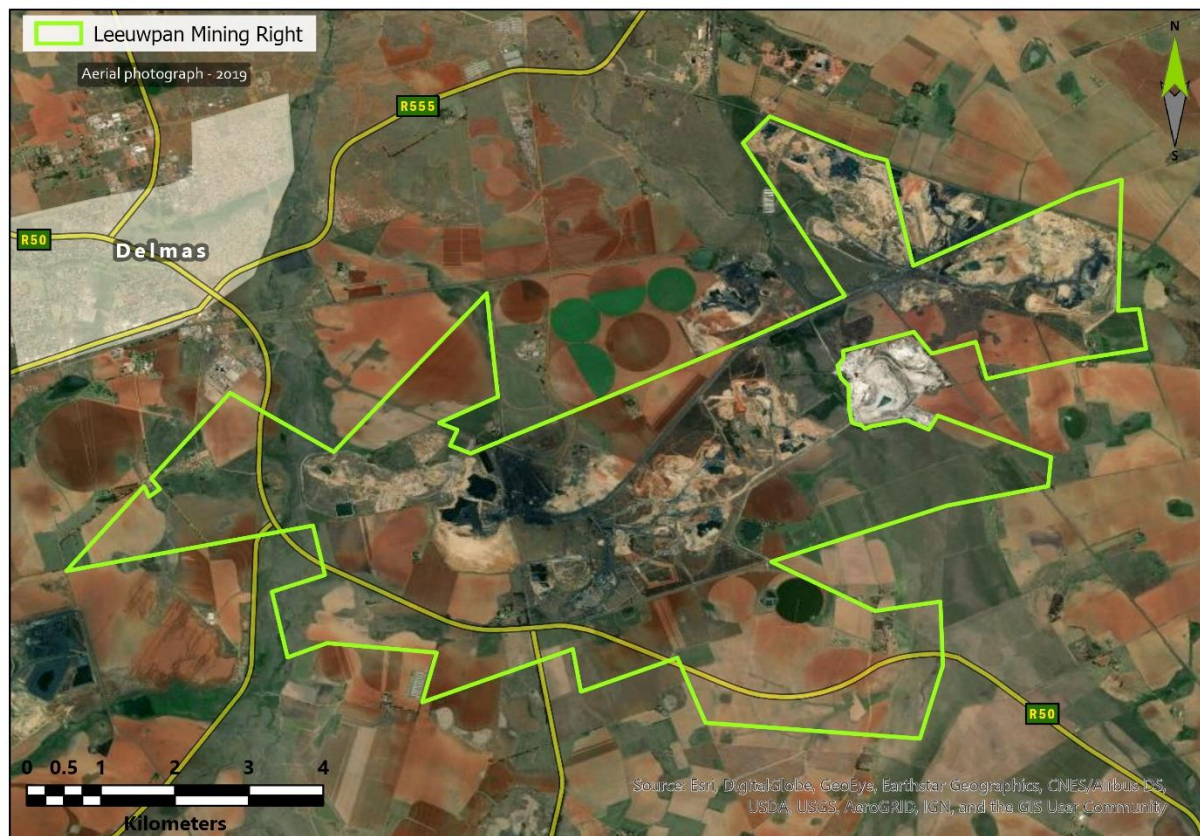




**Figure 2: A route map showing the Leeuwpaan Coal Mine location and Right Boundary**



**Figure 3: Leeuwpaan surface rights**



### 1.3 GEOGRAPHIC ORIGIN OF EMPLOYEES

The mine employs 536 permanent employees and 1458 Core Services contractors. Employees are sourced locally, and the vast majority live in local communities. Most employees and contractors come from Mpumalanga and Gauteng Province while some contractors come from traditional labour-sending areas, such as Eastern Cape, KwaZulu-Natal and Limpopo Provinces . This can be deduced from the sending area of employees and contractors as illustrated on the below table:

**Table 2: Breakdown of Permanent Workforce per sending area**

	Number	Mpumalanga	Rest of South Africa	Additional Foreigners
<b>Legislators, senior officials, managers &amp; owner managers</b>	42	15	26	1
<b>Clerks</b>	10	7	3	0
<b>Craft &amp; related trade workers</b>	161	100	58	3
<b>Plant &amp; machine operators &amp; assemblers</b>	295	261	34	0
<b>Labourers &amp; related workers</b>	28	25	3	0
<b>Total personnel</b>	<b>536</b>	<b>408</b>	<b>124</b>	<b>4</b>
<b>Grand Total</b>				<b>536</b>

A breakdown of contractor employees per skills category and sending area is provided in **Error! Reference source not found.** below.

**Table 3: Breakdown of Contractor Workforce per sending area**

Skills category	Number	Mpumalanga	Rest of South Africa	Additional Foreigners
<b>Legislators, senior officials, managers &amp; owner managers</b>	38	15	21	2
<b>Clerks</b>	24	16	8	0
<b>Craft &amp; related trade workers</b>	396	263	126	7
<b>Plant &amp; machine operators &amp; assemblers</b>	671	530	130	11
<b>Labourers &amp; related workers</b>	329	284	41	4
<b>Total personnel</b>	<b>1458</b>	<b>1108</b>	<b>326</b>	<b>24</b>

## SECTION TWO

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### HUMAN RESOURCES DEVELOPMENT PROGRAMME

**In compliance with Regulation 46 (b)  
of the Mineral and Petroleum Resources Development Act**

## 2. SECTION 2: HUMAN RESOURCE DEVELOPMENT PROGRAMME

Leeuwpan's Human Resources Development policy aims to develop and sustain core competencies and to maximise the company's Human Resource capital in order to meet its strategic objectives and to improve its operational performance.

### 2.1 COMPLIANCE WITH SKILLS DEVELOPMENT LEGISLATION

Workplace Skills Plans (WSP) and Annual Training Reports (ATR) are developed, completed and submitted to the relevant SETA on the appropriate annual dates. The requisite skills levy payments are made to the South African Revenue Services (SARS) and grants for learnerships and skills programmes are accessed from the SETA when recognised programmes are implemented. The mine's registration number with the Sector Education Training Authority (SETA) is:

**Table 4:Skills development**

Name of SETA.	<i>Mining Qualification Authority (MQA)</i>
Registration number with the SETA.	L 740738762
Skills development facilitator.	Nonkululeko Makaba
Proof of submission of workplace skills plan.	Yes (April 2019)

### 2.2 SKILLS DEVELOPMENT PLAN

#### 2.2.1 BACKGROUND INFORMATION OF THE WORKFORCE

The workforce comprises 536 permanent employees and 1458 Core Services contractors with employees coming primarily from the local municipality, Delmas area in Mpumalanga and others from other parts of South Africa. By the year 2020 the labour force will comprise less than 536 permanent employees and less than 1.458 Core Services contractors.

Compliance to the SLP commitments will be completed towards the end of 2019, due to the execution of the mining rights, i.e. the remaining three months in 2020.



## 2.2.2 FORM Q: NUMBER AND EDUCATIONAL LEVELS OF THE WORKFORCE

**Table 5:Form Q: Number and educational levels of the Permanent Workforce**

			Male				Female				Total	
Band	NQF level	Old system	A	C	I	W	A	C	I	W	Male	Female
General Education and Training (GET)		No schooling (incl. contractors)	0	0	0	0	0	0	0	0	0	0
		Grade 0 / Pre-school	0	0	0	0	0	0	0	0	0	0
		Grade 1 / Sub A	0	0	0	0	0	0	0	0	0	0
		Grade 2 / Sub B	0	0	0	0	0	0	0	0	0	0
		Grade 3 / Std 1 / AET 1	0	0	0	0	0	0	0	0	0	0
		Grade 4 / Std 2	0	0	0	0	0	0	0	0	0	0
		Grade 5 / Std 3 / AET 2	3	0	0	0	0	0	0	0	3	0
		Grade 6 / Std 4	0	0	0	0	0	0	0	0	0	0
		Grade 7 / Std 5 / AET 3	1	0	0	0	0	0	0	0	1	0
		Grade 8 / Std 6	0	0	0	0	0	0	0	0	0	0
Further Education and Training (FET)	1	Grade 9 / Std 7 / AET 4	0	0	0	0	0	0	0	0	0	0
	2	Grade 10 / Std 8 / N1	2	0	0	1	6	0	0	0	3	6
	3	Grade 11/ Std 9 / N2	0	0	0	3	3	0	0	1	3	4
Higher Education and Training (HET)	4	Grade 12 / Std 10 / N3	357	2	3	33	73	1	0	12	395	86
	5	Diplomas / Certificates (N4-6) / National / Higher Certificates	2	0	2	4	1	0	0	2	8	3
	6	National Certificates / Diploma / Advance Certificates / NATED4-6	1	0	0	1	1	0	1	0	2	2
	7	BTech Degrees / Bachelor's Degrees	3	0	0	0	4	0	0	0	3	4
	8	Honours / Postgraduate Diploma / Bachelors (480 Credits)	3	0	0	1	1	0	1	0	4	2
	9	Master's degrees	2	0	0	2	2	0	0	2	4	4
	10	Doctorates	0	0	0	0	0	0	0	0	0	0
		<b>Total</b>	372	2	5	45	90	1	2	15	426	110

Table 6: Form Q: Number and educational levels of the Contractor's Workforce

			Male				Female				Total	
Band	NQF level	New system	A	C	I	W	A	C	I	W	Male	Female
General Education and Training (GET)		No schooling	0	0	0	0	0	0	0	0	0	0
		Undefined	0	0	0	0	0	0	0	0	0	0
		Grade 0 / Pre-school	0	0	0	0	0	0	0	0	0	0
		Grade 1 / Sub A	0	0	0	0	0	0	0	0	0	0
		Grade 2 / Sub B	0	0	0	0	0	0	0	0	0	0
		Grade 3 / Std 1 / AET 1	0	0	0	0	0	0	0	0	0	0
		Grade 4 / Std 2	0	0	0	0	0	0	0	0	0	0
		Grade 5 / Std 3 / AET 2	0	0	0	0	0	0	0	0	0	0
		Grade 6 / Std 4	2	0	0	0	0	0	0	0	2	0
		Grade 7 / Std 5 / AET 3	25	0	0	1	7	0	0	0	26	7
		Grade 8 / Std 6	0	0	0	0	0	0	0	0	0	0
	1	Grade 9 / Std 7 / AET 4	0	0	0	0	0	0	0	0	0	0
Further Education and Training (FET)	2	Grade 10 / Std 8 / N1	159	4	0	27	15	0	0	1	190	16
	3	Grade 11/ Std 9 / N2	340	7	0	14	39	0	0	1	361	40
	4	Grade 12 / Std 10 / N3	498	11	1	121	16	0	0	10	873	26
Higher Education and Training (HET)	5	Diplomas / Certificates (N4-6) / National / Higher Certificates	80	0	0	0	13	0	0	0	80	13
	6	National Certificates / Diploma / Advance Certificates / NATED4-6	21	1	1	7	4	0	0	0	30	4
	7	BTech Degrees / Bachelor's Degrees	11	0	0	10	5	0	0	2	21	7
	8	Honours / Postgraduate Diploma / Bachelors (480 Credits)	0	0	0	2	0	0	0	0	2	0
	9	Master's degrees	1	0	1	0	0	0	0	0	2	0
	10	Doctorates	0	0	0	0	0	0	0	0	0	0
		Total	1137	23	3	182	99	0	0	14	1345	113

## 2.2.3 AET IMPLEMENTATION PLAN

AET training at Leeuwpán Coal will be delivered in line with Exxaro's AET policy. The mine uses accredited training providers to do yearly assessments on AET needs and this is incorporated into the annual workplace skills plan. The Learning Coordinator manages the AET students and tracks and monitors progress against the WSP and shortcomings thereof.

### The AET Plan includes:

- Block release (sixteen weeks full-time) for AET 1.
- Delivery by an accredited provider.
- Monthly meetings with all AET students to determine needs and progress.
- Six monthly meetings with potential and lapsed AET students, and with the unions, to motivate enrolment.
- Annual screening for new applicants
- Identification of relevant foremen and production heads as mentors for the different AET levels.
- Career progression planning for learners entering AET 4.
- Monitoring of implementation by mine management.
- Union support to continuously motivate and engage employees needing AET training.

**Table 7:AET levels for workforce**

Area of training	Target and timelines					Total budget
	2021	2022	2023	2024	2025	
<b>EMPLOYEES</b>						
AET 1	0	0	0	0	0	0
AET 2	0	0	0	0	0	0
AET 3	3	0	0	0	0	3
AET 4	1	3	0	0	0	1
<b>Total number</b>	<b>4</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4</b>
Budget (R)	R 50 000	R 40 000	R 0 000	R 0 000	R 0 000	R 90 000
<b>COMMUNITY</b>						
AET 1	2	2	2	2	2	10
AET 2	2	2	2	2	2	10
AET 3	2	2	2	2	2	10
AET 4	2	2	2	2	2	10
<b>Total number</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>40</b>
Budget (R)	R 80 000	R 80 000	R 80 000	R 80 000	R 80 000	<b>R 400 000</b>
<b>AET TOTAL</b>						
Total Intake	12	11	8	8	8	47
<b>Total Budget (R)</b>	<b>R 130 000</b>	<b>R 120 000</b>	<b>R 80 000</b>	<b>R 80 000</b>	<b>R 80 000</b>	<b>R 490 000</b>

## **2.2.4 LEARNERSHIPS, SKILLS DEVELOPMENT, MANAGERIAL DEVELOPMENT AND PORTABLE SKILLS TRAINING**

### **2.2.4.1 Learnerships**

Leeuwpan supports the development of employees and the youth towards full or part qualifications. Learnerships are a full qualification. Employees can be developed as part of their career development through a learnership (18.1–learnership contract clause applicable to employees as defined by the Department of Labour). Learnerships in the core and critical disciplines of mining necessitates the maintenance of a talent pipeline in identified and approved learnerships. For the talent pipeline, the unemployed youth (18.2–learnership contract clause applicable to unemployed) are recruited and selected for development via learnerships.

For both employees and the youth, the MQA seven step process is used to develop people through learnerships. When the unemployed youth have been developed, they are not automatically guaranteed a position, but the benefit is that with completion of the programme they are in possession of a nationally accepted qualification that will make them marketable when applying for a job.

The budget for 18.2 learners (unemployed youth) is guided by the minimum remuneration and conditions of the sectoral determination for learnerships which forms part of the Basic Conditions of Employment Act. Added to this is the cost for recruitment and selection, the institutional phase at a training provider e.g. Colliery Training College (CTC), accommodation and travel where relevant and other personal requirements like a toolbox and Personal Protective Equipment (PPE) requirements. The average period in training for these learners is **24-30 months**.

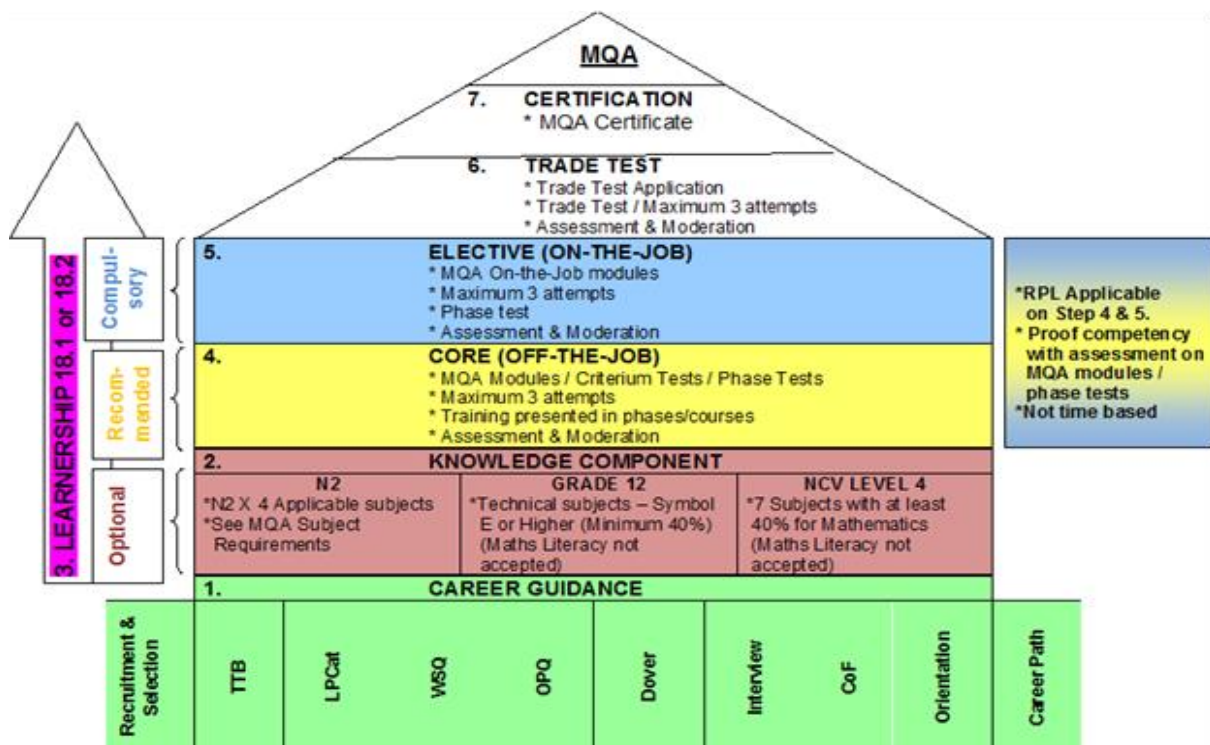
Employees selected and approved towards learnerships (18.1) receive the normal remuneration of the position for which they have been appointed while they are being trained. They are assessed through the MQA seven step process. Other costs involved are selection costs, assessment costs, and costs to the training provider (e.g. CTC) for required institutional training.

Leeuwpan develops employees and the youth towards the core and critical disciplines of engineering, mining and plant learnerships. Opportunities are also offered to contractors based on them meeting the entry requirements of the programme. Only accredited MQA providers are used for these programmes.

### **2.2.4.2 Engineering Learnerships**

Engineering skills and competencies are defined as core and critical skills in Leeuwpan. With engineering learnerships the company follows the MQA seven step process to enrol and develop employees (18.1) and the youth (18.2) through its talent pipeline towards becoming artisans illustrated in Figure 4.

Figure 4:MQA Seven Step Learnership Development Process



These seven steps entail recruitment and selection requirements, a knowledge component, a core (off-the-job, e.g. CTC) phase, an elective (on-the-job) phase, a trade test phase, and an MQA certification phase. Leeuwpan offers the following engineering learnerships, namely, fitter, electrician, millwright and diesel mechanic.

Table 8:Engineering Learnership (Community, Employees & Contractors)

Area of training	Target and Timelines					Total
	2021	2022	2023	2024	2025	
(Electrician, Fitter incl machining, Plater, Diesel mechanic)						
LEARNERSHIPS SECTION 18.1 (Employees)						
Intake	3	2	2	2	2	11
Budget (R)	R 180 000	R 180 000	R 180 000	R 200 000	R 220 000	960 000
LEARNERSHIPS SECTION 18.2 (Community)						
Intake	3	2	2	2	2	11
Budget (R)	R 500 000	R 400 000	R 400 000	R 400 000	R 400 000	R 2 100 000
ENGINEERING LEARNERSHIPS TOTAL						
Total Intake	6	4	4	4	4	22
Total Budget (R)	R 680 000	R 580 000	R 580 000	R 600 000	R 620 000	R 3 060 000

#### 2.2.4.3 Plant Learnerships

Coal beneficiation is one of the core operational processes in Leeuwpan. It is therefore critical that a pipeline of competent employees is developed for the purposes of continuity in the plant. The mine offers employees and unemployed youth opportunities to be developed through the formal Basic Coal Preparation course through CTC college and then gives them extensive on the job development and exposure at the mine. The average period in training for these learners is **12 months**.

At Leeuwpán, there are no contractors in the Plant, therefore the plant learnerships will not be extended to contractors.

**Table 9: Plant Learnership (Employees & Community)**

Area of training	Target and Timelines					Total
	2021	2022	2023	2024	2025	
(Basic Coal Preparation, Lump Ore and Advance Coal Preparation)						
LEARNERSHIPS SECTION 18.1 (Employees)						
Intake	4	4	4	4	4	20
Budget (R)	R 60 000	R 60 000	R 60 000	R 60 000	R 60 000	R 300 000
LEARNERSHIPS SECTION 18.2 (Community)						
Intake	2	2	2	2	2	10
Budget (R)	R 140 000	R 140 000	R 140 000	R 140 000	R 140 000	R 700 000
PLANT LEARNERSHIPS TOTAL						
Total Intake	6	6	6	6	6	30
Total Budget (R)	R 200 000	R 200 000	R 200 000	R 200 000	R 200 000	R 1 000 000

#### 2.2.4.4 Skills Programmes

It is the intent of the company to develop and train employees and the youth towards recognised full or part qualifications. For skills programmes, which are part qualifications, MQA-accredited training providers are used to ensure quality and MQA-recognised qualifications. Skills programmes form part of job requirements and are incorporated in the skills matrices of various jobs.

Examples of skills programmes implemented at Leeuwpán are the Occupational Health and Safety programmes, Blasting Assistant and Competent Person A. Leeuwpán Coal supports the development of employees, community and contractors in formal skills programmes as part of employee development towards full qualifications.

**Table 10: Skills Programmes Plan (Community, Employees & Contractors)**

Area of Training	Targets and Timelines					
	2021	2022	2023	2024	2025	Budget
MINING						
Blasting Certificate 18.1	2	2	2	2	2	10
Trackless Mobile Machinery Skills Programme 18.2	10	6	5	5	4	30
Competent A Skills Programme 18.1	5	5	5	5	5	25
Gas Testing Skills programme 18.1	5	5	5	5	5	25
Total Intake	22	18	17	17	16	90
Budget (R)	R 745 000	R 372 500	R 350 000	R 350 000	R 300 000	R 2 117 500
SAFETY RELATED						

Area of Training	Targets and Timelines					
	2021	2022	2023	2024	2025	Budget
Safety Rep Skills Programme 18.1 ,18.2 &Contractors	25	25	25	25	25	125
Total Intake	25	25	25	25	25	125
Budget (R)	R 150 000	R 150 000	R 150 000	R 150 000	R 150 000	R 750 000

#### 2.2.4.5 Managerial Development

The Leeuwpan Management Skills Development programme aims to support and capacitate new and existing managers and supervisors so that they are able to meet their current responsibilities and prepare themselves for the next level of management. The programmes used for development are the Basic Management Programme, First Line Management Programme and the Management Development Programme. Employees are exposed to the relevant programmes applicable to their level.

The courses that are planned for the coming five years are given in the table below. The managerial skills programme all form part of the career progression path for employee

**Table 11:Managerial Development (Employees)**

Area of training	Target and Timelines					Total budget
	2021	2022	2023	2024	2025	
Basic Management Principle	4	4	4	4	4	20
First Line Management	4	4	4	4	4	20
Management Development Programme	2	2	2	2	2	10
Interpersonal skills. <ul style="list-style-type: none"> <li>Emotional Intelligence</li> <li>Communication Skills</li> <li>MS computer Skills</li> </ul>	15	15	15	15	15	75
Total Intake	25	25	25	25	25	125
Total Budget (R)	R 450 000	R 500 000	R 550 000	R 650 000	R 700 000	R 2 850 000

#### 2.2.4.6 Plan for the provision of portable skills to employees

The purpose of Portable Skills programme is to provide employees with basic skills that will enable them to find employment in the market, should they be retrenched in case of a downscaling or mine closure. Portable Skills will be offered to employees in the semi skilled and unskilled occupational categories.

The following portable skills programmes will be offered to employees, namely, civil skills (building, carpentry, plumbing and bricklaying), licencing and technical skills (basic engineering, vehicle servicing).

The portable skills training will be delivered through an accredited training provider and will be conducted on a full time basis. At Leeuwpán employees will be released for a period of 10 to 12 weeks with full remuneration. Currently fifty (50) employees (over the age of 50) have been identified for portable skills training over a five year period. This number will increase as employees reach the age of 55 years during the reporting period. Portable Skills will also be offered to contractors over the age of 55 years.

**Table 12: Portable Skills Training**

Area of Training	Targets and Timelines					Total
	2021	2022	2023	2024	2025	Total budget
<b>EMPLOYEES</b>						
Intake	4	4	4	4	4	20
<b>Budget (R)</b>	<b>R 100 000</b>	<b>R 120 000</b>	<b>R 120 000</b>	<b>R 125 000</b>	<b>R 125 000</b>	<b>R 590 000</b>
<b>COMMUNITY</b>						
Civil Skills	3	3	3	3	3	15
Engineering Skills	2	2	2	2	2	10
Upholstery	1	1	1	1	1	5
Total intake	8	8	8	8	8	40
<b>Budget (R)</b>	<b>R 250 000</b>	<b>R 270 000</b>	<b>R 290 000</b>	<b>R 300 000</b>	<b>R 320 000</b>	<b>R 1 430 000</b>
<b>Total Trained</b>						
Total intake	12	12	12	12	12	60
<b>Budget (R)</b>	<b>R 320 000</b>	<b>R 380 000</b>	<b>R 380 000</b>	<b>R 400 000</b>	<b>R 400 000</b>	<b>R 2 020 000</b>

## 2.3 FORM R: HARD-TO-FILL VACANCIES

There are currently no vacancies that Leeuwpán Mine has been unable to fill for a period of 12 months or longer, hence a Nil return is recorded made on Form R, in Table 13 below.

At Leeuwpán Mine, there are no hard to fill vacancies, as positions that are advertised are filled within a three to six-month period. In terms of sustaining compliance to the employment equity quotas, measures are put in place to attract, develop and retain employment equity candidates to fill designated positions. Leeuwpán draws from the larger Exxaro succession Talent pool to make appointments that are aligned to the targets. Leeuwpán also engages in ongoing talent development strategies to ensure that there is a pipeline of employees available for designated positions. These measures are expanded further under Section 2.4.1 Individual development plan and Section 2.4.1.1. Talent pool - Fast Tracking.



**Table 13: Form R: Hard-To-Fill Vacancies**

Occupational level	Job title of vacancy	Reason for being unable to fill the vacancy
Senior management		
Professionally qualified and experienced specialists and mid-management		
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents		
Semi-skilled and discretionary decision making		
Unskilled and defined decision making		

## 2.4 CAREER MANAGEMENT

Employees are developed for careers at Leeuwpan and Exxaro Resources by making use of the extensive talent development programmes and respective functional career paths. Despite the various efforts employed by the mine to ensure a leadership pipeline to senior and middle management positions, the readiness of employees for these positions remains a challenge. Leeuwpan has engaged in emergency succession planning programmes called “fast tracking” for employees according to their readiness for promotion, performance and potential.

Employees are placed on accelerated (fast tracking) programmes which includes On-the-job training, acting opportunities, courses and seminars, mentoring, coaching, and leadership programmes. Six HDSA employees have been identified at Leeuwpan for the emergency succession planning programme for succession into DU middle management and EL senior management levels. It should be noted that Leeuwpan has a hierarchical structure with fewer positions in the middle management and senior management levels. For this reason, Leeuwpan develops employees for placement / promotion both at Leeuwpan and the greater Exxaro. Whilst efforts are made to get these individuals ready for senior and middle management positions, the Exxaro recruitment policy will apply when applying for these positions.

### 2.4.1 Individual Development Plans

Individual Development Plans (IDP) exist for all employment categories at Leeuwpan. With regards to the bargaining category, the IDP is formulated according to the competency gaps identified for the current and next higher-level jobs. These gaps are based on the operational requirements of the job, the current performance of employees and the career path. For the management category, IDP discussions and needs assessments form part of the bi-annual performance management cycle.

Development initiatives across all occupational levels focus on providing development in the following disciplines namely, mining, engineering, plant and support services. Training for these categories is mainly job related, focusing on technical, functional and managerial skills, informed by a skills matrix. Skills development needs identified for employees are captured collectively in the workplace skills plan.

### 2.4.1.1 Talent Pool – Fast Tracking

Fast tracking refers to the accelerated development of employees with potential, particularly Historically Disadvantaged South Africans (HDSA). These employees are identified according to their job performance against the operational requirements of the job and are managed as the talent pool. At Leeuwpan an employee's career progression is managed through the formal succession planning process for the management category and the career management process for the bargaining category. Discussions with employees in the talent pool occur every quarter where progress is discussed and tracked. All employees within the talent pool are provided with a mentor/coach to manage their development according to the predefined IDP and career path. Table 14 indicates the spread of employees across the occupational levels on the fast tracking programme.

**Table 14: Fast tracking list (EE Candidates)**

Total Candidates 6 (All future appointments will be done when positions become vacant and normal recruitment process to be followed)

EE CANDIDATES	CURRENT POSITION			DEVELOPMENT PROGRAMME			
	OCCUPATIONAL CATEGORY	POSITION TITLE	POSITION GRADE	OCCUPATIONAL CATEGORY & GRADING	POSITION TITLE	POSITION GRADE	
White Female	Middle Management	Manager Plant	DU	Senior Management	Manager Plant	EL	
African Female	Middle Management	Assistant Manager, Engineering	DM	Middle Management	Manager, Engineering	DU	<ul style="list-style-type: none"> <li>Management Development Programme</li> </ul>
African Male	Middle Management	Rock Engineer	DM	Middle Management	Senior Rock Engineer	DU	<ul style="list-style-type: none"> <li>Leadership in the Connection Economy programme</li> </ul>
African Male	Middle Management	Senior Mine Surveyor	DL	Middle Management	Manager, Surveying	DM	<ul style="list-style-type: none"> <li>Management Development Programme</li> </ul>
African Female	Middle Management	Resident Geologist	DM	Middle Management	Manager, MRM	DU	<ul style="list-style-type: none"> <li>Leadership in the Connection Economy programme</li> </ul>
African Female	Middle Management	Manager Human Resources	DU	Senior Management	Manager Human Resources	EL	<ul style="list-style-type: none"> <li>Leadership in the Connection Economy programme</li> </ul>
Indian Male	Middle Management	SHEC Manager	DM	Middle Management	Group SHEC Manager	DU	<ul style="list-style-type: none"> <li>Head Office exposure</li> </ul>
Indian Female	Middle Management	Head Management Accountant	DM	Middle Management	Manager, Finance	DU	<ul style="list-style-type: none"> <li>Management Development Programme</li> <li>Leadership in the Connection Economy programme</li> </ul>
White Female	Middle Management	Manager, SCM	DM	Middle Management	Group SCM Manager	DU	<ul style="list-style-type: none"> <li>Leadership in the Connection Economy programme</li> </ul>

## 2.5 MENTORSHIP PLAN

### 2.5.1 MENTORSHIP PLAN FOR EMPLOYEES

Mentorship will be managed formally through a deliberate, structured, and focused process at Leeuwpán Coal. To this end the company will ensure the effective allocation of time and resources to the process to ensure that it is a success. The mentorship and protégé relationship will span a 12-24-month period, after which time the candidate should be able to perform at the required level and exhibit competence in the objectives that were set for the mentorship period.

Mentorship will be used as one of the interventions to address a suitable socialisation programme for the induction of protégés into the new/anticipated managerial/leadership environment. Psychological preparation, acquisition of career management skills, and addressing the values, fears and aspirations of protégés are essential for the success of the programme.

Mentors may be nominated by the Business Unit Manager and the Human Resources Manager based on succession planning ratings and are sourced from the fast-tracking pool. Employees who are rated as high potential and exceptional performers are preferred as mentors. The potential mentors' credibility, active display of living the values of the organisation and performance are important considerations. Participation as a mentor should also be voluntary.

Nomination as a protégés is based on the candidates' need for mentorship. Participation should be voluntary, and preference will be given to employment Equity Candidates. Both mentors and protégés will receive formal training on how to establish and manage the mentoring relationship.

**Notes:** BL-BU refers to semi-skilled category, CL to CU refers to skilled category, DL to DU refers to Middle management / Professional category. EL refers to senior management category.

**Table 15: Mentoring programme**

				Target		Gender		
Mentoring programme	Current Level	Career Deliverables	Duration	HDSA	Non-HDSA	Female	Male	Mentor/Coach
	Technical & Supervisory Competence							
Plant operators	BU	CL	3 years	3	2	1	4	Junior management
Process coordinators	CL	CM	2 years	2		1	1	Junior management
Maintenance operator	BU	CL	3 years	3			3	Junior management
Artisan	CL	CM	3 years	3		2	1	Junior management
Master artisan	CM	CU	2 years	2		1	1	Junior management

				Target		Gender		
Mentoring programme	Current Level	Career Deliverables	Duration	HDSA	Non-HDSA	Female	Male	Mentor/Coach
Machine operators	BU	CL	2 years	6		2	4	Junior management
Pit worker	CM	CU	3 years	2		1	1	Middle management
<b>Managerial &amp; Leadership Development</b>								
Human resources	DU	EL	5 years	1		1		Senior management
Engineering	DM	DU	4 years	1			1	Middle management
Engineering	DM	DU	4 years	1		1		Middle management
MRM	DM	DM (02)	3 years	1		1		Senior Management
Metallurgy	DM	DU	5 years	1		1		Senior management
SHEC	DM	DU		1			1	Middle management
MRM	DL	DM		1			1	Middle management
	<b>TOTAL</b>			<b>28</b>	<b>2</b>	<b>12</b>	<b>18</b>	

## 2.6 BURSARY AND INTERNSHIP PLAN

Exxaro Resources' corporate office coordinates and administers the bursary programme from a centralised point. Bursaries are allocated in most of the engineering fields and successful bursars are placed at recognised universities and technological institutions. Qualified bursars are then placed at different mines according to the manpower needs of that specific mine.

Allocation of bursaries will be aligned with Leeuwpan Coal's future human resources needs and will be based on employment equity criteria. This needs analysis is also based on growth and expansion projects across Exxaro.

### 2.6.1 Bursary Plan

Candidates are sourced from communities surrounding the mine. Bursaries are allocated in the following engineering fields namely, *mining, metallurgy, geology, engineering (electrical and mechanical), and industrial* and in the following support services, namely *human resources and environmental studies*. Candidates are chosen according to a set selection criterion to ensure that they are given the best opportunity to fulfill the university requirements.

**Table 16: Bursary Plan**

Bursary Field	Targets and Timelines					
	2021	2022	2023	2024	2025	Total Budget
Engineering	1	1	1	1	1	5
Services	1	1	1	1	1	5
Total intake	2	2	2	2	2	10
Budget (R)	150 000	180 000	200 000	210 000	215 000	955 000

## 2.6.2 INTERNSHIP PLAN

Leeuwpn Coal will provide learning opportunities to youth in the community who are in possession of a diploma and who require the experiential learning for the completion of the diploma.

**Table 17: Internship Plan – Community**

Internship Plan	Targets and Timelines					
	2021	2022	2023	2024	2025	Total Budget
Engineering / Mining	3	3	3	3	3	15
Total number	3	3	3	3	3	15
Budget (R)	612 000	615 000	618 000	620 000	625 000	3 090 000

## 2.7 EMPLOYMENT EQUITY PLAN

In line with Exxaro's Employment Equity (EE) policy, Leeuwpn Coal's broad objectives of the EE plan are to remove barriers to the employment and advancement of all South Africans, to accelerate the training and promotion of designated groups and to create an environment of sustainable diversity via the implementation of EE programmes.

### 2.7.1 OBJECTIVES OF PLAN (ALIGNED WITH EE POLICY)

- Prevent the existence of unfair discriminatory practices.
- Prevent sexual and racial harassment.
- Prevent the existence of barriers in the workplace which unfairly restrict employment and promotion opportunities of any person.
- Achieve an enhanced representation of underrepresented categories of people with the emphasis on individuals from designated groups, at all levels in the organisation, focused on the long-term objective of reflecting the demographics of the South African population.
- Create an organisational culture in which diversity is encouraged and valued while focusing on shared values in order to develop team spirit, promote mutual understanding, optimise potential and achieve organisational goals in serving the community.
- Responsibility for implementing the EE plan and change management programmes for Leeuwpn Coal will rest with line managers and the assigned EE manager. Monitoring will be done by the Transformation Forum.

Leeuwpan Coal is committed to working towards employment equity and to adhering to the Mining Charter targets and objectives.

## 2.7.2 WOMEN IN MINING

The aim is to attract women to and retain women in the mining industry and to encourage the active participation of women in the mines.

**Table 18: Women In Mining**

Women in Mining (Paterson bands)		Actual (according to EEA2) as on the 31 <sup>st</sup> December 2019					
		African	Coloured	Indian	White	Total	%
<b>F &amp; E</b>	Top & senior management	0	0	0	0	0	0
<b>D</b>	Middle management	8	0	1	3	12	11.11%
<b>C</b>	Junior management, non-managerial	28	0	1	12	41	38%
<b>B</b>	Semi-skilled	54	1	0	0	55	51%
<b>A</b>	Unskilled	0	0	0	0	0	0%
Total number of women		90	1	2	15	108	20%
Total number of employees = 536							

**Table 19: Women in Mining – Five-year project projection**

Women in mining (Paterson bands)		Projection					
		African	Coloured	Indian	White	Total	%
<b>F &amp; E</b>	Top & senior management	0	0	0	0	0	0
<b>D</b>	Middle management	6	0	0	2	8	40%
<b>C</b>	Junior management, non-managerial	24	1	1	3	29	19%
<b>B</b>	Semi-skilled	49	3	0	2	54	15%
<b>A</b>	Unskilled	8	0	0	0	8	50%
Total number of women		87	4	1	7	99	15%
Total number of employees = in core operations (% based on core)							



**Table 20: Form S: Employment Equity Status**

Note: Core skilled employees represent 89% percentage of employees over all Patterson bands.

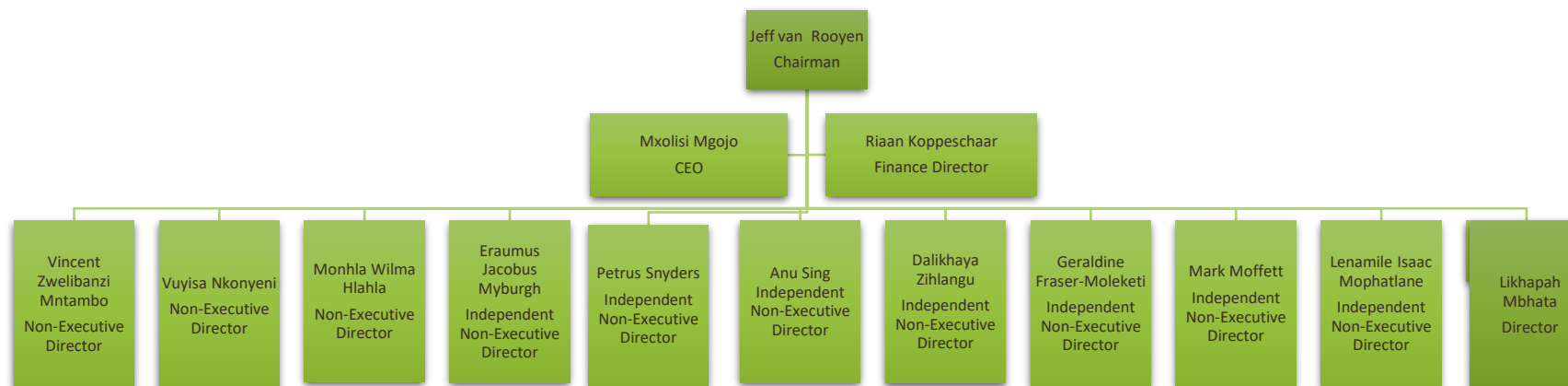
Actual as of 31 December 2019												Targets									
												2021		2022		2023		2024		2025	
Occupational Levels	Male				Female				Disability		Total	%	%	%	%	%	%	%	%	%	
	A	C	I	W	A	C	I	W	M	F		Black	Black Females	Black	Black Females	Black	Black Females	Black	Black Females	Black	Black Females
Top Management	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Senior Management	1	0	1	0	0	0	0	0	0	0	2	100%	0%	100%	0%	100%	0%	100%	0%	100%	0%
Professionally qualified and experienced specialists and mid-management	11	0	2	13	8	0	1	3	0		38	50%	21%	39.4%	18.4%	44.8%	23.7%	45%	24%	53%	26.3%
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	88	1	1	29	28	0	1	12	3	0	160	73%	18%	71.8%	16%	72%	17%	75%	20.6%	69%	16.55%
Semi-skilled and discretionary decision making	268	1	1	3	52	1	0		1	0	326	98%	16%	97%	15.54	97%	16.09%	95.84%	20.4%	94%	19%
Unskilled and defined decision making	4	0	0	0	2	0	0	0	0	0	6	100%	50%	100%	50%	100%	50%	100%	50%	100%	50%
TOTAL	372	2	5	45	90	1	2	15	4	0	532										

## 2.7.3 HDSA IN MANAGEMENT

Table 21: HDSA in Management

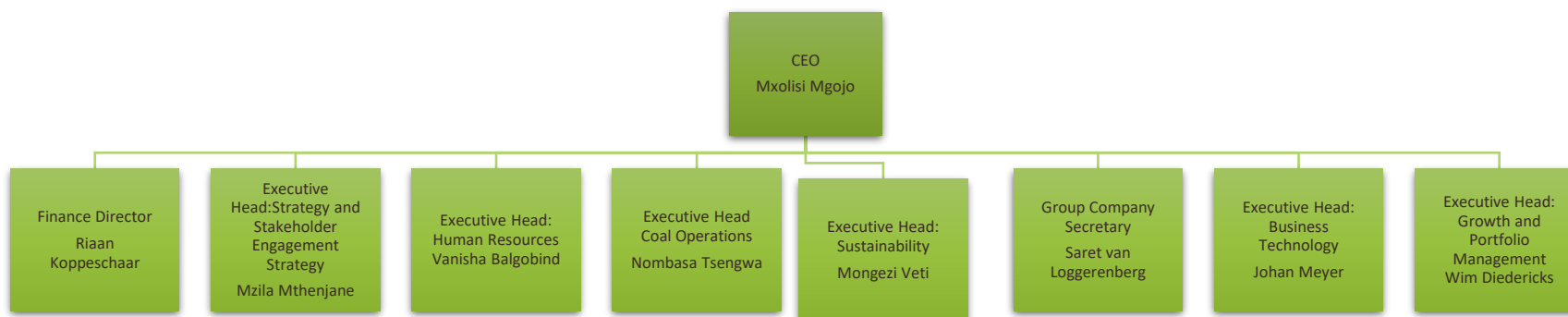
Element	Description	Measure	Compliance Target	Progress achieved by				
				2021	2022	2023	2024	2025
Employment Equity	Diversification of the workplace to reflect the country's demographics in order to attain competitiveness	Top management (Board) (Paterson F-Band)	N/A	N/A	N/A	N/A	N/A	N/A
		Senior management (Exco) (Paterson E-Band)	50%	50%	50%	50%	50%	50%
		Middle management (Paterson D-Band)	60%	56%	58%	66%	68%	68%
		Junior management (Paterson C Band)	69%	76%	78%	79%	79%	79%
		Core skills	88%	89%	89%	89%	89%	89%

## 2.7.4 EXECUTIVE MANAGEMENT (BOARD) MANAGEMENT STRUCTURE



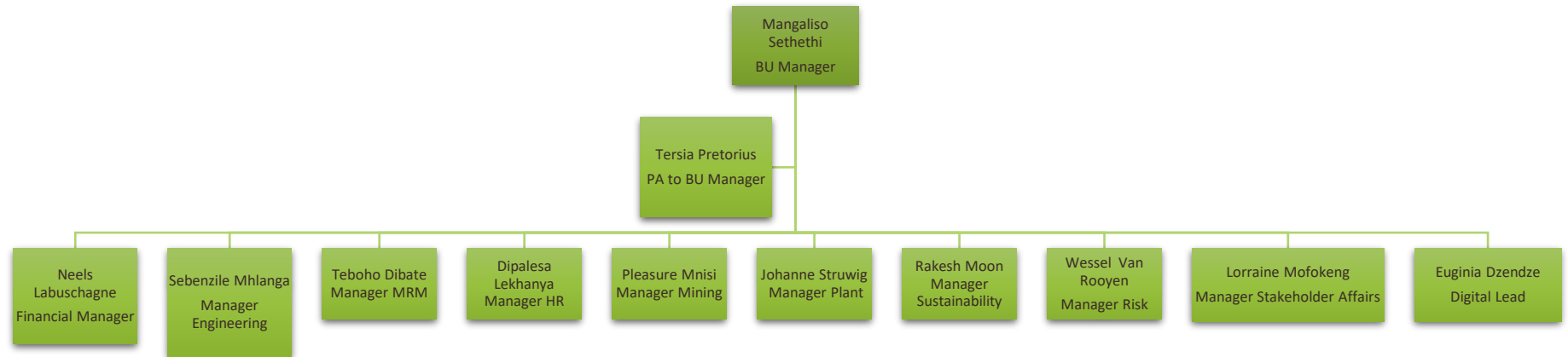
**Figure 5: Executive management (Board) management structure**

## 2.7.5 SENIOR MANAGEMENT (EXCO) MANAGEMENT STRUCTURE



**Figure 6: Senior management (Exco) management structure**

## 2.7.6 CURRENT MIDDLE MANAGEMENT STRUCTURE



**Figure 7: Current Middle Management Structure**

## **SECTION THREE**

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### **LOCAL ECONOMIC DEVELOPMENT PROGRAMME**

**In compliance with Regulation 46 (c)  
of the Mineral and Petroleum Resources Development Act**

### **3. SECTION 3: MINE COMMUNITY ECONOMIC DEVELOPMENT**

#### **3.1 SOCIAL AND ECONOMIC BACKGROUND INFORMATION**

##### **3.1.1 MPUMALANGA PROVINCE**

Mpumalanga, the province in which Leeuwpan is situated, is the second smallest province covering approximately 6.5% of the country. It is bordered by Mozambique and Swaziland to the east, Gauteng to the west, Free State and KwaZulu-Natal to the south and Limpopo to the north. Its population is 3,122 million people, or seven percent of the total population of South Africa. The province produces about eight percent of the country's Gross Domestic Product (GDP) and has a mixed industry with rich coal reserves, attractive tourist features, and a range of agricultural and forestry products, such as citrus and subtropical fruit. All this support an economy that includes three of the biggest power stations in the southern hemisphere, one of the country's largest paper-mills and the Secunda petroleum from coal installation.

In respect of its demographics, 92.5% of the population is black, 6.5% is white, 0.7% is coloured and 0.3% is of Indian or Asian extraction. SiSwati and IsiZulu are the most widely spoken languages at 31% and 26% respectively, followed by IsiNdebele and Sepedi at 12% and 11%. Afrikaans, English and several other languages make up the remaining 20%.

The province of Mpumalanga consists of three district municipalities: Nkangala, Gert Sibande and Ehlanzeni.

##### **3.1.2 NKANGALA DISTRICT MUNICIPALITY**

The Nkangala District Municipality (DM) covers an area of 16,893 km<sup>2</sup> and includes six local municipalities – Steve Tshwete, Delmas, Emalahleni, Emakhazeni, Thembisile and Dr JS Moroka. The latter two include former homeland areas and hence have more extreme levels of poverty and deprivation than found elsewhere in the province.

The DM has a population of 1,02 million people with an average of 4,1 people per household. Almost 52% of the population is female, indicating some out-migration of men. Forty-five percent is over the age of 25 years and 25% of the adult population has had no formal education. The comparable figure for neighbouring Gauteng is eight percent. The average monthly income is R3,147 with over 33% earning less than R800 per month and only 35% of the population described as being economically active.

Most of the population (69%) live in houses or brick structures while 19% live in informal dwellings. Seventy-nine percent use electricity for lighting, 45% have flush or chemical sewerage facilities and 69% have water either inside the house or on the stand. Municipal service delivery is hampered by the wide dispersal of the approximately 160 towns and villages. The area has a total backlog of some 75,235 housing units, with the shortage being particularly acute in the informal settlements of Middelburg and Witbank.

The area has a relatively high average unemployment rate of 44%. The former homeland areas of Thembisile and Dr JS Moroka have the highest numbers of persons who are not economically active, whilst employment rates are highest in Emakhazeni, Steve Tshwete and Emalahleni, at 70%, 65% and 62% respectively.

To deal with the challenges, it faces, the DM's integrated development plan focuses on institutional; land use, ownership and administration; engineering services; social services; environment and economic

requirements. Under each of these areas, various priority issues have been identified and are illustrated in the table below.

**Table 22: Nkangala District Municipality: Priority Issues**

Institutional	Land use, ownership and administration	Engineering Services	Social Services	Environment	Economic
Powers duties and functions	Special restructuring and service provision	Water & sanitation	Health	Environmental management	Economic development & job creation
Organisation restructuring & transformation	Land reform	Electricity supply	Education	Waste management	
Financial management	Housing & land administration	Roads & storm water	Welfare		
Communication, liaison and alignment		Transportation	Sports & recreation, arts & culture		
			Safety & security		
			Emergency services		

The DM's Local Economic Development (LED) plan notes that, while the manufacturing sector is growing, it has not translated into growth in employment, and in fact, unemployment is increasing. The plan calls for improving the use of existing agricultural resources and the expansion of current agricultural activities, including the establishment of agro-processing activities in the rural areas to address this challenge.

It further notes that local entrepreneurs should be supported with guidelines, information and project management and implementation skills, which will benefit local communities and increase the success rate of small-scale ventures. Research commissioned by the DM indicates that the best opportunities for Small, Medium and Micro Enterprises (SMMEs) exist in the following areas:

- beneficiation of wood and wood products, including furniture manufacture, timber frames and roof trusses, paper and paper products;
- textile manufacturing, including wool washing and combing, sewing clubs, by-products of lanolin processing; and
- agro-processing, including fruit drying, canning and juice blending, bakeries, dog food pellets, cattle feed, dairy products, beekeeping and honey, value adding to and packaging of all raw materials produced.

### 3.1.3 VICTOR KHANYE LOCAL MUNICIPALITY

The Victor Khanye local municipality is situated on the western highveld of Mpumalanga Province, covering an area of approximately 1,567 square kilometers. Municipal Wards 1 to 5 cover the Botleng

area, its extensions; Ward 6 covers Delmas and its extensions, and Delpark and its extensions; Ward 7 covers the rural area south of Delmas town; and Ward 8 covers the Eloff and Sundra areas.

The headquarters of the municipality are in Delmas (a French word meaning small farm) which has better social and economic infrastructure. Victor Khanye is currently characterised by an increase in mining and related activities in the Leandra area. In addition to mining (concentrating on coal and silica), other important sectors in this area are agriculture (a major provider of food and an energy source – maize); finance and manufacturing (capitalising on the area's proximity to Gauteng). Natural resources make a significant and direct contribution to the Nkangala district economy, which is 'resource based' (coal, water, land capacity, geographical features, climate, and conservation areas, and ecosystems, natural features).

The demographic characteristics of Victor Khanye Local Municipality will have various influences on the socio-economic conditions of the area. The population increase has future implications such as the planning of basic amenities to sustain the inhabitants of the area. Every area has different characteristics, and no two have developed in the same manner.

**Table 23: Distribution of the population by age and gender**

	1996			2001			2011		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
0-4	2,360	2,480	4,840	3,143	3,101	6,244	3,968	4,056	8,024
5-9	2,681	2,633	5,314	2,975	3,000	5,975	3,345	3,318	6,663
10-14	2,737	2,850	5,587	2,891	2,882	5,773	3,412	3,142	6,554
15-19	2,718	2,860	5,578	2,885	2,976	5,861	3,423	3,344	6,767
20-24	2,608	2,791	5,399	2,591	2,656	5,247	4,085	3,509	7,594
25-29	2,506	2,534	5,040	2,534	2,714	5,248	4,154	3,532	7,686
30-34	2,100	2,193	4,293	2,320	2,147	4,467	3,313	2,762	6,075
35-39	1,874	1,838	3,685	1,945	2,127	4,072	2,854	2,544	5,398
40-44	1,610	1,469	3,079	1,649	1,683	3,332	2,429	2,041	4,470
45-49	1,209	1,091	2,300	1,387	1,362	2,749	2,060	2,145	4,205
50-54	954	843	1,797	1,082	1,109	2,191	1,680	1,685	3,365
55-59	725	687	1,412	786	768	1,554	1,379	1,341	2,720
60-64	563	585	1,148	569	694	1,263	1,002	1,144	2,146
65-69	427	448	875	381	447	828	656	702	1,358
70-74	250	289	539	263	391	654	436	535	971
75-79	182	257	439	151	211	362	238	359	597
80-84	98	111	209	137	209	346	126	220	346
85+	54	71	125	52	119	171	87	192	279
<b>Total</b>	25,629	26,030	51,659	27,741	28,596	56,337	38,647	36,571	75,218



## Key Integrated Development Plan issues

The Municipal Turnaround Strategy identified what is referred to as the 'Local Government Ten Point Plan'. This plan highlights a few key objectives:

- Improve the quality and quantity of municipal basic services to the people in the areas of access to water, sanitation, electricity, waste management, roads and disaster management.
- Enhance the municipal contribution to job creation and sustainable livelihoods through LED.
- Ensure the development and adoption of reliable and credible IDPs.
- Deepen democracy through a refined ward committee model.
- Build and strengthen the administrative, institutional, and financial capacities of municipalities. Create a single window of coordination for support, monitoring, and intervention in municipalities.
- Uproot fraud, corruption, nepotism and all forms of mal-administration affecting local government:
  - lack of applying the rule of law in certain areas (law enforcement);
  - passive participation of communities in municipality matters (apathy), and
  - shortage of skilled staff.

## Employment and Unemployment

Unemployment is estimated to be approximately 28%, which is an increase from 2001 of almost 16%. The total labour force increased in the same period by 9.3%. Hence, population growth outstrips the growth in jobs.

The municipality regards skills development, drug abuse and infrastructure development as key focus areas in the fight to combat unemployment and poverty and grow the local economy. The recent economic recession contributed to several job losses especially in the mining, agricultural and manufacturing sectors even as the municipality strives to contribute effectively to the millennium goal of halving poverty and unemployment by 2014. This is evident in the number of partnerships the municipality is involved in with the private and public sector to develop SMMEs.

Unemployment can be expressed as a percentage of the Economically Active Population (EAP). The EAP refers to all the people aged between 15 and 64 years that are able and willing to partake in economic activities (excluded in this figure are those individuals not actively looking for work, students, pensioners, housewives, etc.)

The unemployment and employment levels within the Victor Khanye Local Municipality area are important to investigate, as it is indicative of the ability of residents to earn household income (generated from economic activities and which are used to purchase goods and services). In addition, a high level of unemployment is generally associated with poor socio-economic conditions and poverty.

It is estimated that about 8,573 people are unemployed in the Victor Khanye Local Municipality. As a percentage of the EAP (28.2%) this is significantly lower than the Mpumalanga province (43.1%).

## Educational levels

Education expands the range of options from which persons can choose and provides an opportunity to develop one's life to the fullest. Education not only satisfies the human needs for knowledge and

development, it provides a means to an end. Education and training provide the person with the skills to enter the labour market or to become self-employed, leading to accelerated and sustainable development.

The baseline information employed to portray the educational profile of Victor Khanye LM is that of individuals over 20 years of age. These figures show that only 7% of residents in the municipality have a higher than Grade 12 education.

Some 12% of residents in Victor Khanye indicated that they had had no formal schooling, this figure is relatively low in comparison to the 1996 and 2001 census.

### **Housing, Water, Electricity and Sanitation**

Exxaro Resources, Leeuwpán Coal is committed to promoting home ownership for its employees and families. To ensure that Leeuwpán Coal is providing enough support to employees on housing; a periodic survey was conducted early in 2014 to establish the living conditions and home ownership of employees. The results proved that over ninety five percent (95%) of the employees have access to basic services such as water, electricity, sanitation and access to basic health care and schools. On housing ownership, the results indicated current home ownership is at a low of thirty percent (86 employees out of 406) and the other seventy percent of the surveyed employee is either renting or living with parents.

### **Lack of Artisan Skills**

According to the Nkangala District last skills audit survey of 2011, the audit report revealed a mismatch between the supply and demand of skills in the district with 84% of people applying for jobs having only a matric qualification, 12% having a general qualification, while the other 4% have artisan or technical qualifications. Lack of artisan and technical skills result in most locals being employed as general workers and paid minimum wages by local industries.

### **Unemployment**

According to the South Africa Statistics results of 2011, unemployment in the Victor Khanye Local Municipality was 28,19%.

## **3.2 KEY ECONOMIC ACTIVITIES**

Economically, the largest contributing sector in the municipality is transport (at 18.6%). In terms of labour, unlike the Nkangala district, Victor Khanye recorded high labour absorption capacities in electricity. Of all six local municipalities in the district, Victor Khanye registered the highest comparative advantage for agriculture. The regeneration of power stations, as well as the new Kusile power station in the Victor Khanye area could serve as a catalyst for increased demand for coal reserves in the Nkangala area. The industrial potential of Delmas (agro-processing) should also be promoted to capitalise on its strategic location in relation to the major transport network.

The N12 freeway has been classified as a development corridor as it links Nkangala with the industrial core of South Africa (Ekurhuleni Metro and Oliver Tambo International Airport) as well as the financial and commercial capital of South Africa – Johannesburg. Development opportunities along the N12 corridor should be identified and developed. It is suggested that economic activity should be actively promoted at Delmas in Victor Khanye. In addition, intensive agriculture should be promoted along the N12 corridor, to capitalise on the access to markets at local and regional level.

### **3.2.1 NKANGALA DISTRICT MUNICIPALITY PRIMARY NEEDS**

The district municipality highlights the following needs:

- Priority issue 1: Powers, duties and functions.
- Priority issue 2: Organisation restructuring and transformation
- Priority issue 3: Financial viability.
- Priority issue 4: Good governance and communication.
- Priority issue 5: Spatial restructuring and service provision.
- Priority issue 6: Health.
- Priority issue 7: Education.
- Priority issue 8: Welfare.
- Priority issue 9: Culture, sport and recreation.
- Priority issue 10: Safety and security.
- Priority issue 11: Emergency services.
- Priority issue 12: Electricity supply.
- Priority issue 13: Roads and stormwater.
- Priority issue 14: Transportation.
- Priority issue 15: Land reform and land administration.
- Priority issue 16: Human settlements.
- Priority issue 17: Environmental management.
- Priority issue 18: Waste management.
- Priority issue 19: Economic development and job creation.

### **3.2.2 VICTOR KHANYE LOCAL MUNICIPALITY PRIMARY NEEDS**

The above priority issues in the municipality are formulated in such a manner that they address the following strategic goals:

1. Poverty alleviation.
2. Service delivery.
3. Financial viability.
4. Economic Growth and Development (LED).
5. Good corporate governance.
6. Good co-operative governance.
7. Integrated environmental, social, economic and spatial aspects.

### **3.3 NEGATIVE IMPACT OF THE MINING OPERATION**

The following are negative impacts of mining operations:

- Relocation of people.
- Exhumation of graves.
- Influx of people – and informal settlements.

- High level of crimes – often focusing on less well-known people in the community.

There are several mines operating within this municipal area. This coupled with the slow supply of housing subsidies poses a serious risk for the mushrooming of informal settlements. Currently, 1.9% of households reside in informal settlements. Added to this are the households scattered all over the farm areas within the municipality as well as farm worker evictions. The availability of municipally owned land cannot accommodate the demand in the near future. Stakeholders need to be engaged for land acquisition.

The mine employs about 536 permanent employees and 1458 contractors. It is estimated that on average, each employee has three dependents, making 5 982 persons directly dependent on the mine. It has no major labour-sending areas of any significance; most employees will come from the surrounding area as depicted in Section 1 of this document.

### 3.3.1 OTHER SOCIO-ECONOMIC IMPACTS

The flow into the economy, excluding salaries and wages, procurement and social development spend amounted to R830,688 in 2012, which is broken down in Table 24. It is anticipated that there will be a similar annual impact in coming years.

**Table 24:2012 financial flows into the economy excluding wages and procurement**

<b>Expenditure per item</b>	<b>('000)</b>	<b>('000)</b>	<b>('000)</b>	<b>('000)</b>	<b>('000)</b>
Employee related	62,720	71,670	78,312	88,150	238,132
Remuneration councillors	5,929	6,404	6,916	7,483	20,803
Working capital reserve	31,627	35,715	40,303	42,552	118,570
Collection cost	250	274	300	350	924
Depreciation	3,169	4,500	5,000	8,550	18,050
Maintenance	14,598	14,956	16,397	19,662	51,015
Interest external	4,179	4,059	4,120	4,599	12,778
Redemption external	213	81	81	1,025	1,187
Bulk purchases	63,815	75,741	86,301	95,344	257,386
Contracted services	4,628	4,883	5,008	5,100	14,991
Grants & subsidies paid	57	63	68	75	206
General expenses	53,391	53,347	58,012	63,256	174,615
Contribution to capital	896	2,000	3,000	5,000	10,000
Internal charges	3,209	2,842	2,986	2,115	7,943
Costs debited out	-29,889	-28,051	-30,530	-37,331	-95,912
<b>Total expenditure</b>	<b>218,792</b>	<b>248,484</b>	<b>276,274</b>	<b>305,930</b>	<b>830,688</b>
<b>Operating surplus</b>	<b>38</b>	<b>86</b>	<b>18</b>	<b>6</b>	<b>110</b>

### 3.4 INFRASTRUCTURE AND POVERTY ERADICATION PROJECTS IN LOCAL AND MAJOR LABOUR-SENDING AREAS

The mine intends to play an active role in the relevant IDP or LED forum. Consultations have been held with the local municipality regarding the mine's proposed projects, and this social and labour plan. These discussions are based on the current IDP. The mine intends to focus its LED efforts on Victor Khanye local municipality, which needs to enhance education and skills development, create jobs through enterprise development and develop commercially.

**Table 25: Identified Projects**

General	Specific	Type of need	Municipality
Reticulations of Boreholes	Bulk water supply	Bulk water infrastructure	Victor Khanye local municipality
Enterprise Development (ED)	Establishment of SMME/Business Incubator	Local economic development and job creation	Victor Khanye local municipality

### 3.5 COMMUNITY DEVELOPMENT PROJECTS

The following income generating, and infrastructure projects will be implemented:

- Enterprise Development.
- Resuscitation of Boreholes (Water Infrastructure)

### 3.6 PROJECT PLANS

Refer to Annexure A.

### 3.7 MEASURES TO ADDRESS HOUSING AND LIVING CONDITIONS

The provision of housing is not a condition of service for employees of the company. The company does however accept its responsibility to promote home ownership amongst employees in accordance with the stipulations of the Mineral and Petroleum Resources Development Act and Mining Charter.

Our main strategy is to encourage home ownership amongst our employees. In pursuit of this goal, we are providing the following:

- A housing allowance to employees who already own a house and those who buy a house.
- A first-time home ownership scheme.
- A living out allowance paid to employees not staying in company accommodation.

Exxaro Resources, Leeuwpán Coal is committed to promoting home ownership for its employees and families (see home ownership policy). The mine does not provide company accommodation such as hostels or single units. The employees receive a housing allowance if they own and stay in their houses and a living out allowance for those employees renting. Further support is provided via the first-time home ownership scheme, which encourages employees to purchase homes.

A housing survey was conducted in May 2014 to determine the status of living conditions of employees. Three hundred and twenty-two employees (322) responded to the survey. It was found that 81% of employees are renting in the local area, while 19% are home owners, with 4% of employees on the home owners' subsidy. Seventy five percent of employees are living within 30km from the mine. Most employees are from the Mpumalanga and Gauteng labour sending areas. Sixty five percent of employees are living with a spouse/life partner while seventy nine percent of employees have children living with them on the same property. Challenges towards home ownership in the Delmas area is twofold; first being the availability of low-cost housing for low income employees and affordability of employees, especially those that are already having financial commitments. These issues are indicative of the fact that employees are not able to become home owners.

Exxaro is currently finalising a housing strategy aimed at creating opportunities for affordable home ownership for employees. This strategy will take into consideration current earnings of employees in terms of basic pay and housing allowance, cost of housing, land availability, life of mine and affordability of the mine. These factors will be used as input when finalising the housing strategy for Leeuwpán and will determine the extent of assistance that the mine will provide employees regarding home ownership. Leeuwpán does not foresee to be involved with Company provision of housing stock to promote home ownership due to affordability and life of mine. The Mine's strategy in this regard may be to facilitate a partnership with the local municipality (for the donation of service land) and the private developers in the area.

### 3.7.1 CURRENT STATUS OF AVAILABLE DWELLINGS FOR EMPLOYEES

Leeuwpán Coal currently has 536 employees.

#### 3.7.1.1 *Employee housing*

Table 26 indicates the type of housing occupied by employees.

**Table 26: Employee Housing**

Owned Property (private)	Houses on separate stands in urban areas (Ellof, Springs and Botleng)	196
Rented Property (private)	Houses and flats	270
TOTAL		466

### 3.7.2 CURRENT STATUS OF HOUSING WITHIN THE COMMUNITY

Exxaro Resources, Leeuwpán Coal is committed to promoting home ownership for its employees and families. To ensure that Leeuwpán Coal is providing enough support to employees on housing; a periodic survey was conducted early in 2014 to establish the living conditions and home ownership of employees. The results proved that over ninety five percent (95%) of the employees have access to basic services such as water, electricity, sanitation and access to basic health care and schools. On housing ownership, the results indicated current home ownership is at

a low of thirty percent (86 employees out of 406) and the other seventy percent of the surveyed employee is either renting or living with parents.

### 3.7.3 HOUSING AND LIVING CONDITIONS IMPROVEMENT PLAN

#### 3.7.3.1 *Housing and Living Condition Improvement Plan*

The Housing and Living Conditions Improvement Plan is indicated in **Error! Reference source not found.** below

**Table 27: Housing and Living Conditions Improvement Plan**

Housing Initiative	2021	2022	2023	2024	2025	Total
Provide FTHO R125,000 once off Capital Assistance Housing Subsidy	9	9	9	9	9	9

### 3.8 PROCUREMENT PLAN

Refer to Annexure B for detail on procurement opportunities that were identified for 2021 to 2025.

#### 3.8.1 MENTORING OF HDSA SMME SUPPLIERS

#### 3.8.2 TOTAL PROCUREMENT

Exxaro has committed itself to pro-active initiatives to ensure constructive participation by Historically Disadvantaged South African people in various Exxaro business opportunities.

Exxaro Encourages a fair competition opportunity and will embrace or give preference in terms of the Exxaro Preferential Procurement Policy and related law and regulations to suppliers with capacity and that have strong BEE credentials.

In all business practices, external suppliers are engaged, and effort is made to contract with a supplier that has strong BEE/BBBEE credentials or is making a concerted and tangible attempt to transform their business in order to be BEE/BBBEE compliant as set out in the Preferential Procurement Policy;

Compliance with BBBEE constitutes a material condition of Exxaro's contractual terms with its suppliers and as such implementation of BBBEE programs and initiatives by suppliers is monitored for compliance.

#### 3.8.3 PREFERENTIAL PROCUREMENT

Exxaro Leeuwpán Coal is committed to Exxaro's Preferential Procurement Policy and will:

- where practical, give preference to BEE and local suppliers;
- nominate certain tenders for the exclusive participation of BEE and/or local suppliers;



- disclose procurement opportunities to BEE and local suppliers;
- ensure that BEE and local suppliers are an integral part of the evaluation criteria;
- identify goods and services available within the community where the mining operation takes place and, where feasible, give preference to suppliers of the local communities;
- Set relevant annual targets for Leeuwpán Coal and measure progress against the set target.

#### **3.8.4 PROCUREMENT OPPORTUNITIES**

Refer to Annexure B for detail on procurement opportunities that were identified for 2021 to 2025 SLP.

## SECTION FOUR

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### MANAGEMENT OF DOWNSCALING AND RETRENCHMENT

**In compliance with Regulation 46 (d)  
of the Mineral and Petroleum Resources Development Act**

## **SECTION 4: MANAGEMENT OF DOWNSCALING AND RETRENCHMENT**

In the event of downscaling and retrenchments occurring, consultation with employees will be affected in accordance with sections 189 and 189A of the Labour Relations Act (66) of 1995, as amended, (LRA) and any collective agreement that exists.

The Minerals and Mining Development Board will be notified as required by Section 52 of the Act, where retrenchment of more 500 employees or ten percent of the labour force, whichever is the lesser, is to take place in any 12-month period.

This section outlines the process that Leeuwpán Coal will follow when retrenchment due to operational requirements becomes unavoidable. It should be noted that this is the generic approach for Exxaro and can be modified as per consultation within the Future Forum.

### **3.9 THE ESTABLISHMENT OF A FUTURE FORUM**

Leeuwpán Coal's Future Forum was established in 2012 and comprises Management and Union members that represent the workforce (50% management and 50% union representatives).

Future Forum meetings are scheduled to take place three (3) times a year, or in case where mine closure is imminent, monthly.

The aim of the Future Forum is to create and maintain dialogue between the workforce and management regarding mining operations and factors affecting the mine's viability and impact.

The duties of the Future Forum include regular consultation between employees, community representatives and management on matters affecting the mine, such as

- finding solutions to identified problems and challenges facing the mining operation, employees and communities affected by the mine;
- assisting with the development of appropriate redeployment strategies;
- the implementation of solutions agreed upon by the respective parties;
- the life span of the mine; and
- jointly structuring and implementing solutions to prevent job losses and retrenchments.

All relevant information will be included in the annual DMR SLP Report.

### **3.10 MECHANISMS TO SAVE JOBS AND AVOID JOB LOSSES AND A DECLINE IN EMPLOYMENT**

Leeuwpán Coal will implement the following measures to avoid and minimise retrenchments when downscaling is required to ensure sustainability of its operations:

- Critical consideration on external appointments unless no suitably qualified internal candidates, who comply with the inherent job requirements, are available. Consideration will be given to affected candidates;
- Strict vacancy management will be applied. Natural attrition will be used to create redeployment opportunities;

- Critical consideration of all new and/or renewal of contracts with independent contractors and fixed term employees will be applied. Where possible and practicable such arrangements will be cancelled subject to the stipulations of the contracts;
- Voluntary Severance Packages (VSP) will be offered to employee's subject to Exxaro's VSP Policy. Vacancies created in this way will be offered to affected employees; and
- Voluntary early retirement will be offered to employees along the same rules as contained in the VSP Policy. Vacancies created in this way will be offered to affected employees.

Leeuwpan Coal will, in compliance with Section 52 (1a) of the MPRDA and after consultation with organised labour and effected parties notify the Minister when:

- prevailing economic conditions cause the profit to revenue ratio of the mine to be less than six percent on average for a continuous period of 12 months; or
- the mining operation needs to be scaled down or cease with the possible effect that 10 per cent or more of the labour force or more than 500 employees, whichever is the lesser, are likely to be retrenched in any 12-month period.

Following such notification and upon receipt of directives from the Minister, Leeuwpan Coal will set in motion its downscaling processes. A detailed project plan will be developed that clearly defines roles and responsibilities and time lines. The downscaling process will be completed within 12 months.

### **3.11 MECHANISMS TO PROVIDE ALTERNATIVE SOLUTIONS AND PROCEDURES FOR CREATING JOB SECURITY WHERE JOB LOSSES CANNOT BE AVOIDED**

The Leeuwpan mine has coal reserves that will keep the mine operational for at least the next 10 years. No job losses are therefore foreseen due to depletion of coal reserves. New legislation relating to the reduction in the use of fossil fuels and changing trade conditions may cause the premature closure of the mine. In the event of premature closure of the mine, Leeuwpan Coal will implement the following measures.

#### **3.11.1 CONSULTATION**

When retrenchments are contemplated, Leeuwpan Coal will establish a Consultative Restructuring Task Team. The task team will have the following representation:

- Leeuwpan Management,
- Exxaro Management, represented by Corporate Communication and Corporate Industrial Relations,
- Representation from organised labour,
- Representatives from non-unionised employees, and
- Representatives from the CCMA.

Leeuwpan Coal will start the consultation process before the final decision to retrench is taken. Employees will be invited to submit proposals to minimise the impact of the retrenchment.

The following information will be disclosed to stakeholders during the consultation process:

- Reasons for the retrenchments;

- Alternatives considered by Leeuwpán Coal before deciding to retrench;
- The number of employees that will be affected;
- Timing of the retrenchment;
- Severance packages;
- Assistance that Leeuwpán Coal can offer to affected employees; and
- Future re-employment possibilities.

Consultation meetings will be held at regular intervals. Communiques will be issued after each meeting to all employees on the proceedings of the consultation meeting and decisions taken.

### **3.11.2 REDEPLOYMENT**

Vacancies at the Corporate Office and other Business Units will be reserved for employees from Leeuwpán mine. Leeuwpán employees who are suitably qualified and those who comply with the inherent job requirements and experience can apply and will be appointed in these positions.

#### **3.11.2.1 *Severance packages***

Employees who choose not to apply for redeployment will be retrenched with a severance package. The severance package will be negotiated with the relevant stakeholders.

Financial provision for severance packages will be based on than two weeks for each completed year of service and will not be less than R30,000.00. Accumulated leave will be paid out in accordance with Exxaro's standard policy on leave pay-outs. Retrenched employees will be paid a pro rata portion of short-term incentives for the year in which they were retrenched.

#### **3.11.2.2 *Post closure portable skills***

Retrenched employees who have not made use of the portable skills programme offered to all employees during the life of mine can apply for portable skills training after mine closure, provided such training is completed within six months from date of closure.

#### **3.11.2.3 *Retrenched support services***

Leeuwpán Coal will support employees who are affected by the retrenchment process in the following ways:

- Emotional support,
- Professional career change guidance,'
- Assistance to generate Curriculum Vitae and portfolios of evidence,
- Training in presentation skills for job interviews,
- Facilitation of CVs to recruitment agencies with whom Exxaro have a relationship,
- Employees will be excused from duty on full pay during their notice period to find alternative employment,
- Study loan and bursary obligations will be waived,

- The notice period for retrenchment of women on maternity leave will commence on the return of the employee.

### **3.12 MECHANISMS TO AMELIORATE THE SOCIAL AND ECONOMIC IMPACT ON INDIVIDUALS, REGIONS AND ECONOMIES WHERE RETRENCHMENT OR CLOSURE OF THE MINE IS CERTAIN**

#### **3.12.1 SELF-EMPLOYMENT TRAINING PROGRAMMES**

Employees to be retrenched during downscaling or closure will be offered training programmes that will support them to become self-employed. Trade specific portable skills as well as small business development training will be on offer.

#### **3.12.2 RE-EMPLOYMENT PROGRAMMES**

Employees who have been retrenched, may be employed in future provided they have the required qualifications and meet the inherent job requirements. The offer for re-employment will be valid for 12 months after the employee was retrenched.

#### **3.12.3 PORTABLE SKILLS PROGRAMMES**

Portable Skills programmes will be offered to all employees while the mine is in operation. The type of portable skills offered will be commensurate to the level of employment in the organisation. Technical portable skills will be offered to employees at operational levels, while management training will be offered to employees at management levels. The cost of the training will be capped at a value determined by Consultative Restructuring Task Team after consultation with the relevant stakeholders.

##### **Portable Skills Training**

**Transferable skills:** “which are compliance based, functional and important during the life of the mine, but imparts a skill that can facilitate employability post mine closure. These programmes will be determined by the needs and interests of the employees and the delivery capacity of the Mine.

**Entrepreneurial skills:** a wide range of skills that are ingredients for the success of commercial enterprises. These skills can be classified into broad categories such as enterprise management, marketing competency, production proficiency, ICT, and financial management

**Portable skills** i.e. non-mining related-skills skills in the local labour-sending area that are non-mining related and can be utilized to support and improve opportunities for employment at times of potential retrenchment, downsizing or mine closure.

**Job-conversion skills:** Employees may be equipped with the skills to assist them in being redeployed into other mining operations or into other sectors of the economy. The job-conversion skills will involve equipping employees with skills relating to:

- the formulation of Curriculum Vitae;
- how to look for a job;
- how to market one’s skills;
- how to approach a migration scenario;
- Counselling; and Mentoring.

**Life skills training programme.** This programme will equip employees with education on fundamental life aspects essential for promoting sustainability. Some examples include: financial management skills, compiling budgets, payment of rates and taxes, family building skills and taking ownership for one’s future.



## SECTION FIVE

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### FINANCIAL PROVISION

**In compliance with Regulation 46 (e)  
of the Mineral and Petroleum Resources Development Act**

## 4. SECTION 5: FINANCIAL PROVISION

Provision for the Social and Labour Plan 2021-2025 is indicated in the table below

**Table 28: Financial Provision**

Description	Time Period					
Item	2021	2022	2023	2024	2025	Total budget
Human Resource Development	R2,151,000	R2,158,000	R2,721,500	R2,731,500	R2,957,750	R15,704,000
Local Economic Development	R1,400,000	R2,000,000	R2, 900, 00	R2,700,000	R1,700,000	R15,945,000
Total	<b>R5,276,000</b>	<b>R6,078,000</b>	<b>R7,701,500</b>	<b>R7,311,500</b>	<b>R5,657,750</b>	<b>R35,009,000</b>
Management of downscaling and retrenchments	R0	R0	R1,680,000	R1,680,400	R0	R3,360,000

## SECTION SIX

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### UNDERTAKING BY THE APPLICANT

**In compliance with Regulation 46 (f)  
of the Mineral and Petroleum Resources Development Act**

## 5. SECTION 6: UNDERTAKING

The **Mine Manager**, who is the person responsible for the Social and Labour Plan, and who is responsible for communicating 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 has made the following undertaking on behalf of **Leeuwpan Coal**. The **Mine Manager** has approved the social and labour plan.

I, \_\_\_\_\_ the undersigned and duly authorised thereto

by \_\_\_\_\_ (Company)

undertake to adhere to the information, requirements, commitments and conditions as set out in the social and labour plan.

Signed at \_\_\_\_\_ on this \_\_\_\_\_ day \_\_\_\_\_ 20\_\_\_\_

\_\_\_\_\_  
**Mangaliso John Sethethi**  
**Mine Manager**  
**Leeuwpan Coal**

**Approved**

Signed at \_\_\_\_\_ on this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_

\_\_\_\_\_  
**Nombasa Tsengwa**  
**Executive Head: Coal Operations**

## ANNEXURE A: PROJECT PLAN

Project Name	Water Projects				Type	Infrastructure		
Background	One of the key priority projects identified in Victor Khanye Local Municipality (VKLM) as per the Integrated Development Plan (IDP) is the resuscitation of the municipal water and borehole infrastructure in the community of Botleng. Currently the municipality relies on Rand Water for supply of water in Botleng Section. The reliance of the municipality on Rand Water services is a source of burden on the municipalities finances this results in payment arrears on the Rand Water account. The municipality sees a need to resuscitate old boreholes in order to reduce too much reliance on Rand Water as they seek to improve their financial status. This is a key project as water is one of the essential needs in any community and the municipalities inability to meet this basic community need is a risk to the social stability of the community. The recent global experience with Corvid 19 has also reminded us of the importance of water role it plays in a communities ability to fight deases. It is both in the interest of Local Government and the private sector to implement projects that address the needs of the community and have a greater impact in the livelihoods of the communities we operate in.							
	Upon the concept study conducted in consultation with the Municipality and Community Forum, Exxaro saw a need to incorporate the project into our 2021-2025 SLP. We believe this project will provide a sustainable solution to the current water challenges faced by the community.							
	District Municipality Nkangala		Local Municipality VKLM		Village Name Delmas (Botleng)	Project start date June 2021	Project end date December 2022	
Output	Key performance area: <ul style="list-style-type: none"><li>Resuscitate existing boreholes in Botleng and improve yields</li></ul>		Key performance indicator: <ul style="list-style-type: none"><li>Boreholes working and feeding water to treatment plant</li></ul>		Responsible entity (inclusive of all role players) <ul style="list-style-type: none"><li>Exxaro Resources</li><li>Victor Khanye Local Municipality</li><li>Nkangala District Municipality</li></ul>			
Budget	2021		2022		2023	2024	2025	Total
	R0.8m		R2m		R 1.2m	R 0	R 0	R 4m
Classification of jobs	No of jobs to be created	Male Adults	Female Adults	Male Youth	Female Youth	Total	Comments	
Short-term	8	1	1	3	3	8		
Medium-term	6	1	1	2	2	6		

Long-term	2	0	0	1	1	2	
<p><b>Completion date and exit strategy</b></p> <p><b>Completion date:</b> 20 March 2023</p> <p><b>Exit Strategy:</b> The project will be handed over to the municipality after completion, the municipality to take care of its maintenance and ensure that residents receive clean water.</p>							
<p><b>Mayor approval Names:</b></p> <p><b>Signature:</b></p> <p><b>Date:</b></p> <p><b>Signed at:</b></p>							



Project Name	Delmas Small Business Incubator			Type	Enterprise Development		
Background	The Enterprise Development (ED) Project was part of 2015-2020 SLP project and due to its success, both stakeholders (Exxaro, VKLM and Community Forum) agreed that it should be implemented again in the new 2021-2025 SLP. The project has incubated 11 SMME's that are based within the jurisdiction of VKLM and several successes of the enterprises have been realised as a result of the growth opportunities offered by Leeuwpan mine.						
	The new ED project in the 2021-2025 SLP will incubate 8 SMME's in different core categories which are namely: Industrial Cleaning, IT Services, Mine Rehabilitation, Pest Control, Civil Construction, Fire Fighting, Drilling and Blasting and Dust Suppression. The programme will take 18 full months in order to ensure that the SME's are between equipped with business acumen and ready to compete in the market.						
Geographical location of project	District Municipality		Local Municipality		Village name	Project start date	Project end date
Output	Key performance area: marketing strategy, business strategy, access to market, access to funding		Key performance indicator: improved marketing strategy, new business opportunity, improved financial management and business growth in terms of revenue and investment		Responsible entity (inclusive of all role players) Victor Khanye Local Municipality Community Forum Exxaro Resources		
Budget	2021		2022		2023	2024	Total
	R 1.8m		R 2.4m		R 1.4m	R 0	R 5.6m
Classification of jobs	No of jobs to be create	Male adults	Female adults	Male youth	Female youth	Total	Comments
Short-term	4	1	1	1	1	4	

Medium-term	7	1	1	3	2	7	
Long-term	0	0	0	0	0	11	
<b>Completion date and exit strategy</b>							
<b>Completion date</b>							
<b>Exit Strategy:</b> The project will run for a period of 18 months and it is believed that after the said period the Enterprises will be ready to compete in the market within and outside of Exxaro.							

**SINGATURE PAGE : STAKEHOLDER APPROVALS**

**INTERNAL STAKEHOLDERS**

**Organised Labour : National Union Mine Workers (NUM)**

**Repesantatives**

**Mr Given Maluleke : General Secretary**

\_\_\_\_\_ **Date** \_\_\_\_\_

**EXTERNAL STAKEHOLDERS**

**Manucipality Representataive**

**Cllr KV Buda**

**Executive Mayor: Victor Khanye Local Manucipality (VKLM)**

**Signature** \_\_\_\_\_ **Date** \_\_\_\_\_

**Community Forum**

**Repesantative**

**Mr. Kenneth Kekana:**

**General Secretary**

\_\_\_\_\_ **: Date** \_\_\_\_\_

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**ANNEXURE B: PROCUREMENT**

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## Procurement Opportunities for Period 2021 to 2025

### Supply Chain Opportunities Victor Khanye Municipality

Scope of Work:	Type	Annual spend combined
Tarpaulin of trucks	Compliance	R20,500,000.00
Provision of Laundry services	Compliance	
Mobile equipment training and other training services	Compliance	
Rehabilitation	Compliance	
Supply and delivery of office teas and consumables	Operational	R42,000,000.00
LDV Maintenance on site	Operational	
Crane Drivers and Riggers services	Operational	
Provision of food and drinks	Operational	
Garden services	Operational	
Plant Industrial cleaning services	Operational	
General maintenance service	Operational	
Green Area walkway repairs	Operational	
Supply and delivery of Safety Gifts	Operational	
Domestic cleaning services	Operational	
Provision of IT services at TVET College	Operational	
Dust suppression roads	Operational	
Dust suppression systems	Operational	
Stationery	Operational	
Air conditioner	Operational	
Security	Operational	

## SLP SCM Opportunities For All

Scope of Work:	Type	Annual spend combined
Soil sampling and analysis,soil fertility and amelioration for revegetating rehabilitated areas	Compliance	R6,500,000.00
Enterprise Development	Compliance	
Alien invader Eradication	Compliance	
Occupational Health and Medical Practitioner + Medical surveillance services	Compliance	
Hygiene services	Compliance	
Inspection and maintenance of fire extinguishers	Compliance	
Contractor Fleet management system(AVA)	Operational	R7,000,000.00
Vehicle Tracking /Fleet Management services	Operational	
Waste and sewage management	Operational	
Coal Sampling(Lab)	Operational	
Exploration drilling coal sampling	Operational	
Soft Skills Training	Operational	
Pest control services	Operational	
Scrap	Operational	