

# **Social and Labour Plan**

**2018 to 2022**

**Kalgold Operation**

**North West**

**Mining Licence NW 30/5/1/1/2/77MR**

**November 2018**

***(4<sup>th</sup> Submission)***





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## Acknowledgement of Receipt:

\_\_\_\_\_  
Initials and Surname

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

Company Stamp



## List of Acronyms and Terms

<b>AET</b>	Adult Education and Training	<b>ETQA</b>	Education and Training Qualifications Authority
<b>AMESA</b>	The Association for Mathematics Education of South Africa	<b>EXCO</b>	Executive Committee
<b>ART</b>	Anti-Retroviral Treatment	<b>FET</b>	Further Education and Training
<b>ATR</b>	Annual Training Report	<b>GDP</b>	Gross Domestic Product
<b>BBBEE</b>	Broad-based Black Economic Empowerment	<b>GET</b>	General Education and Training
<b>BCEA</b>	Basic Conditions of Employment Act 95 of 1997	<b>HARMONY</b>	Harmony Gold Mining Company Ltd and or Company
<b>BEE</b>	Black Economic Empowerment	<b>HDSA</b>	Historically disadvantaged South Africans as defined in the Mineral and Petroleum Resources Development Act
<b>BLDP</b>	Business Leadership Development Plan	<b>HET</b>	Higher Education and Training
<b>CBO</b>	Community Based Organisation	<b>HND</b>	Higher National Diploma
<b>CEO</b>	Chief Executive Officer	<b>HOD</b>	Head of Department
<b>CETA</b>	Construction Education and Training Authority	<b>HRD</b>	Human Resources Development
<b>CPIX</b>	Consumer Price Index	<b>HSDSETA</b>	Health Services SETA
<b>CSI</b>	Corporate Social Investment	<b>IDP</b>	Individual/Integrated Development Plan
<b>CSR</b>	Corporate Social Responsibility	<b>IMMC</b>	Introduction to Mining and Minerals Certificate
<b>DMR</b>	Department of Minerals and Energy	<b>IMU</b>	International Mathematical Union
<b>DTI</b>	Department of Trade and Industry	<b>ISO</b>	International Standards Organisation
<b>ECSA</b>	Engineering Council of South Africa	<b>JIPSA</b>	Joint Initiative for Priority Skills Acquisition
<b>EE</b>	Employment Equity	<b>LED</b>	Local Economic Development
<b>EPWP</b>	Expanded Public Works Programme	<b>LOM</b>	Life of Mine
<b>ETD</b>	Education Training and Development	<b>LRA</b>	Labour Relations Act 66 of 1995
<b>MLSC</b>	Major Labour Sourcing Communities	<b>SDP</b>	Skills Development Plan
<b>MO</b>	Mine Overseer	<b>SDL</b>	Skills Development Levy
<b>MQA</b>	Mining Qualifications Authority	<b>SETA</b>	Sectorial Education and Training Authority
<b>MQF</b>	Mining Qualifications Framework	<b>SHI</b>	Social Housing Institution
<b>MPRDA</b>	Mineral and Petroleum Resources Development Act 28 of 2002	<b>SIFE</b>	Students in Free Enterprise
<b>ND</b>	National Diploma	<b>SLP</b>	Social and Labour Plan
<b>NEDLAC</b>	National Economic Development and Labour Council	<b>TEBA</b>	The Employment Bureau of Africa
<b>NGO</b>	Non-Governmental Organisation	<b>TOM</b>	TEBA on Mine
<b>NPI</b>	National Productivity Institute	<b>UIF</b>	Unemployment Insurance Fund



<b>NQF</b>	National Qualifications Framework	<b>VCT</b>	Voluntary Counselling and Testing
<b>NSDS</b>	National Skills Development Strategy	<b>WSP</b>	Workplace Skills Plan
<b>NSF</b>	National Skills Fund	<b>ORM</b>	Ore Reserve Manager
<b>NUM</b>	National Union of Mineworkers	<b>RPL</b>	Recognition of Prior Learning
<b>SADC</b>	Southern African Development Community	<b>SAMS</b>	South African Mathematical Society
<b>SAMF</b>	South African Mathematics Foundation	<b>SAQA</b>	South African Qualifications Authority
<b>SAMO</b>	South African Mathematics Olympiad	<b>SDF</b>	Skills Development Facilitator



## Submission of the Social and Labour Plan for mining licences

The Social and Labour Plan requires applicants for mining and production rights to develop and implement comprehensive Human Resources Development Programmes, Mine Community Development Plans, Housing and Living conditions Plans, Employment Equity Plans and Processes to save jobs and manage downscaling and / or closure.

This is aimed at promoting employment and advancement of the social and economic welfare of all South Africans whilst ensuring economic growth and socio-economic development.

The five-year period as stipulated in the current Social and Labour Plan (SLP) for the Operation has expired. For this reason it is important to revise the period in line with the strategic planning for the Operation.

We draw your attention to regulation 43 and 44 of the regulations to the Mineral and Petroleum Resources Development Act, Act 28 of 2002 (MPRDA) which reads as follows:

- *“43. A Social and Labour Plan lodged with the Regional Manager are valid until a closing certificate has been issued in terms of section 43 of the Act.”*
- *“44. A Social and Labour Plan may not be amended or varied without the consent of the Minister after the granting of the mining right to which such Social and Labour Plan pertains.”*

This SLP is prepared in accordance with part II of the Regulations of the Mineral and Petroleum Resources Development Act (MPRDA), and is a prescribed plan for dealing with the social and labour issues for the remaining life of every mining right. The starting point for this plan, which will serve as the first year of the next five year cycle from which the company intends to progress, is the calendar year beginning January 2018.

**Note:**    *Year 1 – 2018*      *Year 2 – 2019*      *Year 3 – 2020*      *Year 4 – 2021*      *Year 5 – 2022*

### Objectives of the Social and Labour Plan

The objectives of the Social and Labour Plan are to:

- Promote economic growth
- Promote employment and advance the social and economic welfare of all South Africans
- Contribute towards the socio-economic development of the areas in which we operate
- To utilize and expand the existing skills base for the empowerment of Historically Disadvantaged South Africans and to serve the community

*Harmony's Social and Labour Plans are therefore aimed at extending the life of the mines, improving the skills of all its employees, the transformation of its mines, as well as the normalisation of the company and the socio-economic development of communities around its mines from which Harmony recruits its employees.*



## Background

*As per Regulation 46(a): Introduction; the following background information is provided on the mine*

### About Harmony *(Source HAR-IR16)*

Harmony, a gold mining and exploration company, conducts its activities in South Africa, one of the world's best-known gold mining regions, and in Papua New Guinea, one of the world's premier new gold-copper regions. Harmony, which has more than six decades of experience, was South Africa's third largest gold producer and the twelfth largest in the world in FY16.

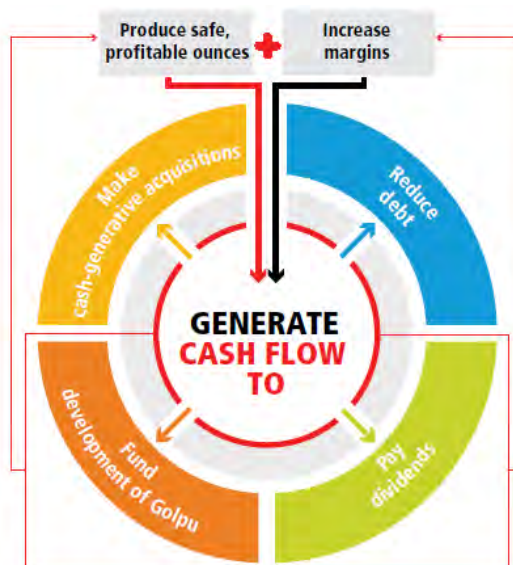
At Harmony, we understand the significant impact our company has on the lives of people, on the communities that surround our mines, on the environment, and on the economic well-being of the countries in which we operate.

Our company delivers long-term benefits to a broad range of stakeholders. We rely on experienced, skilled teams who live our values and play their role in maintaining stakeholder relationships, growing profits and maintaining a sustainable company.

The company is governed by a board of directors which brings together a range of skills and experience and whose members are committed to maintaining the highest levels of corporate governance. In turn, the directors entrust the management of Harmony to skilled management teams which work towards ensuring that the company remains sustainable, towards improving margins and towards increasing the value of our assets.

### Our Strategy

## Our strategy





## Our Values

As a company, Harmony understands that long-term value is about more than the commodities we produce and the profits we make. Our worth is also reflected in the impact we have on the lives of people, now and in the future.

Harmony lives its values – safety, being accountable, achievement and being connected and honest. These are the compass points for our actions, ensuring that, in addition to achieving our strategic goals, we seek to make the right decisions and support the members of our teams in doing so. They are ingrained in our training initiatives and decision-making processes, ensuring that they are at the front of employees' minds and actions, extending beyond our operations' gates. They guide our interactions with external stakeholders, from shareholders and the media to local communities, including those from which our employees are drawn. Our hope is that through our commitment, we can build a company with which people want to be associated and which will generate shared value into the future.



No matter the circumstances, **safety** is our main priority



We are all **accountable** for delivering on our commitments



**Achievement** is core to our success



We are all **connected** as one team



We uphold **honesty** in all our business dealings and communicate openly with stakeholders





## About the Operation *(source HAR-RR16 – Mineral Resources and Mineral Reserves 2016)*

### Location

Kalgold mine is located 55km southwest of Mafikeng between Mareetsane and Stella along the Mafikeng-Vryburg road (R49) in the North West Province of South Africa.

Several lode gold deposits exist within the Kalgold mineral lease area. The ore bodies are typical banded iron formation-hosted greenstone gold deposits. These ore bodies include the A-Zone, A-Zone West, Watertank and Windmill. These ore bodies and mining methods are unique amongst Harmony's South African operations hence sampling methods, cut-off calculations, ore resource estimation and reporting are carried out and presented differently to the other operations.

### Nature of the Operation

A total of 71 843m of exploration and evaluation drilling has been undertaken to date within the Mineral Lease area and on surrounding properties. The D-Zone and A-Zone have been proven and several prospective zones that warrant further investigation were identified.

The A-Zone occurs to the north of the D-Zone at a similar stratigraphic position. It is a composite deposit consisting of a number of mineralised cherty, banded iron formation units that are inter-bedded with schist and shale. The A-Zone has an overall strike of 850m and comprises individual zones of mineralisation which are steeply dipping and have strike lengths from 20m to 500m. Reef widths range between 15m to 70m. A total of 232 reverse circulation percussion boreholes representing a combined depth of 12 700m have been drilled into the A-Zone. Six diamond boreholes (1 310m) were also drilled.

The A-Zone West is situated in the footwall of the A-Zone ore body. The ore bodies are separated by a chloritic schist unit that pinches out to the north. A-Zone West has an overall strike of 750m and width of 20m thinning to 5m in the north. A total of 172 reverse circulation boreholes were drilled along section lines spaced 25m apart. A total of 6 450m were drilled.

The Watertank is a long, narrow deposit hosted by cherty banded iron formation which has a similar stratigraphic position to the D-Zone and the A-Zone. The host rock banded iron formation is steeply dipping and has a strike length of 950m and an average width of 45m. The mineralised D-Zone within this unit ranges between 2m and 12m in width. A total of 168 boreholes representing 10 969m of drilling have been completed on section lines spaced at 25m to 50m intervals. The Windmill deposit is the smallest of the Goldridge ore bodies, but contains generally higher gold grades. It is positioned stratigraphically below the other three deposits and is hosted by a magnetite-rich banded iron formation unit which is inter-bedded with schist. The host rock banded formation has a strike length of 950m and thins to the north and south with a maximum width of 25m in the centre. Mineralisation within this unit occurs over a length of 800m with widths ranging from 2m to 17m. This deposit is structurally complex with displacements by faulting and dips varying from 75 to 90 degrees east. A total 8 800m of drilling has been completed along lines spaced 50m apart.

## Summary of Key statistics

KEY STATISTICS					
	Year 1	Year 2	Year 3	Year 4	Year 5
Average total tons milled per month	125 028	125 028	125 440	127 000	127 000
Average gold produced per month (kg)	111	112	113	120	120
Average operating cost per month ('R)	R 58 336 000	R 57 260 000	R 57 327 000	R 53 494 000	R 53 865 000
Average ongoing development / capital development per month (R)	R -	R -	R -	R -	R -
Number of employees including contractors	599	599	599	599	599



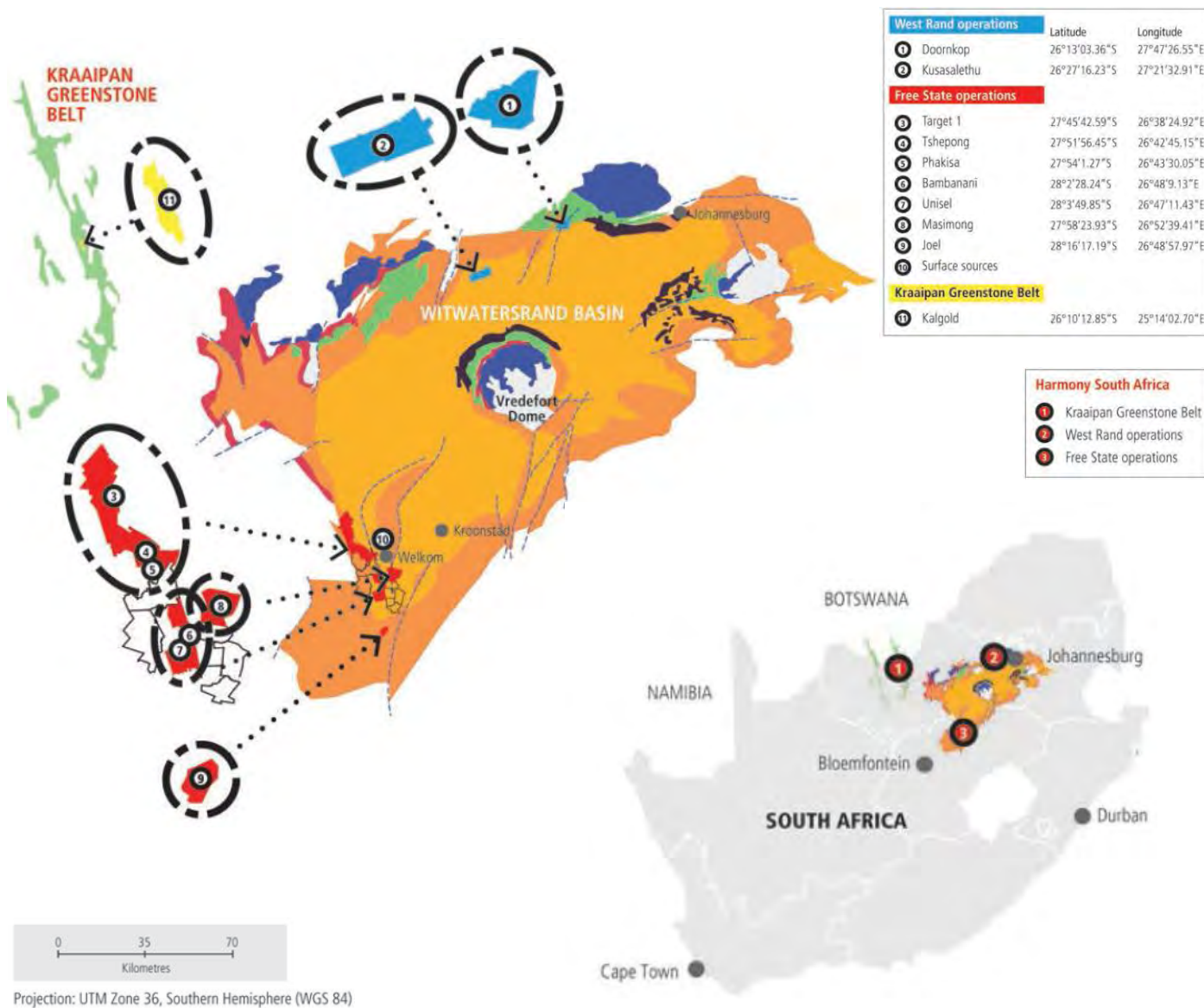


## Section 1: Preamble

*As per Regulation 46(a): A preamble which provides background information of the mine in question*

1.1	Name of the holding company/applicant	Harmony Gold Mining Company Limited	
1.2	Name of the mine	Kalgold Mine	
1.3	Physical address	Portion 632 IQ of the farm Goldridge Mafikeng / Vryburg Road Mafikeng District Bunningham Farm Mareetsane	
1.4	Postal address	C/o Harmony Gold Mining Company Limited P O Box 2 Randfontein 1760	
1.5	Telephone number	(018) 478 2364	
1.6	Fax number	(018) 478 2363	
1.7	Location of mine	Kalgold is an open-pit gold mining operation situated on the Mafikeng/ Vryburg road near the village of Mareetsane, some 55km South West of Mafikeng in the Central District of the North West Province.  The site is accessed via the local R49 road between Mafikeng and Vryburg. The gold deposits at Kalgold were discovered by Shell South Africa (Pty) Limited in 1991, following an exploration programme focused on the poorly exposed Archaean Greenstone belts of the Kraaipan Group, which occur in the area.	
1.8	Commodity	Gold	
1.9	Life of mine Mining Right Expiry Date	20 years – end of year 2038 27 August 2038	
1.10	Financial Year	The financial year of the Company runs from July to June of the following year.	
1.11	Reporting Year	Annual reporting will be done on the calendar year and will be submitted by 31 March of each year	
1.12	For further information in relation to this document please contact	<u>General Manager</u> <b>Joe Mosupyoe</b> (018) 332 1102 083 395 3013 <a href="mailto:joe.mosupyoe@harmony.co.za">joe.mosupyoe@harmony.co.za</a>	<u>HR Leader</u> <b>Nkosinathi Mkhize</b> (018) 332 1104 079 761 7846 <a href="mailto:nkosinathi.mkhize@harmony.co.za">nkosinathi.mkhize@harmony.co.za</a>

## 1.13 Geographical origin of Operation





## Section 2: Human Resources Development Programme

*In line with Regulation 46(b): Human resources development programme*

- *Regulation 46(b)(i): Skills development plan*
- *Regulation 46(b)(ii): A career progression plan and its implementation in line with the skills development plan*
- *Regulation 46(b)(iii): A mentorship plan and its implementation in line with the skills development plan*
- *Regulation 46(b)(iv): An internship and bursary plan and its implementation in line with the skills development plan*
- *Regulation 46(b)(v): The employment equity statistics*

### Introduction

Harmony Gold supports an inclusive talent and human development model where career opportunities are primarily created from within the organisation and external recruitment is only considered if a vacancy cannot be filled from our talent pipeline. The Harmony learning and development function is responsible for the Harmony HRD policy, systems and quality control, but the Operation is capacitated and empowered to implement the policies.

This section of the SLP deals comprehensively with Operation's five-year plan to achieve the optimal development of its human resources through education, training and development (ETD) interventions, as envisaged in the MPRDA, and the Mining Charter, which is monitored by means of the accompanying scorecard.

It also deals with the skills development act in order to ensure the development of skills of the South African workforce to improve the quality of life of workers and their prospects of work as well as to improve productivity in the workplace and the competitiveness of employers and to promote self-employment.

### 2.1 Skills development Legislation

Registration with SETA's

<b>Name of SETA</b>	Mining Qualifications Authority
<b>Registration number with SETA</b>	Levy = L650710538 Accreditation = 16/MQA/0469/AC4?130614
<b>Confirmation of having appointed a Skills Development Facilitator</b>	All Operations have selected Skills Development Facilitators which are appointed into these positions
<b>Proof of submission of Workplace Skills Plan</b>	Workplace Skills Plans are submitted annually before 30 April of each year

### 2.2 Skills development plan

In compliance with the Skills Development Act, the Operation submits, on an annual basis, the Workplace Skills Plan (WSP) and the Annual Training Report (ATR) to the Mining Qualifications Authority (MQA) outlining how employees are trained throughout the year in all identified areas of their training needs. The Operation will align their plans with the skills development strategy of Harmony and will ensure a platform for skills development is created.





These reports are developed annually by the designated skills development facilitators (SDF's), in consultation with the Human Resources Development (HRD) committees and the corporate HRD committees. The HRD committees contribute in ensuring that Employment Equity and Gender Equity targets are met through employee development. These employee development plans are aligned with the Workplace Skills Plans (WSP).

Operations also pay the skills development levy and claims grants for training provided as per the relevant legislation and regulations.

The objective of the Skills Development plans within Harmony consists of the following:

- Train employees to achieve full potential within their current positions and to promote productivity at the workplace
- Ensure a competent workforce
- Ensure employees are sufficiently trained and ready for the next level of their careers
- Talent identification and management of talented employees
- Retention of qualified employees

The Operation is fully committed to provide all their employees with the necessary opportunities to participate in training and development.

## Number and Educational levels of the Mine's workforce

### Workforce composition

*The following table presents the profiles of the employees as at March 2017.*

WORKFORCE PROFILE - DEMOGRAPHICS - MALE VS FEMALE			WORKFORCE PROFILE - DEMOGRAPHICS - MALE VS FEMALE		
Permanent Employees	Total workforce	%	Non-Permanent Employees	Total workforce	%
<b>Total workforce</b>	<b>241</b>	<b>100.0%</b>	<b>Total workforce</b>	<b>431</b>	<b>100.0%</b>
<b>Male</b>	<b>210</b>	<b>87.1%</b>	<b>Male</b>	<b>386</b>	<b>89.6%</b>
<b>Female</b>	<b>31</b>	<b>12.9%</b>	<b>Female</b>	<b>45</b>	<b>10.4%</b>
African SA Males	196	81.3%	African SA Males	338	78.4%
African SA Females	29	12.0%	African SA Females	42	9.7%
Coloured Males			Coloured Males	1	0.2%
White Males	12	5.0%	White Males	43	10.0%
White Females	2	0.8%	White Females	3	0.7%
Non-SA Males	2	0.8%	Non-SA Males	4	0.9%





*Breakdown of employees per labour-sending community as at March 2017*

**WORKFORCE PROFILE - LOCAL VS FOREIGN**

Permanent Employees	Total workforce	%
<b>Total workforce</b>	<b>241</b>	<b>100.0%</b>
<b>Total South African</b>	<b>239</b>	<b>99.2%</b>
<b>Total Neighboring Countries</b>	<b>2</b>	<b>0.8%</b>
Local RSA	239	99.2%
Zimbabwe	2	0.8%

**WORKFORCE PROFILE - LOCAL VS FOREIGN**

Non-Permanent Employees	Total workforce	%
<b>Total workforce</b>	<b>431</b>	<b>100.0%</b>
<b>Total South African</b>	<b>427</b>	<b>99.1%</b>
<b>Total Neighboring Countries</b>	<b>4</b>	<b>0.9%</b>
Local RSA	427	99.1%
Zimbabwe	4	0.9%

*Breakdown of core and support employees as at March 2017*

**WORKFORCE PROFILE - CORE VS SUPPORT**

Permanent Employees	Total workforce	%
<b>Total workforce</b>	<b>241</b>	<b>100.0%</b>
<b>Core</b>	<b>219</b>	<b>90.9%</b>
<b>Support</b>	<b>22</b>	<b>9.1%</b>
Mining	2	0.8%
Engineering	77	32.0%
Ore Reserve Management	26	10.8%
Metallurgy	114	47.3%
Human Resources	13	5.4%
Financial	1	0.4%
Commercial Services	5	2.1%
Safety and Health	2	0.8%
Environmental	1	0.4%
Other Services		

**WORKFORCE PROFILE - CORE VS SUPPORT**

Non-Permanent Employees	Total workforce	%
<b>Total workforce</b>	<b>431</b>	<b>100.0%</b>
<b>Core</b>	<b>356</b>	<b>82.6%</b>
<b>Support</b>	<b>75</b>	<b>17.4%</b>
Mining	193	44.8%
Engineering	141	32.7%
Ore Reserve Management	9	2.1%
Metallurgy	13	3.0%
Human Resources	27	6.3%
Financial		
Commercial Services		
Safety and Health	3	0.7%
Environmental		
Other Services	45	10.4%

The Operation provide employment to 672 people of whom 241 are employed directly by the mine and 431 contractors who provide services to the mine.



### **Treatment of employees from labour-sending communities outside South Africa**

The recruitment of employees from Lesotho, Mozambique, Swaziland and Botswana is in accordance with inter-governmental agreements.

The wages, working hours, leave entitlements (including sick and family responsibility leave), provident fund provisions, medical incapacity benefits and other terms and conditions of employment of South African Development Community (SADC) employees are the same as for South African employees. Furthermore, they are entitled to equal compensation for occupational injuries and diseases, and are entitled to the same training and development opportunities as South African employees. They are also entitled to join and participate fully in trade union activities, have freedom of movement and enjoy the same labour rights and protections against unfair dismissal.

Harmony, on behalf of this Operation, has further concluded an agreement with recognised trade unions, which provides that SADC employees will be entitled to the same accommodation opportunities as South African employees in respect of living quarters, living-out allowances and married quarters. However, legislative provisions preclude SADC employees from state housing subsidies in South Africa.

It should be noted that the Lesotho and Mozambican inter-governmental agreements provide for approximately 30% of these migrant employees' earnings to be remitted back as compulsory deferred pay to their home countries. These remittances, however, provide a revenue stream for these labour-sending communities, without which rural poverty would be exacerbated.

An additional factor impacting on migrant employees is the fact that they are recruited by the way of 'corporate permits' granted in terms of the Immigration Act. As such these employees may not be accompanied by their families on a permanent basis, although family members who obtain visitors permits are permitted to visit such migrant employees for limited periods.

Such employees are also required to return to their home countries periodically, but may on application acquire the right to permanent residence in South Africa.

Consequently, subject to compliance with South African law and the inter-governmental agreements, Operation does not, and further undertakes not to, discriminate against migrant employees from SADC countries.



## Educational Levels

The table below (Form Q) reflects the education levels of the permanent employees as at March 2017

### EDUCATIONAL LEVELS (FORM Q) - PERMANENT EMPLOYEES

EDUCATIONAL LEVELS		African		Coloured		Indian		White		Grand Total
NQF LEVEL	NEW SYSTEM	M	F	M	F	M	F	M	F	
GENERAL EDUCATION AND TRAINING										
No Education	No Schooling	14								14
Below NQF 1	Pre-AET / Grade 1 to 3	1								1
Below NQF 1	AET 1 / Std 2 / Grade 4	9								9
Below NQF 1	AET 2 / Std 3 & 4 / Grade 5 & 6	2								2
Below NQF 1	Possible AET learners	26								26
FURTHER EDUCATION AND TRAINING										
Below NQF 1	AET 3 / Std 5 & 6 / Grade 7 & 8	6								6
NQF 1	AET 4 / Std 7 / Grade 9	2								2
NQF 2	Std 8 / Grade 10 / NATED 1 / NCV Level 1	10								10
NQF 3	Std 9 / Grade 11 / NATED 2 / NCV Level 2	14	2					1	1	18
NQF 4	Std 10 / Grade 12 / NATED 3 / NCV Level 3	105	18							123
HIGHER EDUCATION AND TRAINING										
NQF 5	National / Higher Certificate	24	3					11		38
NQF 6	Higher Certificate / Diploma / Advanced Certificate / NATED 4 to 6	10	5							15
NQF 7	Advanced Diploma / B-Tech Degree / Bachelor's Degree (360 Credits)	1							1	2
NQF 8	Bachelor Honor's Degree / Post Grad Diploma / Bachelor's Degree (480 credits)		1							1
NQF 9	Master's Degree									
NQF 10	Doctoral Degree & Post-Doctoral Degree									
TOTAL		198	29					12	2	241



The table below (Form Q) reflects the education levels of the Non-permanent employees as at March 2017

### EDUCATIONAL LEVELS (FORM Q) - NON-PERMANENT EMPLOYEES

EDUCATIONAL LEVELS		African		Coloured		Indian		White		Grand Total
NQF LEVEL	NEW SYSTEM	M	F	M	F	M	F	M	F	
GENERAL EDUCATION AND TRAINING										
No Education	No Schooling	21	1					4		26
Below NQF 1	Pre-AET / Grade 1 to 3	5	1					1		7
Below NQF 1	AET 1 / Std 2 / Grade 4	7								7
Below NQF 1	AET 2 / Std 3 & 4 / Grade 5 & 6	16	3							19
Below NQF 1	Possible AET learners	49	5					5		59
FURTHER EDUCATION AND TRAINING										
Below NQF 1	AET 3 / Std 5 & 6 / Grade 7 & 8	30	3					1		34
NQF 1	AET 4 / Std 7 / Grade 9	19	1					5		25
NQF 2	Std 8 / Grade 10 / NATED 1 / NCV Level 1	49	7					7	1	64
NQF 3	Std 9 / Grade 11 / NATED 2 / NCV Level 2	70	9	1				10	1	91
NQF 4	Std 10 / Grade 12 / NATED 3 / NCV Level 3	122	17					15	1	155
HIGHER EDUCATION AND TRAINING										
NQF 5	National / Higher Certificate	2								2
NQF 6	Higher Certificate / Diploma / Advanced Certificate / NATED 4 to 6	1								1
NQF 7	Advanced Diploma / B-Tech Degree / Bachelor's Degree (360 Credits)									
NQF 8	Bachelor Honor's Degree / Post Grad Diploma / Bachelor's Degree (480 credits)									
NQF 9	Master's Degree									
NQF 10	Doctoral Degree & Post-Doctoral Degree									
TOTAL		342	42	1				43	3	431



## Literacy Level at the Operation

LITERACY LEVEL - PERMANENT EMPLOYEES				
Total Workforce	Below Grade 6 / Std 4 (excl No Education)	No Education	Possible AET Learners	Illiteracy Level (%)
241	12	14	26	11%

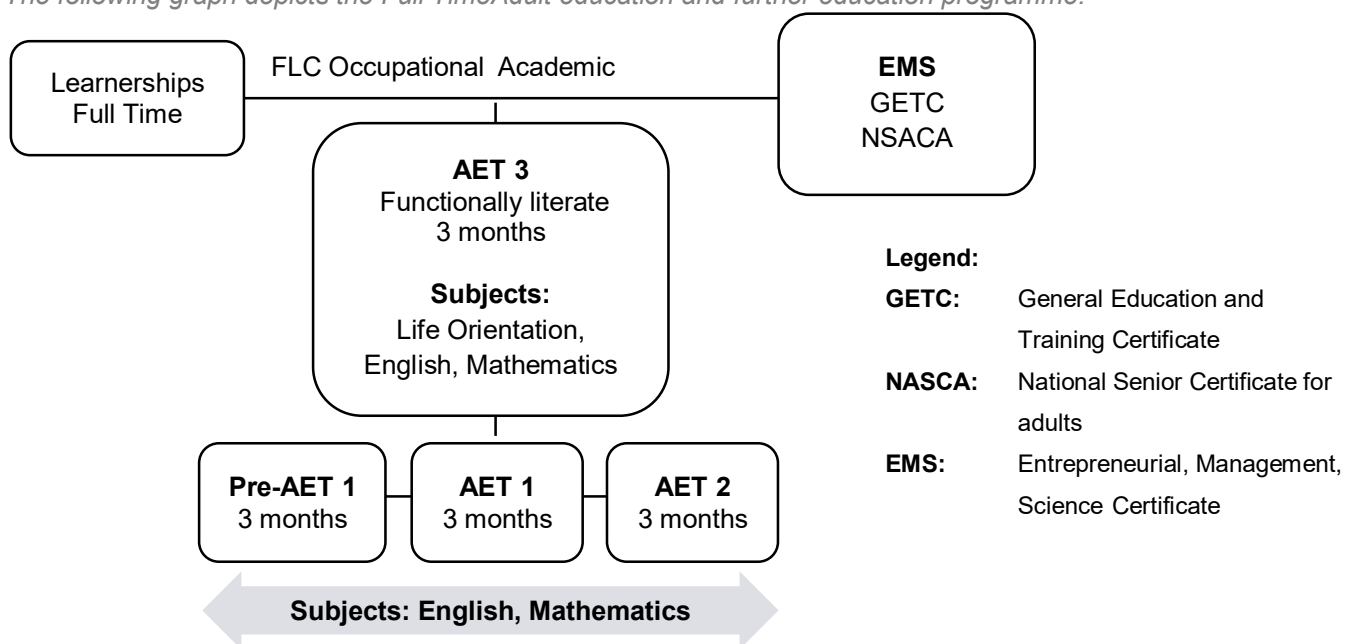
  

LITERACY LEVEL - NON PERMANENT EMPLOYEES				
Total Workforce	Below Grade 6 / Std 4 (excl No Education)	No Education	Possible AET Learners	Illiteracy Level (%)
431	33	26	59	14%

## Adult Education and Training

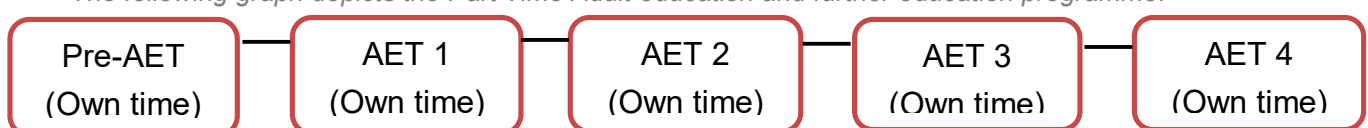
The progression through AET levels is aimed at providing an opportunity for all employees to be functionally literate and numerate.

The following graph depicts the Full Time Adult education and further education programme:



The model above is applicable to Full-time AET learners, however Kalgold does not have full time facilities and follow the part time process as stipulated below.

The following graph depicts the Part Time Adult education and further education programme:





Whilst the scorecard requires that Harmony provides employees with the opportunity to become functionally literate, Harmony has gone beyond this requirement and set as its own strategic objective: the achievement of a fully literate workforce by 2024. Harmony offers full-time AET classes and have recently introduced own time E-AET to achieve the set targets.

### **How the Operation provides employees with the opportunity to become functionally literate and numerate**

Awareness campaigns have been undertaken over the past few years for promotion and awareness purposes. Communication channels used included posters, HRD committee and flyers. An internal audit found that employees are fully aware of the AET facilities at Operation.

### **AET Implementation plan**

Plan to provide employees with the opportunity to become functionally literate and numerate	
<b>Objective:</b>	<ul style="list-style-type: none"> <li>To assist employees to meet independently, the reading and writing demands placed on them both professionally and privately.</li> </ul>
<b>Beneficial change:</b>	<ul style="list-style-type: none"> <li><b>Employees</b> <ul style="list-style-type: none"> <li>Being literate will assist in delivering on Harmony's value of "Safety" and "Connectedness".</li> <li>Empower employees to apply for more senior positions where literacy is a pre requisite</li> </ul> </li> <li><b>The mine</b> <ul style="list-style-type: none"> <li>Have a positive impact on the Safety and production statistics of Harmony</li> <li>Assist Harmony in meeting developmental targets of HDSA's as a whole</li> <li>Communication within Harmony will be enhanced</li> </ul> </li> <li><b>Organised labour</b> <ul style="list-style-type: none"> <li>Communication and negotiations with members will be enhanced</li> </ul> </li> <li><b>Families</b> <ul style="list-style-type: none"> <li>Employees will be able to assist family members in basic day to day activities such as banking and budgeting</li> <li>A literate family member can assist his/her children with scholastic outputs.</li> </ul> </li> </ul>
<b>Beneficiaries:</b>	<ul style="list-style-type: none"> <li>The whole of South Africa will benefit with the eradication of illiteracy.</li> </ul>
<b>Implementation plan:</b>	<ul style="list-style-type: none"> <li>Harmony has three intakes of AET per year to drive the achievement of the set objective.</li> <li>To meet the varying demands of stakeholders, both full time and part time classes are offered.</li> </ul>





## AET Facilities and Centres

The Operation does not have an AET facilities situated at the Operation to deliver South African Qualification Authority (SAQA) aligned education to students. All Harmony AET centres write external examination offered by IEB and benchmark.

## Planned AET intake 2018 to 2022

Although Kalgold shows a total number of 26 for possible AET learners, 12 of these employees have rejected the opportunity to be trained, thus leaving the Operation with only 14 employees to be trained.

The 12 intake positions have been made available for the contractor employees, working at Kalgold. These are included in the table below.

*The table below reflects the planned intake levels for AET*

ADULT EDUCATION AND TRAINING PER LEVEL AND COSTS (including non-permanent employees)						
AET Levels	Plan					Total No of Delegates
	Year 1	Year 2	Year 3	Year 4	Year 5	
Pre-AET	2					2
AET 1	2	2	2			6
AET 2	1	1	2	2	2	8
AET 3		1	1	2	2	6
AET 4	1	1	1	1		4
<b>Total Planned</b>	<b>6</b>	<b>5</b>	<b>6</b>	<b>5</b>	<b>4</b>	<b>26</b>

**Note:** These AET figures will be affected by an annual labour turnover of approximately 10%, the recruitment of literate employees as well as external assessments of employees with unconfirmed levels of education. These numbers will also be affected by success rates.

## Skills Development Programmes

### Learnerships 18.1

*The table below reflects the planned intake levels for 18.1 Learnerships*

LEARNERSHIPS - 18.1						
Description	Plan					Total
	Year 1	Year 2	Year 3	Year 4	Year 5	
Engineering Learnerships	1	1	1	1	1	5
Other: (Mining Technical Support - Geology)	1	1	1	1	1	5
<b>Total</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>10</b>

**Note:** The table above display the new intake per year. Due to the fact that the period of training exceeds 12 months, there will always be double the annual intake persons in training and funds are allocated accordingly.



## Learnerships 18.2

The table below reflects the planned intake levels for 18.2 Learnerships

LEARNERSHIPS - 18.2						
Description	Plan					Total
	Year 1	Year 2	Year 3	Year 4	Year 5	
Engineering Learnerships	2	2	2	2	2	10
<b>Total</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>10</b>

**Note:** The table above display the new intake per year. Due to the fact that the period of training exceeds 12 months, there will always be double the annual intake persons in training and funds are allocated accordingly.

## Leadership Development

Kalgold's human resource development strategy will ensure that their employees develop to their maximum potential. There is a focus on leadership development in combination with other development initiatives such as executive, management and supervisory development. Employees will be developed in all core and critical, as well as leadership skill in order to equip them to perform their duties safely and productively.

## Management and Supervisory development

All management and supervisory employees in Harmony are within the scope for the Development Programmes. It includes all the individuals in both operations and services. The Development Programme takes place in accordance with the development principles as stated in the Study Assistance Policy. The programmes runs in various institutions.

Development programmes have been established to ensure that supervisors, middle and senior management have the required skilled knowledge to secure maximum efficiency and performance in their roles, as well as to ensure they are provided with opportunities for development to their optimum potential.

The Harmony Leadership Competency model was revised. Subsequent to the revision, the new leadership development program was designed to ensure alignment across all levels of leadership.

The table below reflects the planned intake levels for Leadership Development

LEADERSHIP DEVELOPMENT TRAINING						
Description	Plan					Total
	Year 1	Year 2	Year 3	Year 4	Year 5	
Supervisory Development	2	2	3	3	3	13

**Note:** The table above display the new intake per year.



## Skills Development

The table below reflects the planned intake levels for Skills Development

SKILLS DEVELOPMENT TRAINING						
Description	Plan					Total
	Year 1	Year 2	Year 3	Year 4	Year 5	
Engineering Foreman	3	3	3	3	3	15
Human Resources Officer	1		1		1	3
Financial Manager	1		1		1	3
Accountant		1		1		2
Occupational Hygienist	1		1		1	3
Occupational Hygiene Officer	1					1
<b>Total</b>	<b>7</b>	<b>4</b>	<b>6</b>	<b>4</b>	<b>6</b>	<b>27</b>

**Note:** The table above display the new intake per year.

### 2.3 'Hard-to-Fill' vacancies

It must be noted that Harmony and the licensed mines do take critical core skills into consideration when determining candidates for learnerships, internships, mentorship, career progression and different skills programmes.

There are no 'hard-to-fill' vacancies at the Operation. All vacant positions are currently being filled within 12 months. (See details below)



## FORM R

Department: Minerals and Resources  
Republic of South Africa

Hard-to-fill vacancies as at March 2017

*In terms of regulation 46(b)(i)(bb) of the Social and Labour Plan of the Mineral and Petroleum Resources Development Act 28, 2002*

### Instructions:

1. For any enquiries, contact the relevant regional office or designated agency during office hours (refer to List 1).
2. Complete the form in block letters and black pen.
3. Complete the form in English and do not use abbreviations (Street not St).

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

## 2.4 Career Progression

This section covers the career progression plan of Operation that is in line with the skills development plan and will show how opportunities are given to employees to progress through the employment levels.

The career progression plan at an individual level, maps out career growth opportunities within specific career paths in both technical (specialist) and management roles in the mine. The process identifies career options for employees who are assisted to develop skills so that they are better prepared and suitably qualified to assume positions that match their individual career goals with the needs of the mine (organisational needs). Employees can navigate through various career progression scenarios (or be assisted to do so) and quickly identify requirements of various positions. Career management at the Operation links with other HRD activities such as mentorship and coaching, managing the talent pool, and employment equity.

### Factors that are considered for effective career progression planning:

- The career progression plan of Operation is based on a number of factors as outlined below:
- **Opportunity for all employees.** Career progression is available to all employees based on their career interests, availability of positions, employment equity, potential assessments, and excellent performance
- **Cross discipline and multi-disciplinary.** An employee may move from one discipline to another depending on personal career interests aligned to identified organisational needs



- **Performance management.** Career progression plans are managed and monitored during performance management discussions between an employee and his/her supervisor at management levels, with top performers usually considered for opportunities to advance to higher levels within the organisation
- **Career interests.** Each employee's career interests are considered, within reason, when career progression plans are discussed and agreed through IDPs
- **Availability of positions.** Career progression takes place based on positions that becomes vacant or available in the mine or at other Harmony operations and employees are promoted and/or are transferred to the positions for additional career exposure
- **Employment equity targets.** Career progression plans take cognizance of Operation's requirements to meet the employment equity targets
- **Development panels.** These are multi-disciplinary panels that monitor careers of employees to ensure that development opportunities are made available to suitably qualified, high potential and excellent performing employees

### Career progression (promotional) plan

It is considered for all career progression opportunities at all levels. With respect to meeting the employment equity targets, specific attention will be given to management level positions.

% HDSA representation in promotion opportunities and filling of vacant positions	Year 1	Year 2	Year 3	Year 4	Year 5
	60%	65%	70%	80%	80%

**Note:** The targets above do not mean a general disregard of previously advantaged employees. During performance reviews, their career plans are also mapped out with their respective supervisors and, should vacant positions become available, they are also considered once the EE targets above have been met.

### Approach

The career progression strategic approach provides an opportunity to employees at all levels of the organisation to progress through the employment levels.

### Employment levels

Career paths per disciplines, outlines the route employees should follow to move from one level to the next.

Classification of employment levels cover the following occupational levels:

- Unskilled and defined decision making – Paterson bands A1 to A4
- Semi-skilled and discretionary decision-making; operators; administrative personnel; and clerical personnel – Patterson bands B1 to B7
- Technically skilled/operators: skilled technical and academically qualified workers, junior management, supervisors, foremen – Patterson bands C1 to C5
- Professionals: professionally qualified, experienced specialists and mid management – Patterson bands D1 to D5
- Senior management – Patterson bands E1 to E5

Note: A career progression to the executive level moves an employee from the mine to group level. The Harmony executive level is on Patterson band F.



### **Employee development plan to support career progression**

The mine provides the opportunity for advancement to higher levels of the organisation by encouraging employees to have personal development plans. Although opportunities are given to employees, each individual takes ownership of his/her career goals and objectives.

The career management processes identify the education, training, and experience needs of the workforce. The steps that are covered in contributing to effective career management for employees include the following:

#### **Step 1: Assess existing skills required to meet business objectives**

This includes the following:

- Identify the skills required to succeed in the current job
- Identify the gaps required to be closed in order to succeed in the current job
- Identify relevant skills the employee possesses that are not currently being utilised

#### **Step 2: Identify potential areas for growth and development**

This includes the following:

- Identify the areas of the employee's current job that could be enhanced with additional training or coaching
- Identify additional skills or responsibilities that may enhance the employee's ability to contribute to achieving the mine's goals and objectives
- Identify employee's interests and/or goals

#### **Step 3: Identify training, mentoring, coaching or other development opportunities so that the employee can successfully apply new skills and knowledge**

#### **Step 4: Continuous evaluation of employee development plan and providing employee feedback**

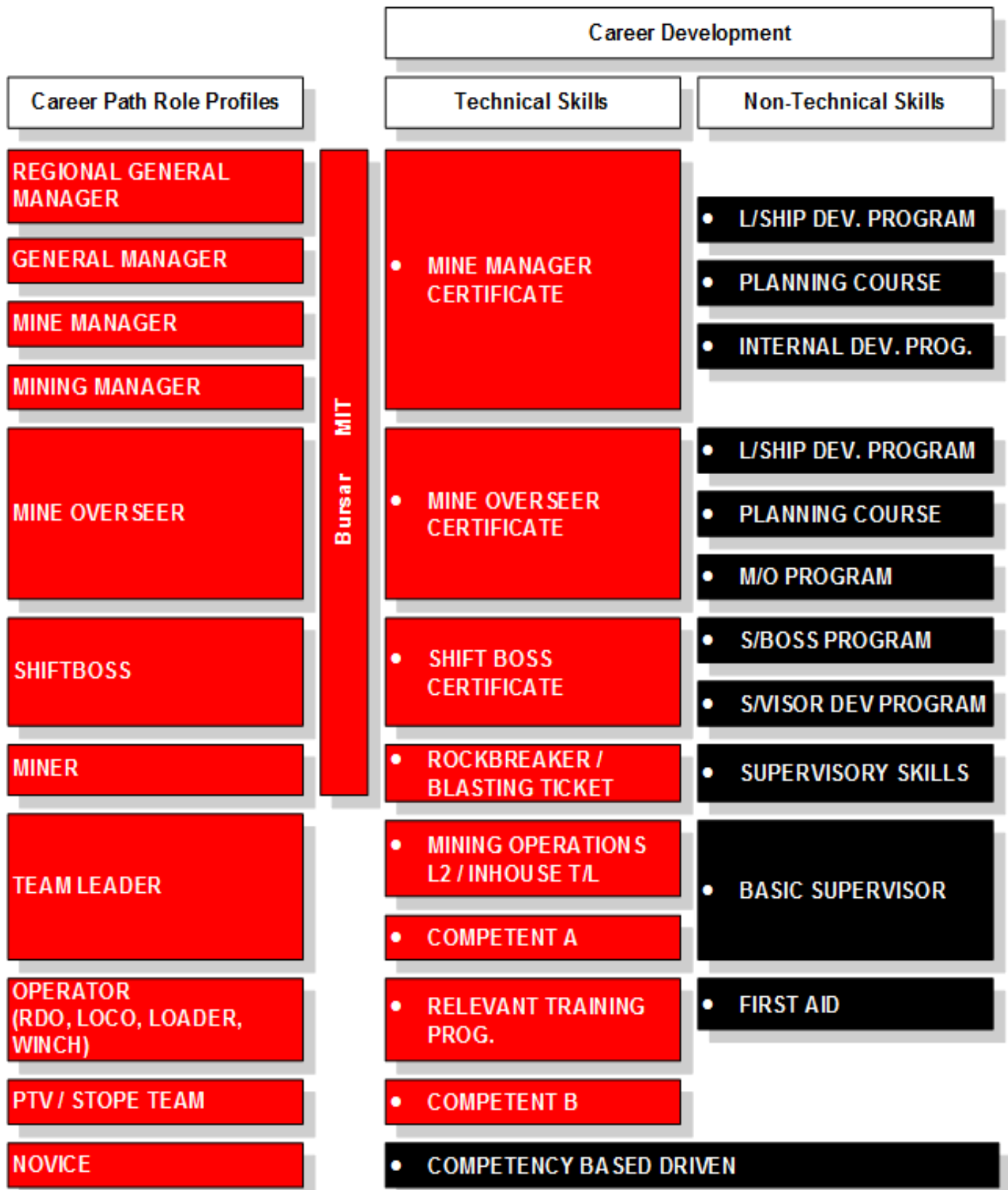




## Pipeline for career progression for each of the core career disciplines

The diagrams below show examples of career paths for each of the main career disciplines within Operation.

### Career Path – Mining





## Career path – Engineering

Entry Requirements	Career Path Role Profiles	Skills Development
	Group Engineering Manager	
Government Ticket / Appointment	SENIOR ENGINEERING MANAGER Management	<ul style="list-style-type: none"> <li>Specialised Management Courses</li> </ul>
Government Ticket / Appointment	SENIOR ENGINEER Management	<ul style="list-style-type: none"> <li>Specialised Management Courses</li> </ul>
Government Ticket / Appointment	ENGINEER Management	<ul style="list-style-type: none"> <li>Specialised Management Courses</li> </ul>
Degree / Diploma / N6 with required subjects for GCC Exam	JUNIOR ENGINEER Official	<ul style="list-style-type: none"> <li>Harmony Junior Engineers Development Programme</li> </ul>
<ul style="list-style-type: none"> <li>* Level 4 Engineering Artisan</li> <li>* N4 / N5 / Equivalent</li> <li>* 5 Years Supervisory Experience</li> </ul>	CHIEF ELECTRICIAN / CHIEF ENGINEERING SUPERVISOR Official	<ul style="list-style-type: none"> <li>Harmony Certificate in Management Specialise Courses</li> </ul>
<ul style="list-style-type: none"> <li>* Relevant Trade</li> <li>* N3 Equivalent</li> <li>* 5 Years Trade Specific Experience</li> <li>* Completed Eng Foreman Dev Programme</li> </ul>	ENGINEERING FOREMAN Official	<ul style="list-style-type: none"> <li>Harmony Foreman Development Programme</li> </ul>
<ul style="list-style-type: none"> <li>* Degree / Diploma in electrical Engineering or Instrumentation</li> <li>OR</li> <li>* Instrumentation Mechanician Trade and N6 and ECSA Registration as a Technician</li> </ul>	INSTRUMENTATION TECHNICIAN Official	<ul style="list-style-type: none"> <li>ECSA Requirements &amp; Specialised Instrumentation Courses</li> </ul>
<ul style="list-style-type: none"> <li>* N2 Equivalent</li> <li>* Technical Grade 12 with relevant Subjects including Maths &amp; Science</li> </ul>	ENGINEERING ARTISAN Union Men & Artisans	One of the following Skills (L3 & L4) <ul style="list-style-type: none"> <li>Instrumentation or Measuring &amp; Control</li> <li>Electrical</li> <li>Fitting</li> <li>Plater / Welder</li> <li>Diesel Mechanic</li> <li>Rigging</li> </ul>
<ul style="list-style-type: none"> <li>* N1 / Grade 10 - Maths and Science</li> <li>* English Literate / Communication</li> <li>* 1 Year Engineering Experience</li> </ul>	SERVICE PERSON Union Men & Artisans	One of the following Skills <ul style="list-style-type: none"> <li>Electro Mechanics L2</li> <li>Horizontal Transport L2</li> <li>Stoping and Developing L2</li> </ul>
Grade 10 (Maths, Science, English Literate and Communication)	ENGINEERING ASSISTANTS / OPERATORS Cat 4 - 8	Generic Engineering Skill i.e. Engineering Assistant Training plus Occupation Related Training (e.g. Belt Attendant Training course)
	NEW RECRUIT Grade 10 Maths & Science	



## Career path – Ore Reserves (Survey)

Career Development			
Ticketed Surveyor			
Career Path Role Profiles	Qualification	Technical Skills	Non-Technical Skills
ORE RESERVE MANAGER	<ul style="list-style-type: none"> <li>NQF 8</li> <li>NHD SURVEY OR BTECH</li> <li>+ GSCC OR</li> <li>SURFACE SURV CERTIFICATE</li> </ul>	<ul style="list-style-type: none"> <li>GRADE MANAGEMENT</li> <li>FINANCE MANAGEMENT</li> <li>RESERVES &amp; RESOURCES MANAGEMENT</li> </ul>	<ul style="list-style-type: none"> <li>LEADERSHIP</li> <li>PROFESSIONAL REGISTRATION</li> <li>STRATEGIC PLANNING</li> </ul>
SURVEY HOD (M+ 10 YEARS)	<ul style="list-style-type: none"> <li>SURVEY GOVERNMENT</li> <li>CERTIFICATE OF COMPETENCY</li> </ul>	<ul style="list-style-type: none"> <li>CARRY LEGALS</li> <li>RELEVANT COMPUTER SOFTWARE</li> </ul>	<ul style="list-style-type: none"> <li>LEADERSHIP</li> <li>EMPLOYEE DEVELOPMENT</li> </ul>
SECTION SURVEYOR (M+ 8 YEARS)	<ul style="list-style-type: none"> <li>NQF 6</li> <li>National Higher Diploma Mining Survey OR BTECH</li> </ul>	MANAGE SECTION	<ul style="list-style-type: none"> <li>FINANCIAL MANAGEMENT</li> </ul>
MINE SURVEYOR / SENIOR SURFACE SURVEYOR (M+ 6 YEARS)	<ul style="list-style-type: none"> <li>NQF 6</li> <li>National Higher Diploma Mining Survey</li> </ul>	<ul style="list-style-type: none"> <li>GYRO AND CHECK SURVEY</li> <li>LATOUTS</li> <li>HOLING NOTES</li> </ul>	<ul style="list-style-type: none"> <li>SUPERVISORY SKILLS</li> </ul>
SHAFT / SURFACE SURVEYOR GRADUATE SURVEYOR	<ul style="list-style-type: none"> <li>NQF 5</li> <li>NATIONAL DIPLOMA SURVEY</li> </ul>	<ul style="list-style-type: none"> <li>GYRO AND CHECK SURVEY</li> <li>LATOUTS</li> </ul>	<ul style="list-style-type: none"> <li>SUPERVISORY SKILLS</li> <li>PRESENTATION &amp; MEETING SKILLS</li> <li>RELEVANT COMPUTER SOFTWARE</li> </ul>
<ul style="list-style-type: none"> <li>COMPETENCY BASED DRIVEN</li> </ul>			<ul style="list-style-type: none"> <li>HEALTH AND SAFETY</li> </ul>
Non Ticket Surveyor			
Career Path Role Profiles	Qualification	Technical Skills	Non-Technical Skills
SECTION SURVEYOR (M+ 10 YEARS)	<ul style="list-style-type: none"> <li>NQF 8</li> <li>ADVANCED SURVEY</li> <li>MRM AND OR GDE</li> </ul>	<ul style="list-style-type: none"> <li>MANAGE SECTION</li> </ul>	<ul style="list-style-type: none"> <li>REGISTERED WITH PLATO</li> <li>MANAGEMENT LEADERSHIP</li> </ul>
MINE SURVEYOR / SENIOR SURFACE SURVEYOR (M+ 9 YEARS)	<ul style="list-style-type: none"> <li>NQF 6</li> <li>ADVANCED SURVEY OR</li> <li>NHD SURVEY + MRM</li> </ul>	<ul style="list-style-type: none"> <li>GYRO AND CHECK SURVEY</li> <li>LATOUTS</li> <li>HOLING NOTES</li> </ul>	<ul style="list-style-type: none"> <li>SUPERVISORY SKILLS</li> </ul>
SHAFT / SURFACE SURVEYOR 48 MONTHS	<ul style="list-style-type: none"> <li>NQF 5</li> <li>ADVANCED SURVEY</li> </ul>	<ul style="list-style-type: none"> <li>GYRO AND CHECK SURVEY</li> <li>LATOUTS</li> </ul>	<ul style="list-style-type: none"> <li>SUPERVISORY SKILLS</li> <li>PRESENTATION &amp; MEETING SKILLS</li> </ul>
SENIOR SURVEYOR 36 MONTHS +12 MONTHS	<ul style="list-style-type: none"> <li>NQF 4</li> <li>ELEMENTARY SURVEY</li> </ul>	<ul style="list-style-type: none"> <li>DEVELOPMENT</li> <li>+ CHECK SURVEY</li> </ul>	<ul style="list-style-type: none"> <li>RELEVANT COMPUTER SOFTWARE</li> </ul>
SURVEYOR 24 MONTHS	<ul style="list-style-type: none"> <li>NQF 4</li> </ul>	<ul style="list-style-type: none"> <li>STOPE SURVEY</li> <li>INSTALL PEGS</li> </ul>	<ul style="list-style-type: none"> <li>REPORT WRITING</li> </ul>
JUNIOR SURVEYOR 12 MONTHS	<ul style="list-style-type: none"> <li>ELEMENTARY SURVEY +</li> </ul>		
LEARNER SURVEYOR 6 MONTHS	<ul style="list-style-type: none"> <li>NQF 3</li> <li>BASIC SURVEY</li> </ul>	<ul style="list-style-type: none"> <li>INSTALL PEGS +</li> <li>MEASURING</li> </ul>	<ul style="list-style-type: none"> <li>SURVEY EQUIPMENT CARE</li> </ul>
TRAINEE SURVEYOR	<ul style="list-style-type: none"> <li>NQF 1 ABET 4 OR</li> <li>MATRIC (GRADE 12)</li> </ul>	<ul style="list-style-type: none"> <li>MATHS + SCIENCE</li> </ul>	<ul style="list-style-type: none"> <li>WORK IN TEAM</li> </ul>
<ul style="list-style-type: none"> <li>ENTRY BASED ASSISTANCE</li> </ul>			
<ul style="list-style-type: none"> <li>COMPETENCY BASED DRIVEN</li> </ul>			<ul style="list-style-type: none"> <li>HEALTH AND SAFETY</li> </ul>



## Career path – Ore Reserves (Geology)

### Career Development

#### Graduate Route

Career Path Role Profiles	Qualification	Technical Skills	Non-Technical Skills
ORE RESERVE MANAGER	<ul style="list-style-type: none"> <li>NQF 8</li> <li>B SC HONOURS</li> </ul>	<ul style="list-style-type: none"> <li>GRADE MANAGEMENT</li> <li>FINANCE MANAGEMENT</li> <li>RESERVES &amp; RESOURCES MANAGEMENT</li> </ul>	<ul style="list-style-type: none"> <li>LEADERSHIP</li> <li>PROFESSIONAL REGISTRATION</li> <li>STRATEGIC PLANNING</li> </ul>
GEOLOGY HOD (M+10)	<ul style="list-style-type: none"> <li>NQF 8</li> <li>B Sc HONOURS</li> <li>GRADUATE DIPLOMA IN</li> <li>ENGINEERING (GDE)</li> </ul>	<ul style="list-style-type: none"> <li>MANAGE A SECTION</li> <li>GRADE CONTROL</li> <li>MANAGE DRILLING PROJECTS</li> <li>GEOLOGICAL MODELLING</li> <li>APPLY COMPUTER SOFTWARE</li> </ul>	<ul style="list-style-type: none"> <li>LEADERSHIP/ MENTORING</li> <li>EMPLOYEE DEVELOPMENT</li> <li>FINANCIAL MANAGEMENT</li> </ul>
SECTION GEOLOGIST (M+8)	<ul style="list-style-type: none"> <li>NQF 8</li> <li>B SC HONOURS</li> <li>GRADUATE DIPLOMA IN</li> <li>ENGINEERING (GDE)</li> </ul>	<ul style="list-style-type: none"> <li>MANAGING DEVELOPMENT AND STOPING</li> <li>INTEPRETE STRUCTURE</li> <li>COMPILE LAYOUTS &amp; PLANS</li> <li>APPLY COMPUTER SOFTWARE</li> </ul>	<ul style="list-style-type: none"> <li>SUPERVISORY SKILLS</li> </ul>
SENIOR GEOLOGIST (M+6)	<ul style="list-style-type: none"> <li>NQF 8</li> <li>B SC HONOURS</li> </ul>	<ul style="list-style-type: none"> <li>FACE MAPPING</li> <li>STRUCTURE INTEPRETATION</li> <li>APPLY DRILL AND SAMPLING TECHNIQUES</li> </ul>	<ul style="list-style-type: none"> <li>SUPERVISORY SKILLS</li> <li>MEETING SKILLS</li> <li>PRESENTATION SKILLS</li> <li>PROBLEM SOLVING</li> </ul>
SHAFT GEOLOGIST GRADUATE TRAINEE	<ul style="list-style-type: none"> <li>NQF 8</li> <li>B SC GEOLOGY</li> <li>NHD OR B TECH</li> </ul>	<ul style="list-style-type: none"> <li>FACE MAPPING</li> <li>STRUCTURE INTEPRETATION</li> <li>APPLY DRILL AND SAMPLING TECHNIQUES</li> </ul>	<ul style="list-style-type: none"> <li>SUPERVISORY SKILLS</li> <li>MEETING SKILLS</li> <li>PRESENTATION SKILLS</li> <li>PROBLEM SOLVING</li> </ul>

#### In House Route

Career Path Role Profiles	Qualification	Technical Skills	Non-Technical Skills
SECTION GEOLOGIST 10 YEARS	<ul style="list-style-type: none"> <li>NQF 6</li> <li>GRADUATE DIPLOMA IN</li> <li>ENGINEERING (GDE)</li> </ul>	<ul style="list-style-type: none"> <li>GRADE CONTROL</li> <li>MANAGE DRILLING PROJECTS</li> <li>GEOLOGICAL MODELLING</li> <li>APPLY COMPUTER SOFTWARE</li> </ul>	<ul style="list-style-type: none"> <li>PROFESSIONAL REGISTRATION</li> <li>LEADERSHIP/ MENTORING</li> <li>MANAGEMENT SKILLS</li> </ul>
SENIOR GEOLOGIST 9 YEARS	<ul style="list-style-type: none"> <li>NQF 6</li> <li>MINERAL RESOURCES</li> <li>MANAGEMENT (MRM)</li> </ul>	<ul style="list-style-type: none"> <li>FACE MAPPING</li> <li>STRUCTURE INTEPRETATION</li> <li>APPLY DRILLING AND SAMPLING TECHNIQUES</li> </ul>	<ul style="list-style-type: none"> <li>SUPERVISORY SKILLS</li> <li>PROJECT MANAGEMENT</li> <li>COMPUTER LITERATE</li> <li>SUPERVISORY SKILLS</li> </ul>
SHAFT GEOLOGIST 48 MONTHS	<ul style="list-style-type: none"> <li>NQF 5</li> <li>Advanced Geology</li> </ul>	<ul style="list-style-type: none"> <li>MAPPING/ STRUCTURAL</li> <li>INTERPRETATION</li> </ul>	<ul style="list-style-type: none"> <li>REPORT WRITING SKILLS</li> </ul>
SENIOR GEOTECH 36 MONTHS	<ul style="list-style-type: none"> <li>NQF 4</li> <li>INTERMEDIATE GEOLOGY</li> </ul>	<ul style="list-style-type: none"> <li>MAPPING</li> <li>SAMPLING TECHNIQUE</li> </ul>	<ul style="list-style-type: none"> <li>COMMUNICATION SKILLS</li> <li>BUSINESS WRITING SKILLS</li> </ul>
GEOTECH 24 MONTHS	<ul style="list-style-type: none"> <li>NQF 4</li> <li>Basic Geology</li> <li>Basic Sampling</li> </ul>	<ul style="list-style-type: none"> <li>SAMPLING TECHNIQUE</li> </ul>	<ul style="list-style-type: none"> <li>HEALTH AND SAFETY</li> </ul>
JUNIOR GEOTECH 12 MONTHS	<ul style="list-style-type: none"> <li>NQF 4 OR ABET 4</li> <li>MATRIC (GRADE 12)</li> </ul>	<ul style="list-style-type: none"> <li>SAMPLING TECHNIQUE</li> </ul>	<ul style="list-style-type: none"> <li>HEALTH AND SAFETY</li> </ul>
LEARNER SAMPLER 6 MONTHS	<ul style="list-style-type: none"> <li>COMPETENCY BASED DRIVEN</li> </ul>	<ul style="list-style-type: none"> <li>HEALTH AND SAFETY</li> </ul>	<ul style="list-style-type: none"> <li>HEALTH AND SAFETY</li> </ul>
TRAINEE SAMPLER ENTRY NO EXPERIENCE	<ul style="list-style-type: none"> <li>COMPETENCY BASED DRIVEN</li> </ul>	<ul style="list-style-type: none"> <li>HEALTH AND SAFETY</li> </ul>	<ul style="list-style-type: none"> <li>HEALTH AND SAFETY</li> </ul>



## Career path – Metallurgy

Career Development			
Career Path Role Profiles	Qualification	Technical Skills	Non-Technical Skills
Group Metallurgist	B Sc(Eng) Extraction Met B Eng/B Sc(Eng)	4 Years Tertiary Education 10 Years Experience & broad exposure essential	<ul style="list-style-type: none"><li>Leadership Development Programme</li><li>Management Development programme</li></ul>
Plant Manager	BEng/B SC(Eng) B-Tech: Extraction Metallurgy	4 Years Tertiary Education 4-5 Years Experience,	
Senior Plant Metallurgist	BEng/B SC(Eng) B-Tech: Extraction Metallurgy	4 Years Tertiary Education 4 Years Experience,	
Metallurgist	BEng/B SC(Eng) Nat Diploma – Extraction Metallurgy	3 Years Tertiary Education 4 Years Experience	<ul style="list-style-type: none"><li>Relevant Supervisory Development programme</li></ul>
Business Unit Leader	Manufacturing Supervisor NQF 5 once registered	5 Years Experience Business Unit Leader Workbook	
Shift Foreman / Section Foreman	Mineral Beneficiation Process Controller NQF 4 once registered	5 Years Experience Foreman Workbook	
Section Supervisor / Plant Operator	Plant Controller NQF 3 once registered	3 Years Experience Supervisor Workbook	
Met Operator / Section Operator	Mineral Processing Machine Operator NQF 2 once registered	<p><u>Complete relevant course and area workbook and 2 Years experience in the following areas:</u></p> <ul style="list-style-type: none"><li>✓ Ore Reception</li><li>✓ Milling</li><li>✓ Crushing</li><li>✓ Thickening and Leach</li><li>✓ Adsorption</li><li>✓ Grading Room</li><li>✓ Chemical Handling</li><li>✓ Smelting</li><li>✓ Relining</li><li>✓ Backfilling</li></ul>	
Met Assistant / Met Specialist	Mineral Beneficiation Plant Worker NQF 1 once registered		
GENERAL WORKFORCE	SELECTION CRITERIA Min Edu level for selection = Grade 10 with English		



## Career Path – Finance

Career Path Role Profiles	Qualification	Career Development	
		Technical Skills	Non-Technical Skills
GROUP FINANCIAL MANAGER	<ul style="list-style-type: none"> <li>POST GRAD DEGREE IN FINANCE</li> </ul>	<ul style="list-style-type: none"> <li>MANAGERIAL STRATEGIC / BUDGETING &amp; PLANNING</li> </ul>	<ul style="list-style-type: none"> <li>MANAGEMENT SKILLS / EQ</li> <li>ADVANCE PROJECT MANAGEMENT SKILLS</li> </ul>
FINANCIAL MANAGER	<ul style="list-style-type: none"> <li>DIPLOMA/DEGREE IN FINANCE (COST &amp; MANAGEMENT)</li> </ul>	<ul style="list-style-type: none"> <li>MANAGERIAL STRATEGIC/ BUDGETING &amp; PLANNING</li> </ul>	<ul style="list-style-type: none"> <li>LEADERSHIP SKILLS</li> <li>CONFLICT MANAGEMENT</li> <li>PROJECT MANAGEMENT</li> </ul>
COST ACCOUNTANT	<ul style="list-style-type: none"> <li>DIPLOMA/DEGREE IN FINANCE (COST &amp; MANAGEMENT)</li> </ul>	<ul style="list-style-type: none"> <li>BUDGETING AND PLANNING</li> </ul>	<ul style="list-style-type: none"> <li>ADVANCE EXCEL</li> </ul>
MANAGER IN TRAINING	<ul style="list-style-type: none"> <li>DIPLOMA/DEGREE IN FINANCE (COST &amp; MANAGEMENT)</li> </ul>	<ul style="list-style-type: none"> <li>ANALYSIS COMPARISON</li> <li>BENCHMARKING</li> </ul>	<ul style="list-style-type: none"> <li>ASSERTIVENESS</li> <li>REPORT WRITING SKILLS</li> </ul>
ASSISTANT COST ACCOUNTANT	<ul style="list-style-type: none"> <li>DIPLOMA/DEGREE IN FINANCE (COST &amp; MANAGEMENT)</li> </ul>	<ul style="list-style-type: none"> <li>COMPUTER SKILLS</li> <li>ANALYSIS/ PROBLEM SOLVING</li> </ul>	<ul style="list-style-type: none"> <li>PRESENTATION SKILLS</li> <li>ADVANCE PROBLEM SOLVING SKILLS</li> </ul>
SHAFT ACCOUNTANT	<ul style="list-style-type: none"> <li>DIPLOMA/DEGREE IN FINANCE (COST &amp; MANAGEMENT)</li> </ul>	<ul style="list-style-type: none"> <li>COMPUTER SKILLS</li> <li>PLANNING SKILLS</li> </ul>	<ul style="list-style-type: none"> <li>EXCEL</li> <li>TIME MANAGEMENT</li> </ul>
SUPERVISOR	<ul style="list-style-type: none"> <li>FINANCE CERTIFICATE</li> </ul>	<ul style="list-style-type: none"> <li>SUPERVISORY COURSES</li> <li>COMPUTER LITERATE</li> </ul>	<ul style="list-style-type: none"> <li>SUPERVISORY SKILLS</li> <li>PROBLEM SOLVING SKILLS</li> </ul>
SENIOR CLERK	<ul style="list-style-type: none"> <li>FINANCE CERTIFICATE</li> </ul>	<ul style="list-style-type: none"> <li>PEOPLE MANAGEMENT</li> <li>COMPUTER LITERATE</li> </ul>	<ul style="list-style-type: none"> <li>INTERPERSONAL SKILLS</li> <li>COMMUNICATION SKILLS</li> </ul>
CLERK	<ul style="list-style-type: none"> <li>GR 12 WITH ACCOUNTING BACKGROUND</li> </ul>	<ul style="list-style-type: none"> <li>ACCOUNTING SYSTEM</li> <li>COMPUTER LITERATE</li> <li>ADMINISTRATIVE</li> </ul>	<ul style="list-style-type: none"> <li>PLANNING AND ORGANISING SKILLS</li> <li>COMPUTER / ADMINISTRATION SKILLS</li> </ul>
JUNIOR CLERK	<ul style="list-style-type: none"> <li>GR 12 WITH ACCOUNTING BACKGROUND</li> </ul>	<ul style="list-style-type: none"> <li>FLAIR FOR FIGURES</li> <li>ADMINISTRATIVE/FEEL FOR SYSTEMS</li> </ul>	





## Career Path – Human Resources

Career Development			
Career Path Role Profiles	Qualification	Technical Skills	Non-Technical Skills
HR EXECUTIVE (+10 YEARS EXPERIENCE)	<ul style="list-style-type: none"> <li>• POST GRAD /ADVANCE</li> <li>• QUALIFICATION IN HRM/</li> <li>• LABOUR LAW/HRM DEGREE</li> </ul>	<ul style="list-style-type: none"> <li>• HR POLICY AND STRATEGIES</li> <li>• MDP (EXECUTIVE LEVEL)</li> <li>• ADVANCE NEGOTIATION &amp; INFLUENCING SKILLS</li> <li>• COPORATE GOVERNANCE</li> </ul>	<ul style="list-style-type: none"> <li>• MANAGEMENT SKILLS</li> <li>• EQ</li> </ul>
GROUP HR LEADER (10 YEARS EXP)	<ul style="list-style-type: none"> <li>• POST GRAD/ADVANCE QUALIFICATION IN HRM/</li> <li>• LABOUR LAW/HRM DEGREE</li> </ul>	<ul style="list-style-type: none"> <li>• IMPACT OF THE LABOUR LEGISLATION ON BUSINESS</li> <li>• NEGOTIATING AND INFLUENCING SKILLS</li> <li>• DEVELOPMENT AND IMPLEMENTATION OF HR POLICIES AND STRATEGIES</li> </ul>	<ul style="list-style-type: none"> <li>• PROJECT MANAGEMENT</li> </ul>
HR LEADER (5-7 YEARS EXPERIENCE)	<ul style="list-style-type: none"> <li>• HRM DEGREE</li> </ul>	<ul style="list-style-type: none"> <li>• STRATEGIC WORKFORCE PLANNING</li> <li>• MANAGEMENT OF LABOUR RELATIONS</li> <li>• AND DISCIPLINE</li> </ul>	<ul style="list-style-type: none"> <li>• STRATEGIC SKILLS</li> </ul>
HR MANAGER (4-6 YEARS EXPERIENCE)	<ul style="list-style-type: none"> <li>• HRM DEGREE</li> </ul>	<ul style="list-style-type: none"> <li>• PERFORMANCE MANAGEMENT</li> <li>• PREPARING FOR AND PROSECUTING</li> <li>• DISCIPLINARY HEARINGS (IR)</li> <li>• MANAGING RETRENCHMENTS</li> </ul>	<ul style="list-style-type: none"> <li>• PROBLEM SOLVING</li> <li>• PLANNING SKILLS</li> </ul>
HOSTEL MANAGER (4 YEARS EXPERIENCE)	<ul style="list-style-type: none"> <li>• HRM DIPLOMA</li> <li>OR</li> <li>• HRM DEGREE</li> </ul>	<ul style="list-style-type: none"> <li>• STAFFING AND LABOUR MANAGEMENT</li> <li>• SOURCING AND EMPLOYEE RETENTION</li> <li>• STRATEGIC HR MANAGEMENT AND CHANGE</li> <li>• ER/ EE/ SLP</li> </ul>	<ul style="list-style-type: none"> <li>• ASSERTIVENESS</li> <li>• PRESENTATION SKILLS</li> <li>• REPORT WRITING</li> </ul>
HR MANAGER IN TRAINING (4 YEARS EXPERIENCE)	<ul style="list-style-type: none"> <li>• HRM DIPLOMA</li> <li>OR</li> <li>• HRM DEGREE</li> </ul>	<ul style="list-style-type: none"> <li>• UNDERSTAND AND IMPLEMENT HR STRATEGY</li> <li>• SUSTAINABLE COLLECTIVE BARGAINING (ER)</li> </ul>	<ul style="list-style-type: none"> <li>• INTERPERSONAL SKILLS</li> <li>• TIME MANAGEMENT</li> </ul>
HR OFFICER	<ul style="list-style-type: none"> <li>• HRM DIPLOMA</li> </ul>	<ul style="list-style-type: none"> <li>• UNDERSTAND AND IMPLEMENT HR STRATEGY</li> <li>• SUSTAINABLE COLLECTIVE BARGAINING (ER)</li> </ul>	<ul style="list-style-type: none"> <li>• INTERPERSONAL SKILLS</li> <li>• TIME MANAGEMENT</li> </ul>
ASSISTANT HR OFFICE	<ul style="list-style-type: none"> <li>• HRM CERTIFICATE</li> </ul>	<ul style="list-style-type: none"> <li>• LABOUR MANAGEMENT</li> </ul>	<ul style="list-style-type: none"> <li>• COMPUTER SKILLS</li> </ul>
HR ASSISTANT	<ul style="list-style-type: none"> <li>• GR 12 OR EQUIVALENT</li> <li>• 18 MONTHS EXPERIENCE</li> </ul>	<ul style="list-style-type: none"> <li>• ESSENTIAL BUSINESS WRITING</li> </ul>	<ul style="list-style-type: none"> <li>• COMMUNICATION SKILLS</li> </ul>
NOVICE/HR TRAINEE	<ul style="list-style-type: none"> <li>• HRO TRAINING AS PER REMUNERATION STRUCTURE</li> </ul>	<ul style="list-style-type: none"> <li>• RECRUITMENT AND SELECTION</li> </ul>	



## Career Path – Learning and Development

Career Development			
Career Path Role Profiles	Qualification	Technical Skills	Non-Technical Skills
GROUP LEARNING AND DEVELOPMENT MANAGER	<ul style="list-style-type: none"> <li>Relevant Degree in HRD or equivalent</li> </ul>	<ul style="list-style-type: none"> <li>ADVANCED MANAGEMENT DEVELOPMENT PROGRAMME</li> </ul>	<ul style="list-style-type: none"> <li>LEADERSHIP SKILLS</li> <li>EMOTIONAL INTELLIGENCE</li> <li>PRESENTATION SKILLS</li> <li>ORGANISING SKILLS</li> <li>NEGOTIATION SKILLS</li> </ul>
LEARNING AND DEVELOPMENT MANAGER		<ul style="list-style-type: none"> <li>LEADERSHIP DEVELOPMENT PROGRAMME</li> <li>PROJECT MANAGEMENT</li> <li>MDP</li> <li>MINING: MINE OVERSEER CERTIFICATE</li> <li>ENGINEERING: FOREMAN</li> <li>METALLURGY: PLANT METALLURGIST</li> <li>ORM: SURVEYOR/GEOLOGIST</li> </ul>	<ul style="list-style-type: none"> <li>PLANNING &amp; ORGANISING SKILLS</li> <li>MANAGEMENT SKILLS</li> <li>ADVANCE INTERPERSONAL SKILLS</li> <li>ANALYTIC SKILLS</li> <li>REPORT WRITING SKILLS</li> <li>ADVANCE PROBLEM SOLVING</li> </ul>
TRAINING COORDINATOR (EXPERIENCE IN A SUPERVISORY POSITION, AS WELL AS IN MODERATION & ASSESSMENTS)	<ul style="list-style-type: none"> <li>NATIONAL DIPLOMA: OCCUPATION DIRECTED EDUCATION TRAINING AND DEVELOPMENT</li> </ul>	<ul style="list-style-type: none"> <li>LDP</li> </ul>	<ul style="list-style-type: none"> <li>SUPERVISORY SKILLS</li> <li>PLANNING SKILLS</li> <li>CONFLICT MANAGEMENT</li> </ul>
TRAINING OFFICER (2 years experience as an assessor in relevant discipline)	<ul style="list-style-type: none"> <li>HIGHER CERTIFICATE: OCCUPATION DIRECTED EDUCATION TRAINING AND DEVELOPMENT – NQF level 5</li> </ul>	<ul style="list-style-type: none"> <li>CONDUCT MODERATION</li> <li>SUPERVISORY DEVELOPMENT PROGRAMME</li> </ul>	<ul style="list-style-type: none"> <li>ASSERTIVENESS SKILLS</li> <li>ADVANCE COMMUNICATIONS SKILLS</li> </ul>
ASSISTANT TRAINING OFFICER (2 Years experience as a Training Instructor)	<ul style="list-style-type: none"> <li>CERTIFICATE: OCCUPATION DIRECTED EDUCATION TRAINING AND DEVELOPMENT NQF level 4</li> </ul>	<ul style="list-style-type: none"> <li>WORKPLACE ASSESSOR</li> </ul>	<ul style="list-style-type: none"> <li>PROBLEM SOLVING SKILLS</li> <li>INTERPERSONAL SKILLS</li> <li>COMPUTER SKILLS</li> </ul>
TRAINING INSTRUCTOR / FACILITATOR (3 Years experience in the field in which training will be delivered)	<ul style="list-style-type: none"> <li>GR 9/NQF1/ABET LEVEL 4 PERFORM ONE-TO-ONE TRAINING NQF Level 3</li> </ul>	<ul style="list-style-type: none"> <li>COACH THE LEARNER</li> </ul>	<ul style="list-style-type: none"> <li>PRESENTATION SKILLS</li> <li>COMMUNICATION SKILLS</li> </ul>
GENERAL WORKER			



## Career Path – Health and Safety

Career Development			
Career Path Role Profiles	Qualification	Technical Skills	Non-Technical Skills
<b>GROUP OHS GM (+10 YEARS EXPERIENCE)</b>	<ul style="list-style-type: none"> <li>Degree in Occupational Health and Safety</li> <li>Mine Manager Certificate</li> <li>Mine Overseers Certificate</li> </ul>	<ul style="list-style-type: none"> <li>ADVANCE RISK MANAGEMENT</li> </ul>	<ul style="list-style-type: none"> <li>MANAGEMENT SKILLS</li> <li>EQ</li> <li>BUSINESS PRESENTATION SKILLS</li> <li>PROJECT MANAGEMENT</li> </ul>
<b>SAFETY MANAGER (7 YEARS EXP)</b>	<ul style="list-style-type: none"> <li>Management Development Certificate</li> <li>Mine Manager Certificate</li> <li>Mine Overseers Certificate</li> </ul>	<ul style="list-style-type: none"> <li>RISK MANAGEMENT</li> </ul>	<ul style="list-style-type: none"> <li>PLANNING SKILLS</li> <li>LEADERSHIP SKILLS</li> <li>CONFLICT MANAGEMENT</li> <li>ASSERTIVENESS</li> </ul>
<b>CHIEF SAFETY OFFICER (MINIMUM 5 YEARS EXP)</b>	<ul style="list-style-type: none"> <li>Dip Occupational Safety, Hygiene &amp; Environment</li> <li>Mine Overseers Certificate</li> </ul>	<ul style="list-style-type: none"> <li>LEADERSHIP FOR MIDDLE MANAGEMENT</li> </ul>	<ul style="list-style-type: none"> <li>SUPERVISOR SKILLS</li> <li>CONFLICT MANAGEMENT</li> <li>AUDITING</li> <li>TIME MANAGEMENT</li> </ul>
<b>SAFETY OFFICER</b>	<ul style="list-style-type: none"> <li>Nat Certificate Occupational Safety, Hygiene &amp; Environment</li> </ul>	<ul style="list-style-type: none"> <li>BASIC AND ADVANCE RISK MANAGEMENT</li> <li>OCCUPATIONAL HEALTH &amp; HYGIENE</li> <li>COMSOC 2</li> <li>SAFETY MANAGEMENT SKILLS</li> <li>SAMRAC</li> </ul>	<ul style="list-style-type: none"> <li>PROBLEM SOLVING SKILLS</li> <li>REPORT WRITING SKILLS</li> <li>PIPL</li> <li>LABOUR RELATIONS</li> </ul>
<b>FULL TIME HEALTH &amp; SAFETY REP</b>	<ul style="list-style-type: none"> <li>Certificate in Hazard Identification</li> <li>Certificate in Safety Representation</li> </ul>		<ul style="list-style-type: none"> <li>COMMUNICATION SKILLS</li> </ul>
<b>WORKFORCE</b>	<ul style="list-style-type: none"> <li>Gr 12</li> </ul>		<ul style="list-style-type: none"> <li>COMPUTER SKILLS</li> </ul>



## Career Path – Health Care (Nursing)

Career Path Role Profiles	Qualification
<b>NURSING SERVICES MANAGER</b>	<ul style="list-style-type: none"> <li>5 Years experience as an Assistant Nursing Manager</li> </ul>
<b>ASSISTANT NURSING MANAGER</b>	<ul style="list-style-type: none"> <li>5 Years experience as a Unit Manager</li> </ul>
<b>UNIT MANAGER</b>	<ul style="list-style-type: none"> <li>Diploma/Degree in Health Care Management</li> <li>5 Years experience as Professional Nurse</li> </ul>
<b>SENIOR PROFESSIONAL NURSE</b>	<ul style="list-style-type: none"> <li>1 Year post-basic training in a specialized Area</li> <li>Full time training includes theory &amp; practical</li> </ul>
<b>PROFESSIONAL NURSE</b>	<ul style="list-style-type: none"> <li>Nursing Diploma/Degree</li> <li>4 Year full time training includes Theory &amp; practical OR</li> <li>2 Year full time bridging includes theory &amp; practical</li> </ul>
<b>ENROLLED NURSE</b>	<ul style="list-style-type: none"> <li>Nursing College Certificate</li> <li>2 Year full time training includes theory &amp; practical OR</li> <li>1 Year bridging course includes theory &amp; practical</li> </ul>
<b>ENROLLED NURSING ASSISTANT</b>	<ul style="list-style-type: none"> <li>Nursing College Certificate</li> <li>1 Year full time training includes theory &amp; practical</li> </ul>
<b>HEALTH CARE GIVER</b>	<b>Certificate</b> <ul style="list-style-type: none"> <li>1 Month theory</li> <li>2 Months practical</li> </ul>
<b>WARD ASSISTANT</b>	<ul style="list-style-type: none"> <li>GR 12</li> </ul>
<b>PORTER</b>	<ul style="list-style-type: none"> <li>ON THE JOB TRAINING</li> </ul>



## Career Path - Security

Career Development			
Career Path Role Profiles	Qualification	Technical Skills	Non-Technical Skills
SECURITY MANAGER (+10 YEARS EXPERIENCE)	• GRADE 12 OR EQUIVALENT	• PSIRA GRADE A+	<ul style="list-style-type: none"> <li>• ADVANCE MANAGEMENT SKILLS</li> <li>• EQ</li> <li>• LEADERSHIP SKILLS</li> </ul>
ASSISTANT SECURITY MANAGER (7 YEARS EXP)	• GRADE 12 OR EQUIVALENT	• PSIRA GRADE A	<ul style="list-style-type: none"> <li>• PLANNING &amp; ORGANISING SKILLS</li> <li>• MANAGEMENT SKILLS</li> <li>• TIME MANAGEMENT SKILLS</li> </ul>
ASSET PROTECTION CO-ORDINATOR (MINIMUM 5 YEARS EXP)	• GRADE 12 OR EQUIVALENT	• PSIRA GRADE A	<ul style="list-style-type: none"> <li>• SUPERVISORY SKILLS</li> <li>• ADVANCE CONFLICT MANAGEMENT</li> </ul>
ASSET PROTECTION OFFICER GR1	• GRADE 12	• PSIRA GRADE B	<ul style="list-style-type: none"> <li>• PROBLEM SOLVING AND AUDITING SKILLS</li> </ul>
ASSET PROTECTION OFFICER GR 2	• GRADE 12	• PSIRA GRADE C	<ul style="list-style-type: none"> <li>• CONFLICT MANAGEMENT</li> </ul>
ASSET PROTECTOR GR 1	• GRADE 12	• PSIRA GRADE D	<ul style="list-style-type: none"> <li>• ADVANCE REPORT WRITING</li> <li>• PRESENTATION SKILLS</li> </ul>
ASSET PROTECTOR GR 2	• GRADE 12	• PSIRA GRADE D	<ul style="list-style-type: none"> <li>• ADVANCE COMMUNICATION SKILLS</li> <li>• REPORT WRITING SKILLS</li> </ul>
ASSET PROTECTOR	• GRADE 12	• PSIRA GRADE E	<ul style="list-style-type: none"> <li>• COMPUTER SKILLS</li> <li>• COMMUNICATION SKILLS</li> </ul>



## Talent pool

### Objective of the talent pool

The objective of the Operation's talent pool (as has been defined for all Harmony mines) includes the following:

- People development
- Succession management
- Performance management
- Career management
- Employment equity – meeting employment equity targets

### Plan for HDSA representation in the talent pool

*The figure below represents a percentage of the actual Leadership and Skills Development Plans above.*

HDSA representation in Talent Pool (representing 80% of mentorship programme)	Year 1	Year 2	Year 3	Year 4	Year 5
	7	4	7	5	7

### Measures to develop the talent pool

The following measures are employed to develop the talent pool:

- Mentorship / Coaching
- Employment equity targets (as per the Employment Equity Act)
- Group/mine career opportunities (promotions, transfers and acting opportunities)
- Opportunities in Harmony's growth projects
- Expatriate opportunities in Harmony's international operations – Papua New Guinea (PNG)

### Targeted employees in the talent pool

All high potential and high performing employees within Operation are eligible to be part of the talent pool. However, the number of the people in the talent only includes the top talent in the mine.

The following occupational levels are represented in the talent pool:

- Technically skilled/operators: skilled technical and academically qualified workers, junior management, supervisors, foremen – Patterson bands C1 to C5
- Professionals: professionally qualified, experienced specialists and mid management – Patterson bands D1 to D5
- Senior management – Patterson bands E1 to E5

The talent pool is identified based on the top performing employees with the highest potential, especially in core disciplines.

## 2.5 Mentorship Programmes

In order for Harmony to develop highly competent leaders and a healthy pipeline of HDSA leaders and professionals, an internal mentorship and coaching programme was developed to encourage and support the developmental areas identified to be lacking.



## Implementation plan

MENTORSHIP AND COACHING	
IMPLEMENTATION PLAN	
<b>Objectives:</b>	<ul style="list-style-type: none"> <li>To develop a pipeline of leaders and professionals</li> <li>To ensure we have the resources to effectively meet the future requirements of our employment equity plan</li> <li>To practically enhance the skills of young upcoming leaders</li> </ul>
<b>Deliverable benefits:</b>	<ul style="list-style-type: none"> <li>Adequate and competent mentors / coaches</li> <li>Consistently mentored protégés / coachees</li> </ul>
<b>Implementation plan:</b>	<ul style="list-style-type: none"> <li>Ongoing training of current mentors / coaches</li> <li>Develop and support mentors / coaches</li> <li>Monitor the progress of sessions between mentors and protégés annually</li> </ul>

### Mentorship Plan

All employees on Leadership related development and / or talent pool programmes will form part of the Mentorship / Coaching Programme.

*The table below reflects the Mentorship plan*

MENTORSHIP PROGRAMME						
Description	Plan					Total
	Year 1	Year 2	Year 3	Year 4	Year 5	
Supervisory Development	2	2	3	3	3	13
Engineering Foreman	3	3	3	3	3	15
Human Resources Officer	1	-	1	-	1	3
Financial Manager	1	-	1	-	1	3
Accountant	-	1	-	1	-	2
Occupational Hygienist	1	-	1	-	1	3
Occupational Hygiene Officer	1	-	-	-	-	1
<b>Total</b>	<b>9</b>	<b>6</b>	<b>9</b>	<b>7</b>	<b>9</b>	<b>40</b>





## 2.6 MQA, Internship, Graduate and Bursaries programmes

Our internship and experiential training programme is part of Harmony's talent development programme. Graduates from different South African universities are recruited either directly or indirectly through the MQA grant system and placed on the internship programme over a period of time not longer than two years, to gain necessary practical work experience in various core mining related disciplines such as mining, engineering, geology, metallurgy and survey. Most of the graduates are HDSAs and are drawn from the immediate local communities where Harmony operates. Once these learners have completed the internship programme, Harmony exercises the first option whether or not to offer the candidates permanent employment.

This programme does not only help to provide the individuals with practical work experience, but also to equip the candidates with business management and leadership skills to prepare them for future managerial related work.

These programmes are provided to give people not working at Harmony the opportunity to gain experience at the operations and to learn more about the gold mining industry.

### MQA and Experiential training plan

*The table below reflects the planned intake levels for MQA and Experiential training students*

MQA / EXPERIENTIAL TRAINING PROGRAMMES						
	Plan					Total
	Year 1	Year 2	Year 3	Year 4	Year 5	
Total Planned	2	1	1	2	1	7

**Note:** The table above display the new intake per year.

### Interns and Graduates training plan

*The table below reflects the planned intake levels for Interns and Graduate students*

INTERN AND GRADUATE PROGRAMME						
	Plan					Total
	Year 1	Year 2	Year 3	Year 4	Year 5	
Total Planned	1	1	1	1	1	5

**Note:** The table above display the new intake per year.

Employees working for the Operation do not go through the same Internship process as for non-Harmony employees. Our employees are given the opportunity, after completing their studies, to be transferred to the respective department and to become part of the talent pool and mentorship process for further practical development.



## Bursary programme

The Operation will facilitate the awarding of bursaries to deserving community / contractor students annually.

### BURSARY PROGRAMME

The provision of further education and training with regards to bursary and community bursary students with a service obligation to Harmony.

#### Objectives:

To promote the tertiary education and training of bursary students, according to the strategic labour requirements of the Operation, in order to develop future leaders in areas identified as mining core disciplines. Students are allocated bursaries in consultation with the local municipalities, where possible, and will be allowed to study for a diploma or degree at accredited tertiary institutions within the SA.

#### The core disciplines that Harmony give priority to when allocating bursaries are as follow:

- Mining engineering
- Engineering
- Metallurgy
- Ore Reserve Management.

#### Beneficial change:

The empowerment of young talented South Africans will be from the local community. These candidates must be achievement oriented, able to handle the challenges of teamwork in a mining environment and have a business mind set.

#### Beneficiaries:

- Talented South Africans with a passion for core mining disciplines and the desire to join Harmony.
- Should the municipality approach Harmony to award bursaries for disciplines aligned to their strategic priorities, such requests will also be considered.

#### Implementation plan:

- Promotion of this unique opportunity to students with potential through the Harmony website and internally for employees to be aware of opportunities for their children.
- Annual applications received by the Harmony bursary scheme before 30 August of each year.
- Assessment of short listed applicants and selection through the interview process.
- Formal bursary contracting with Harmony.



## Bursary plan

The table below reflects the planned intake levels for Community / Contractor Bursars

COMMUNITY BURSARY PROGRAMME						
	Plan					Total
	Year 1	Year 2	Year 3	Year 4	Year 5	
Total Planned	1	1	1	1	1	5

**Note:** The table above display the new intake per year.

Employees working for the Operation do not go through the same Bursary process as for non-Harmony employees. Our employees are given the opportunity to study further through our Study Assistance Programmes, whereby the Operation will grant the student the money for further development, whilst still working at the Operation.

## Portable skills

Refer to **Section 4: Process for the management of downscaling and retrenchment at Operation** on page 90.

## 2.7 Financial provision – Human Resource Development

The details of the five year financial provision for the HRD programme are outlined in the table below:

FINANCIAL PROVISION - HRD						
	Plan					Total
	Year 1	Year 2	Year 3	Year 4	Year 5	
Adult Education and Training	55,453.54	50,663.64	59,227.40	54,437.50	34,255.96	254,038.04
Learnership 18.1	214,594.92	228,543.59	243,398.92	259,219.68	276,068.70	1,221,825.82
Learnership 18.2	277,189.84	295,207.18	314,395.65	334,831.36	356,595.40	1,578,219.43
Skills Development	81,735.36	87,048.16	92,706.29	98,732.20	105,149.79	465,371.79
MQA, Experiential Training	288,000.00	152,640.00	161,798.40	343,012.61	181,796.68	1,127,247.69
Interns and Graduates	158,400.00	167,904.00	177,978.24	188,656.93	199,976.35	892,915.52
Bursars (Community Bursars)	200,000.00	212,000.00	224,720.00	238,203.20	252,495.39	1,127,418.59
<b>Total Financial Provision</b>	<b>1,275,373.66</b>	<b>1,194,006.57</b>	<b>1,274,224.90</b>	<b>1,517,093.48</b>	<b>1,406,338.28</b>	<b>6,667,036.89</b>



## 2.8 Employment Equity

### Introduction

The Operation is committed to organisational transformation, along with the transformation of South African society. The mine strategically views transformation as a long-term opportunity for the sustainable growth of the company's business.

### Form S

*Breakdown of Board and Top Management Levels as at March 2017*

OCCUPATIONAL LEVELS FOR BOARD AND TOP MANAGEMENT															
Form S	African		Coloured		Indian		White		Foreign Nationals		Total	Total HD SA	% HD SA	Total Females	% Females
	M	F	M	F	M	F	M	F	M	F					
Board	5	2			1		3		1		12	8	67%	2	17%
Top Management (EXCO)	3					1	5	1			10	5	50%	2	20%
Total permanent	8	2			1	1	8	1	1		22	13	59%	4	18%

*\*The above table reflects the Board and Top Management levels. They are not part of this operation only, they play an overseeing role in all of Harmony's Operations*

*Breakdown of mine employees per occupational level as at March 2017*

OCCUPATIONAL LEVELS - as at March 2017													
Form S	African		Coloured		Indian		White		Foreign Nationals		Total	% HD SA	% Females
	M	F	M	F	M	F	M	F	M	F			
Senior management	2						1				3	67%	
Qualified professionals, specialists and mid-management	3	2					2	1			8	75%	38%
Skilled technical workers, junior management, supervisors	47	10					9	1	2		69	84%	16%
Semi-skilled and discretionary decision making	33	7									40	100%	18%
Unskilled and defined decision making	111	10									121	100%	8%
Total permanent	196	29					12	2	2		241	94%	13%
Non-permanent employees	338	42	1				43	3	4		431	89%	10%
Total	534	71	1				55	5	6		672	91%	11%



## Breakdown of HDSA in Management as at March 2017

HDSA IN MANGEMENT - as at March 2017													
	African		Coloured		Indian		White		Foreign Nationals		Total	Total HDSA	% HDSA
	M	F	M	F	M	F	M	F	M	F			
Senior Management	2						1				3	2	67%
Middle Management	3	2					2	1			8	6	75%
Junior Management	47	10					9	1	2		69	58	84%
Total permanent	52	12					12	2	2		80	66	83%
Core / Critical Skills in Management	43	8					11		2		64	51	80%

### Strategies in support of employment equity:

- **Positioning of vacant posts as development posts:**

Vacant positions can become a development potential with fewer educational and experience requirements. These positions should facilitate the appointment of a HDSA member. They are advertised internally and a development plan is set up to ensure that the incumbents achieve the necessary educational qualification or experience. Funds are available for any training or developmental needs.

- **Community internship programmes:**

This focuses on graduates, certificated persons and diplomats. In the internship programmes, consideration can also be given to prepare individuals for first level professional positions.

- **Succession planning / Talent management for employees:**

Employees are being developed to be ready to fill vacancies when such arise.

- **Recruitment and selection:**

Recruitment and selection strategies are geared towards achieving the employment of suitably qualified candidates from the designated groups.

### Qualitative targets

- Create awareness of employment equity issues through established structures
- Implement appropriate diversity programmes for all employees to create awareness of diversity issues and the management thereof



## Employment equity and Female representation plans for 2018 to 2022

The table below reflects the plan for Employment Equity as well as Female Representation

Employment Equity figures for 2018 to 2022										
Description	2018		2019		2020		2021		2022	
	% HDSA	% Females	% HDSA	% Females	% HDSA	% Females	% HDSA	% Females	% HDSA	% Females
Senior management	75%	25%	75%	25%	75%	25%	75%	25%	75%	25%
Qualified professionals, specialists and mid-management	80%	40%	80%	40%	80%	40%	80%	40%	80%	40%
Skilled technical workers, junior management, supervisors	85%	15%	85%	15%	85%	15%	85%	15%	85%	15%
Semi-skilled and discretionary decision making	100%	22%	100%	22%	100%	22%	100%	22%	100%	22%
Unskilled and defined decision making	100%	11%	100%	11%	100%	11%	100%	11%	100%	11%
<b>Total permanent</b>	<b>94%</b>	<b>15%</b>	<b>94%</b>	<b>15%</b>	<b>94%</b>	<b>15%</b>	<b>94%</b>	<b>15%</b>	<b>94%</b>	<b>15%</b>

### Transformation at the Operation

The Operation seeks a sustainable rate of change with regard to employment equity and transformation.

The Operation is committed to the following central focus points in its long term transformation and EE strategy:

- Setting annual targets intended to address the economically active population profile of the country.
- Pursuing transparency in recruitment, promotion and placement processes
- Accelerating the training and development of historically disadvantaged groups to contribute to their skills base and career advancement
- Establishing and maintaining an organisational culture that promotes better understanding and tolerance of the diverse backgrounds of all employees
- Continuously offering awareness in diversity management
- Facilitate quarterly EE meetings with organised labour to monitor progress, and maintain ongoing dialogue on matters relating to EE

### Monitoring of the employment equity plan:

#### Objectives:

- Achieve HDSA representation in senior levels of the organisation
- Talent retention through specific interventions
- Managing diversity
- The management and monitoring of EE programmes
- Management of relevant development interventions for employees

#### Implementation plan:

- Ongoing analysis and implementation of employment equity plans
- Monitor EE targets quarterly per functional business unit
- Ongoing review and monitoring of the process followed to identify and retain talent at the Operation



### **Women in mining and gender diversity**

Historically, women have been excluded from taking up positions in mining. Within the mining environment, women were traditionally employed within roles in services disciplines, thus the challenge has been to include women in non-traditional supervisory roles that are directly linked to the core business of mining.

The Operation is aware of the potential contribution of women to the functioning of the mines, and thus ensures that all people are treated equally, fairly and without discrimination. Thus, diversity management is of great importance in ensuring women are integrated into a predominantly male environment, in a manner which takes into account the diverse nature of the mining industry.

#### **Current challenges faced by women underground within Harmony include:**

- Attracting and retaining female employees in core supervisory positions within the mining environment
- Overcoming negative perceptions and myths around women capabilities
- The physiological challenges of accommodating women
- Identifying the unique training needs of women

#### **Challenges which are being addressed, as a long-term strategy for the inclusion of women in mining as listed below:**

- Driving diversity and gender equality awareness
- Championing social behaviour and mind set changes among male employees
- Developing a pipeline to identify, develop and improve representation of skilled female employees in supervisory positions in core disciplines
- Thorough induction to prepare women for the challenges of working underground
- Investing in accommodation and change house facilities to cater for female employees, including PPE and ablution facilities with sanitary bins
- The provision of family planning facilities for female employees
- The facilitation of alternative surface work for pregnant employees





## Section 3: Local economic development programme

As per Regulation 46(c): Local economic development programme, the following is covered in this section:

- Regulation 46(c)(i): The social and economic background of the area in which the mine operates
- Regulation 46(c)(ii): Key economic activities of the area in which the mine operates
- Regulation 46(c)(ii): Impact of the mine in local and labour-sending communities
- Regulation 46(c)(iii): Infrastructure and poverty eradication projects in the local and labour-sending areas
- Regulation 46(c)(iv): Housing and living conditions
- Regulation 46(c)(v): Measures to address nutrition
- Regulation 46(c)(vi): Procurement progression plan and its implementation for HDSA companies in terms of capital goods, services and consumables

### 3.1 Introduction

The Operation recognises that the business of gold mining has considerable economic, social and environmental impacts which have to be considered during the life of the mines. This section of the Social and Labour Plan will consider various issues on LED around the mining community and the labour-sending areas.

The primary objective of mine community development is to meaningfully contribute towards community development, both in terms of size and impact, in keeping with the principles of the social license to operate.

### 3.2 Harmony's group approach to LED

LED is considered to be an integral parts of doing business in Harmony. A key theme is the upliftment of the communities from which the operation draws a significant percentage of its employees. The Operation's LED focuses on how the mine will address the socio-economic needs of its local environment and the regions from which the mine sources its workforce.

#### Harmony's LED support in the mining and labour-sending communities

The Operation approaches the issue of LED through the local governments and municipal authorities in order to impact on local economies, especially in the mining and labour-sending communities. The Operation, as part of Harmony, is tasked with establishing liaison and communication structures with the district and local government structures in the areas where it operates. This participative approach will ensure that all operational initiatives, in the field of economic development, are formulated and implemented as an integral part of the local authorities' economic and integrated development plans.

The LED support by the Operation at the mining and labour-sending communities is guided by the principles outlined in the following paragraphs.

#### LED focus areas

The focus areas for LED support by the Operation include the following:

- Infrastructure development
- Poverty alleviation
- Community development
- Job creation
- Economic Development



The LED project plans agreed to with the local municipalities in the mining and labour-sending communities, as per the this SLP, will specify the focus areas in terms of the above and will also indicate the scope of each project, for instance, in terms of the number of jobs created or the target beneficiaries of a project. The continuous review of the LED projects during the implementation process will ensure that the projects are not static but are revised in terms of changing needs and also to ensure sustainability. New LED projects in addition to the ones identified in this SLP will also be identified in consultation with all relevant stakeholders.

### **LED support drivers**

The LED support by the Operation at various mining and labour-sending communities is driven by the following:

- Integrated development plans (IDPs) and/or local economic development plans of municipalities, both at district and municipal levels
- Provincial growth and development strategies
- National goals on economic development, infrastructure development, social development, and poverty eradication
- Socio-economic development objectives at labour-sending countries for the areas where Harmony sources its employees
- Collaborative and participative (bilateral and stakeholder ) forum structures with local economic development partners
- Direct engagement with community structures

### **LED ownership**

The Operation's main business activity is that of mining and LED support is an integral part of the company's sustainable development strategy. LED is a primary responsibility of the following entities:

- Local government (municipalities)
- Provincial government
- National government

The LED projects will be owned by the local government structures from inception and where this is not the case, the company will ensure that all local stakeholders, including local municipalities, are consulted or are participant in such projects.

### **The Operation's LED responsibilities**

As a responsible corporate citizen the Operation together with other private sector entities that embrace corporate citizenship, does not believe that the task of LED as being solely that of government. We believe LED is an integral part of our business and achieve this by:

- Running profitable and sustainable mining operations that create employment opportunities, boost local economies through support of business activities and contribute to the government tax revenues
- Participating in all activities that aims to promote LED in the community
- Allocating resources in the mining and labour-sending communities to promote and/or support LED

### **Business approach to LED**

Just like all business activities within the company, business principles are applied to LED support to the host communities and labour-sending communities.



This is achieved by ensuring a return on each LED investment through the following:

- **Impact:**  
Each LED project supported must have a positive impact on the mining community or labour-sending area. The impact may, for instance, be in a form of improved infrastructure, jobs created, reduced poverty, skilled community, and increased participation in the economy by community members
- **Development:**  
Each LED project supported must have its primary objective to develop the target community.
- **Focus:**  
To ensure focus, specific beneficiaries will be identified for each LED project supported
- **Sustainability:**  
It is imperative that before each LED project is supported, proper feasibility and sustainability studies are conducted. LED projects must not in the long-term depend on the existence of the mining operations
- **Obtaining and keeping mining licences:**  
LED support in the mining and labour-sending communities must contribute to the company having the right to conduct mining operations in terms of the provisions of the MPRDA. The objective, though, will be to always exceed legal requirements in line with its corporate citizenship strategy

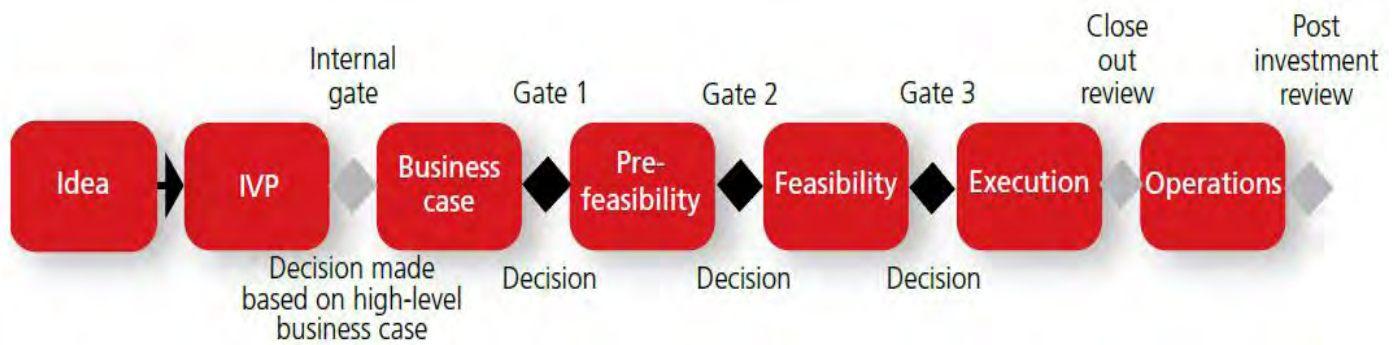
### **Project management principle and process for governance and assurance**

Project management and measurement is a one of the key focus areas within Harmony, and it is also applied by the Operation.

The current Harmony project portfolio encompasses a broad spectrum of projects from building mega mines, both in South Africa and internationally, to smaller projects that cover all the disciplines found in the mining industry. The company has various organic growth and operational improvement projects that are aimed at increasing the life of mines and thereby ensuring long term profitability and long-term employment opportunities.

Harmony manages investment opportunities and projects using a formalised stage gated process in order to ensure appropriate levels of governance and assurance. This process is in line with world best practice. Harmony has a project management function with representation at executive level that oversees projects undertaken in the group.

Success in implementing the numerous projects within Harmony is achieved by implementing rigorous professional project management principles to support the gated approach described above. The gated approach (project life cycle) is summarised as such:



This approach however, cannot be applied to all projects in which Harmony invests. Our LED partners will however be encouraged to follow these practices in their respective environments in order to ensure Harmony LED alignment and support. Harmony will assist in developing these skills where feasible. The key principle here is for each LED project to have a suitable project plan that encompasses the required level of definition.

By applying suitable project management principles, the following advantages will be realised:

- The number of successfully implemented LED projects will increase
- The sustainability of LED projects will increase
- The viability of LED projects will be determined before implementation
- Measurement of LED projects success is easily achieved
- Governance and assurance is formally demonstrated

Harmony, when requested to by the LED partners, will also assist or provide project management capacity to monitor group LED projects and to ensure that professional project management principles are followed as part of the implementation of this SLP. Again, this approach cannot be applied to all projects in which Harmony invests.

### LED projects in the SLP

The LED projects contained in the SLP for the Operation follows the principles above with the following considerations:

- The LED support plans are not static, but will be reviewed regularly with the relevant stakeholders, especially municipalities, for opportunities for continuous improvement and to ensure that maximum economic development benefits are achieved
- The LED projects will always be aligned with the LED objectives as set out by the MPRDA and the MPRDA regulations
- LED projects review will be frequent and continuous, with all stakeholders playing a role including but not limited to municipalities, Harmony, and the DMR

### 3.3 Education

Education is important in the development of any society and plays a critical role in the transformation of South Africa. Harmony's contribution continues to focus on the teaching and learning of science and mathematics; supporting the education system by providing infrastructure such as school libraries and laboratories, as well as educational material. Harmony is also involved in the Jewellery School, Sports Academy, Bridging School, and in educator development in schools surrounding our mines.



### 3.4 Socio-economic development

Socio-economic development includes investment in projects associated with HIV/AIDS, job creation, the alleviation of poverty, promotion of community safety and the facilitation of black economic empowerment (BEE).

The funding of projects, programmes and events are considered depending on the needs identified either locally or nationally.

### 3.5 Responsibility and reporting

The implementation of this SLP, as well as the annual preparation and submission of an annual report by the Operation, is the responsibility of the individual mine and is ultimately accountable to the Executive in charge of the South African mines to ensure plans are successfully implemented.

### 3.6 Socio-economic background and key economic activities of this Operation's mining community

This section will cover the social and economic background of this Operation's mining community. First a brief overview of the social and economic background of the North West Province will be given. This will be followed by that of the Ratlou local municipality, which is the host local municipality. The Operation is located in the Ratlou local municipality which is part of the Ngaka Modiri Molema district municipality in the North West province. . *All information was sourced from Statistics South Africa, Census 2011.*

The following areas will be covered namely:

- North West Province – Population 3 509 953 (33.47 per km<sup>2</sup>), Area 104 881.67 km<sup>2</sup>, Households 1 062 015 (10.13 per km<sup>2</sup>)
- Ratlou Local Municipality – Population 842 699, Area 28 206.08 km<sup>2</sup>

#### 3.6.1 Social and economic background in the North West Province

The North West Province is one of the provinces of the Republic of South Africa. Based on census 2011, and with an annual average population growth rate of just over 1.6%, the province is now home to over 3 509 953 inhabitants with the majority concentrated in the areas of Bojanala, Ngaka Modiri Molema and Dr Kenneth Kaunda. The province is divided into four (4) municipalities.

The North West Province consists of the following District Municipalities:

Name	Population	Area (km <sup>2</sup> )
Bojanala	1 507 505	18 333.39
Dr Kenneth Kaunda	695 933	14 642.24
Dr Ruth Segomotsi Mompati	463 815	43 699.96
Ngaka Modiri Molema	842 699	28 206.08



## Population, Gender and Language group

The following tables present the population, Gender and Language groups of the people living in the North West Province.

Population group	People	Percentage
Black African	3152063	89.80%
White	255385	7.28%
Coloured	71409	2.03%
Indian or Asian	20652	0.59%
Other	10444	0.30%

Gender	People	Percentage
Female	1730049	49.29%
Male	1779903	50.71%

First language	People	Percentage
Setswana	2191230	63.39%
Afrikaans	309867	8.96%
Sesotho	201153	5.82%
isiXhosa	190601	5.51%
Xitsonga	127146	3.68%
English	120041	3.47%
isiZulu	84835	2.45%

First language	People	Percentage
Sepedi	83999	2.43%
Other	60872	1.76%
isiNdebele	43988	1.27%
Tshivenda	16255	0.47%
Sign language	14924	0.43%
SiSwati	12091	0.35%
Not applicable	52949	

### Population by Group

Municipality	African		Coloured		Indian		White	
	2001	2011	2001	2011	2001	2011	2001	2011
Bojanala	1,097,189	1,377,821	6,377	10,931	3,753	8,576	82,042	105,274
Ngaka Modiri Molema	720,736	791,251	11,277	13,809	2,994	4,968	29,833	30,950
Dr Ruth Segomotsi Mompati	396,560	423,980	15,016	18,346	963	2,003	17,689	18,127
Dr Kenneth Kaunda	472,232	559,011	21,038	28,322	2,029	5,105	104,371	101,034
<b>Total North West</b>	<b>2,686,717</b>	<b>3,152,063</b>	<b>53,708</b>	<b>71,408</b>	<b>9,739</b>	<b>20,652</b>	<b>233,935</b>	<b>255,385</b>



## Employment

The following table presents the employment status of the people living in the North West Province.

### Employment Status Aged 15 to 64 years

Municipality	Employed			Unemployed			Unemployment Rate		
	1996	2001	2011	1996	2001	2011	1996	2001	2011
Bojanala	257,917	288,078	420,520	139,152	199,176	186,567	35.0	40.9	30.7
Ngaka Modiri Molema	108,439	115,818	146,936	94,164	105,674	75,191	46.5	47.7	33.9
Dr Ruth Segomotsi Mompati	58,893	57,141	70,505	51,476	54,380	39,622	46.6	48.8	36.0
Dr Kenneth Kaunda	169,390	155,312	180,703	64,078	100,061	76,754	27.4	39.2	29.8
<b>Total North West</b>	<b>594,639</b>	<b>616,349</b>	<b>818,664</b>	<b>348,870</b>	<b>459,291</b>	<b>378,134</b>	<b>37.0</b>	<b>42.7</b>	<b>31.6</b>

The table above shows that the unemployment rate stands at 31.6%, which is a concern.

The following table presents the average household income of the people living in the North West Province.

### Average Household Income

Municipality	2001	2011
Bojanala	31,336	73,020
Ngaka Modiri Molema	25,870	63,770
Dr Ruth Segomotsi Mompati	24,379	48,063
Dr Kenneth Kaunda	36,702	82,266
<b>Total North West</b>	<b>30,189</b>	<b>69,914</b>

## Highest level of education by population group

The following table presents the level of education for the people living in the North West Province.

### Level of Education (20 years and older)

Education Level	1996	2001	2011
No Schooling	336,292	359,378	248,516
Some Primary	302,836	349,954	353,753
Complete Primary	113,730	117,109	111,439
Some Secondary	450,952	497,369	697,908
Grade 12 / Std 10	187,339	315,247	529,121
Higher	72,463	99,055	162,815
<b>Total North West</b>	<b>1,463,612</b>	<b>1,738,112</b>	<b>2,103,552</b>





The above table shows that approximately 7% of the population in the North West Province has no formal schooling. About 15% have completed secondary school up to Grade 12. Only 5% of the Province's people have a higher education level. Although the figures for the "no education" and "complete primary" school education level is decreasing, and those for "Grade 12" and "higher" level of education is increasing, these low levels of education are a challenge to the districts skills base, employment and income generation. The challenge for the district is to increase the percentage of people that enter higher education.

### Dwelling type

*The following table presents the types of dwellings that people use in the North West Province.*

**Households Types of Main Dwelling**

Municipality	Formal			Informal			Traditional		
	1996	2001	2011	1996	2001	2011	1996	2001	2011
Bojanala	155,771	213,362	345,263	70,550	98,629	148,221	10,841	11,693	4,041
Ngaka Modiri Molema	113,589	148,909	187,685	12,362	19,650	28,618	10,432	11,396	8,016
Dr Ruth Segomotsi Mompati	62,124	80,828	107,388	8,886	10,720	12,729	13,273	10,235	4,180
Dr Kenneth Kaunda	75,827	104,171	169,346	44,935	44,947	35,408	3,992	4,162	1,294
<b>Total North West</b>	<b>407,311</b>	<b>547,270</b>	<b>809,682</b>	<b>136,733</b>	<b>173,946</b>	<b>224,976</b>	<b>38,538</b>	<b>37,486</b>	<b>17,531</b>

### 3.6.2 Social and economic background of the Ratlou Local Municipality

Ratlou Local Municipality is one of the local municipalities under Ngaka Modiri Molema District Municipality in the North West Province and is one of the five local municipalities.

Key Statistics - 2011			
Total population	107,339	Matric aged 20+	11.20%
Young (0-14)	38.70%	Number of households	26,889
Working Age (15-64)	53.90%	Number of Agricultural households	11,348
Elderly (65+)	7.40%	Average household size	3.9
Dependency ratio	85.6	Female headed households	49.50%
Sex ratio	91.6	Formal dwellings	89.90%
Growth rate	0.11% (2001-2011)	Housing owned/paying off	54.10%
Population density	22 persons/km2	Flush toilet connected to sewerage	1.80%
Unemployment rate	43.90%	Weekly refuse removal	0.80%
Youth unemployment rate	52.40%	Piped water inside dwelling	5.20%
No schooling aged 20+	28.90%	Electricity for lighting	83.70%
Higher education aged 20+	3.10%		



## People

The Ratlou Local Municipality has a total population of 107 339 people, of which 98.2% are black African. The other population groups make up the remaining 0.8%.

Of the population aged 20 and older in the municipality, 24.6% have some level of secondary schooling, and 11.2% have matric; 28.9% of people have no schooling and 26.9% have some level of primary schooling. 5.3% completed primary schooling and only 3.1% have some form of higher education.

Population Group	
Group	Percentage
Black African	98.2%
Coloured	0.7%
Indian/Asian	0.2%
White	0.7%
Other	0.1%

Gender	
Gender	Percentage
Female	52.2%
Male	47.8%

Highest Education Level	
Group	Percentage
No Schooling	6.0%
Some Primary	54.6%
Completed Primary	6.7%
Some Secondary	27.1%
Completed Secondary	4.6%
Higher Education	0.4%
Not Applicable	0.4%

Age and Gender Distribution					
Age	Males	Females	Age	Males	Females
0-4	7.0%	6.9%	45-49	1.7%	1.7%
5-9	6.3%	6.2%	50-54	1.8%	2.1%
10-14	6.3%	6.0%	55-59	1.5%	1.9%
15-19	5.7%	5.3%	60-64	1.3%	1.6%
20-24	3.9%	4.2%	65-69	1.1%	1.4%
25-29	2.9%	3.4%	70-74	0.8%	1.1%
30-34	2.4%	2.7%	75-79	0.5%	0.8%
35-39	2.1%	2.6%	80-84	0.3%	0.6%
40-44	1.9%	2.4%	85+	0.3%	0.6%

## Living Conditions

There are 26 889 households in the Ratlou Local Municipality, with an average household size of 4.0 persons per household.

Of those households, 10.6% have access to piped water inside the yard whereas 5.2% have access to water piped inside the dwelling. Only 12.4% of the household do not have access to piped water. The Census 2011 reports that 83.7% of households have access to electricity for lighting



Settlement Type	
Area	Percentage
Urban	96.3%
Tribal/Traditional	0.0%
Farm	3.7%

Tenure Status	Percentage
Rented	6.7%
Owned and fully paid off	51.1%
Owned but not yet paid off	3.0%
Occupied rent free	35.8%
Other	3.4%

Energy			
Energy Source	Cooking	Heating	Lighting
Electricity	61.3%	48.7%	83.7%
Gas	1.1%	0.7%	0.1%
Paraffin	5.7%	2.3%	0.7%
Solar	0.1%	0.1%	0.2%
Candles	0.0%	0.0%	15.0%
Wood	28.3%	33.1%	0.0%
Coal	0.1%	0.3%	0.0%
Animal Dung	3.0%	3.8%	0.0%
Other	0.0%	0.0%	0.0%
None	0.3%	11.1%	0.3%

Water	
Source of water	Percentage
Other	3.6%
Borehole	25.1%
Spring	0.2%
Rain water tank	0.7%
Dam/Pool/Stagnant water	0.2%
River/Stream	0.7%
Water vendor	1.6%
Water tanker	14.6%
Regional/Local water scheme (operated by municipality or other water services provider)	53.3%

Toilets	
Toilet Facility	Percentage
None	12.6%
Flush toilet (connected to sewerage system)	1.8%
Flush toilet (with septic tank)	1.4%
Chemical toilet	1.7%
Pit toilet with ventilation	25.3%
Pit toilet without ventilation	54.7%
Bucket toilet	0.2%
Other	2.4%

## Economy

Of the 15 967 economically active (employed or unemployed but looking for work) people in the municipality, 35.8% (6 885) are unemployed. There are 6 587 who are classified as discouraged work-seekers.

Among the youth aged 15–34, 3 928 are employed and 4 330 are unemployed. The unemployment rate for this group is 52.4%.



Employment (Age 15 - 64)	
Employment Status	Number
Employed	8,812
Unemployed	6,885
Discouraged Work Seeker	6,587
Not Economically Active	35,542

Household Income	
Income	Percentage
None income	19.0%
R1 - R4,800	6.1%
R4,801 - R9,600	10.9%
R9,601 - R19,600	28.0%
R19,601 - R38,200	22.4%
R38,201 - R76,400	7.5%
R76,401 - R153,800	3.1%
R153,801 - R307,600	2.0%
R307,601 - R614,400	0.6%
R614,001 - R1,228,800	0.1%
R1,228,801 - R2,457,600	0.1%
R2,457,601+	0.1%

## Agriculture

Agricultural households by activity	
Type of specific activity	Number
Livestock production	6,689
Poultry production	7,118
Vegetable production	384
Production of other crops	445
Other	

Income category of agricultural households	
Annual income category of agricultural household heads	Number
No income	4,281
R1-R4 800	295
R4 801-R38 400	6,061
R38 401-R307 200	480
R307 201+	71
Unspecified	159

Agricultural households by type	
Type of activity	Number
Crops only	140
Animals only	9,818
Mixed farming	1,001
Other	389



### **Impact of the Operation on Ratlou and labour-sending communities**

The Operation provides employment to 672 people of whom 241 are employed directly by the mine and 431 by contractors who provide services to the Mine. It has been determined that approximately half of monthly salaries of the employees is spent in the mining community before the rest is sent back to the labour-sending areas.

The procurement progression plan will increase the money spent in the community by promoting local procurement. Through local procurement, people living in the region will be employed by the local businesses and therefore add to the disposable income of families in the community.



### 3.7 Mine Community Projects

On an annual basis, delegates from the Operation, Department of Mineral Resources and the Municipality need to meet and recommend continuation of the project into the following year. If a decision is taken to discontinue with a project, agreement should be reached on a suggested new project. All parties agreeing to this change must then sign a memorandum of understanding.

A rigorous communication process with the relevant stakeholders were followed regarding possible projects for the specific regions. A Memorandum of Agreement were signed between Harmony and the Ratlou Municipality on the agreed upon projects.

The projects which the Operation will drive in the new plan will be as follow:

- Electricity supply for Itireleng Self-Help Group Disabled
- Interlocking Brick Manufacturing – Logagane Village
- Reverse Osmosis – Training and Maintenance
- Further LED Support





**HARMONY GOLD MINING COMPANY LIMITED**

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W [www.harmony.co.za](http://www.harmony.co.za)

NYSE trading symbol HMY  
JSE trading symbol HAR

12 June 2018

Ratlou Municipality  
Private Bag X209 / R507 Delareyville Road  
Setlagole Village  
Madibogo, 2772

Attention: Mayor - Ms T Modise  
Municipal Manager (Acting) - Mr J Molefe

Dear Sir / Madam

**MEMORANDUM OF UNDERSTANDING AND AGREEMENT**

We hereby confirm our commitment to the following Mine Community Projects for calendar years 2018 to 2022 as part of our Social and Labour Plans for the following Mining Right:

- NW 30/5/1/1/2/77 MR – Kalgold Mine

The following expenditure provisions have been made for the next 5 years:

Project	5 year Expenditure Provisions
Electricity Supply for Itireleng Self-Help Group Disabled	R 300 000,00
Interlocking Brick Manufacturing - Logagane Village	R 1 200 000,00
Reverse Osmosis - Training and Maintenance	R 500 000,00
Further LED Support	R 7 199 793,00
<b>Total</b>	<b>R 9 199 793,00</b>

Please be advised that the contact person for the above will be George Masha.

Yours Faithfully

G Masha  
Manager: Corporate Social Responsibility  
Harmony

T Modise  
Mayor

J Molefe (Acting)  
Municipal Manager

Directors: PT Motsepe\* (Chairman), JM Motloba\* (Deputy Chairman), PW Steenkamp (Chief Executive), F Abbott (Financial Director), HE Mashego (Executive Director), JA Chissano\*, FFT De Buck\*, KV Dicks\*, Dr DSS Lushaba\*, M Msimang\*, JL Wetton\*, AJ Wilkens\*, KT Nondumo\*, VP Pillay\*, MV Sisulu\*  
\*Non-Executive; \*Mozambican

Secretary: Riana Bisschoff

Registration Number: 1950/038232/06





## RATLOU LOCAL MUNICIPALITY

Acting Municipal Manager:  
Mr Jonas Molefe  
Cell: 083 254 2572  
Tel: 018 330 7002  
Email: jonas@ratlou.gov.za  
www.ratlou.gov.za



Postal Address  
Private Bag X 209  
Madibogo  
2772

### Office of the Municipal Manager

31 July 2018

The General Manager  
Harmony Gold Mining Company  
Kraaipan  
2747


Attention: Mr. Joe Mosupyoe

#### MEMORANDUM OF UNDERSTANDING AND AGREEMENT

Ratlou Local Municipality hereby confirms that the following Social & Labour Plan Community Projects for 2018-2022 were submitted to Harmony Gold Mining Company for implementation, and are part of the Municipality's Integrated Development Plan (IDP).

Projects	5 Year Expenditure Provisions
Electricity supply for Itireleng Self-Help Group for Disabled	R300 000.00
Interlocking Brick Manufacturing – Logageng village	R1 200 000.00
Reverse Osmosis – Training & Maintenance	R500 000.00
Further LED Support	R7 199 793.00
<b>Total</b>	<b>R9 199 793.00</b>

Regards,

  
Mr. Jonas Molefe  
Acting Municipal Manager



SE TLA GOLA SECHABA SE





## RATLOU LOCAL MUNICIPALITY

The Mayor:  
Cllr. Tebogo Modise  
Cell: 076 233 5475  
Tel: 018 330 7000  
Fax: 086 234 6050  
modiset@ratlou.gov.za  
www.ratlou.gov.za



Postal Address  
Private Bag X 209  
Madibogo  
2772

### Office of the Mayor

31 July 2018

The General Manager  
Harmony Gold Mining Company  
Kraaipan  
2747

Attention: Mr. Joe Mosupyoe

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Ratlou Local Municipality hereby confirms that the following Social & Labour Plan Community Projects for 2018-2022 were submitted to Harmony Gold Mining Company for implementation, and are part of the Municipality's Integrated Development Plan (IDP).

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Electricity supply for Itireleng Self-Help Group for Disabled	R300 000.00
Interlocking Brick Manufacturing – Logageng village	R1 200 000.00
Reverse Osmosis – Training & Maintenance	R500 000.00
Further LED Support	R7 199 793.00
<b>Total</b>	<b>R9 199 793.00</b>

Regards,

  
Cllr Tebogo Modise  
Mayor



SE TLAA GOLA SECHABA SE



## Electricity Supply for Itireleng Self-Help Group Disabled

### Background Information on the Project

The project forms part of Ratlou Local Municipality's Integrated Development Plan (IDP) to contribute to development of local economy thus creating employment opportunities and fighting poverty. Development of infrastructure needed for fence and garments making will also contribute to entrepreneurial skills development.

### Objective of the project

The project is aimed at providing necessary infrastructure to help in generation of income, directly and indirectly create job opportunities and alleviating poverty to community members.

### Purpose and impact of the project

Eradication of poverty through job creation and income generation to community members

Project Name	Electricity Supply for Itireleng Self-Help Group Disabled				
Classification of Project	SMME Development				
Purpose	Eradication of poverty through job creation and income generation to community members				
Geographical Location					
District Municipality	Ngaka Modiri Molema District Municipality				
Local Municipality	Ratlou Local Municipality				
Town / City / Village	Ratlou Community				
Province	North West				
Start and end Date	2018	2018			
Output					
Key performance Areas	<ul style="list-style-type: none"><li>Supply of electricity to the Itireleng Self-Help Group Disability project.</li><li>Sustainable job creation.</li></ul>				
Key Performance Indicators	<ul style="list-style-type: none"><li>Number of job opportunities created</li></ul>				
Responsible Entity	Kalgold Operation				
Total Budget for 5 years ('R) and Comments	Year 1	Year 2	Year3	Year 4	Year 5
	300 000				
	Total = R300 000				
Project Completion					
Beneficiaries – mark with “X”	Municipality	Community	Youth	Female	
	X	X	X	X	
Exit Strategy	<ul style="list-style-type: none"><li>Project handover.</li><li>Continued coaching, mentoring, monitoring and evaluation.</li></ul>				





## Interlocking Brick Manufacturing – Logagane Village

### Background Information on the Project

The People's Housing is an interlocking brick manufacturing project identified by Ratlou Local Municipality to form part of Kalgold Mine Social and Labour Plan's community development. A 30-memers cooperative (viz. People's Housing Primary Cooperative) was established in 2016, with an aim of providing bricks for building houses for the needy, thus generating income for the beneficiaries.

The cooperative is based at Logagane village, which is approximately 158 km away from Mmabatho, the capital city of the North West Province.

### Objective of the project

- Purchasing and supply of the required equipment and materials
- Creation of job opportunities and income generation.
- Local economic development through of supply of bricks to communities.
- Development of technical and business management skills to beneficiaries.

### Purpose and impact of the project

- Eradication of poverty through job creation and income generation to community members.
- Establishment of sustainable enterprise.
- Local economic development through of supply of bricks to communities.
- Development of technical and business management skills to beneficiaries.
- SMME Development.

Project Name	Interlocking Brick Manufacturing – Logagane Village		
Classification of Project	SMME Development		
Purpose	Poverty alleviation and economic development		
Geographical Location			
District Municipality	Ngaka Modiri Molema District Municipality		
Local Municipality	Ratlou Local Municipality		
Town / City / Village	Ratlou Community		
Province	North West		
Start and end Date	2018	2018	
Output			
Key performance Areas	<ul style="list-style-type: none"><li>• Eradication of poverty through job creation and income generation to community members.</li><li>• Establishment of sustainable enterprise.</li><li>• Local economic development through of supply of bricks to communities.</li><li>• Development of technical and business management skills to beneficiaries.</li><li>• SMME Development.</li></ul>		



Project Name	Interlocking Brick Manufacturing – Logagane Village				
Classification of Project	SMME Development				
Purpose	Poverty alleviation and economic development				
Key Performance Indicators	<ul style="list-style-type: none"><li>• Eradication of poverty through job creation and income generation to community members.</li><li>• Establishment of sustainable enterprise.</li><li>• Local economic development through of supply of bricks to communities.</li><li>• Development of technical and business management skills to beneficiaries.</li><li>• SMME Development</li></ul>				
Responsible Entity	Kalgold Operation				
Total Budget for 5 years ('R) and Comments	Year 1	Year 2	Year3	Year 4	Year 5
	1 200 000				
	Total = R1 200 000				
Project Completion					
Beneficiaries – mark with “X”	Municipality	Community	Youth	Female	
	X	X	X	X	
Exit Strategy	<ul style="list-style-type: none"><li>• Project handover.</li><li>• Continued coaching, mentoring, monitoring and evaluation.</li></ul>				

## Reverse Osmosis – Training and Maintenance

### Background Information on the Project

This is a water provision project identified by Ratlou Local Municipality as part of the municipality's local economic development, and contributing to water supply and change in people's lives. Originally, Harmony provided R 3.5 million funding to Ratlou municipality towards implementation of the reverse osmosis purification plant. The reverse osmosis machine and holding tank installation has been installed on site.

The Plant produce 10 000 litres/hour clean water at TDS of <250mg/litre. Clean water gets pumped into 25 000 litre steel holding tank

### Objective of the project

The project is aimed providing clean drinkable water to the Kraaipan community. The reverse osmosis plant has been set up and commissioned, with the water purification machine and the holding tank installed.

Training of 2 individuals on the operation and maintenance of the reverse osmosis plant.

### Purpose and impact of the project

Provision of clean drinkable water to Kraaipan community



Project Name	Reverse Osmosis – Training and Maintenance				
Classification of Project	Water Supply				
Purpose	Provision of clean drinkable water to Kraaipan community				
Geographical Location					
District Municipality	Ngaka Modiri Molema District Municipality				
Local Municipality	Ratlou Local Municipality				
Town / City / Village	Ratlou Community				
Province	North West				
Start and end Date	2018	2018			
Output					
Key performance Areas	<ul style="list-style-type: none"><li>Supply of clean drinkable water to surrounding Kraaipan community.</li><li>Training of 2 individuals on the operation and maintenance of the reverse osmosis plant.</li><li>SMME Development.</li><li>Sustainable job creation.</li></ul>				
Key Performance Indicators	<ul style="list-style-type: none"><li>Sustainable water supply.</li><li>Number of jobs created.</li><li>Change in people’s lives.</li></ul>				
Responsible Entity	Kalgold Operation				
Total Budget for 5 years (‘R) and Comments	Year 1	Year 2	Year3	Year 4	Year 5
	500 000				
	Total = R500 000				
Project Completion					
Beneficiaries – mark with “X”	Municipality	Community	Youth	Female	
	X	X	X	X	
Exit Strategy	<ul style="list-style-type: none"><li>Project handover.</li><li>Continued coaching, mentoring, monitoring and evaluation.</li></ul>				

### Further LED Support

#### Purpose

The purpose of further support is to give room to all stakeholders to identify further projects throughout the 5 year period of the SLP.

Any additional projects, will be discussed and agreed upon between Harmony and the Municipality within a reasonable time (within 3 months) before the start of the next calendar year, after which a Memorandum of Agreement will be signed by both parties. A copy of which must be handed in at the Department of Mineral Resources, together with the implementation plans.



### 3.8 Financial Provision – MCD

FINANCIAL PROVISION - MINE COMMUNITY DEVELOPMENT						
Project	Plan					Total
	Year 1	Year 2	Year 3	Year 4	Year 5	
Electricity supply for Itireleng Self-Help Group Disabled	300,000.00	-	-	-	-	300,000.00
Interlocking Brick Manufacturing - Logagane Village	1,200,000.00	-	-	-	-	1,200,000.00
Reverse Osmosis - training and maintenance	500,000.00	-	-	-	-	500,000.00
Further LED Support	1,000,000.00	2,721,448.25	1,159,448.25	1,159,448.25	1,159,448.25	7,199,793.00
<b>Total Financial Provision</b>	<b>3,000,000.00</b>	<b>2,721,448.25</b>	<b>1,159,448.25</b>	<b>1,159,448.25</b>	<b>1,159,448.25</b>	<b>9,199,793.00</b>

**Note:** Harmony's financial year starts in July of each year.





### 3.9 Housing and Living Conditions

#### Municipality strategy to address housing

The National Government Strategy to provide decent housing for all revolves around the strategy to develop **sustainable human settlements**, which not only includes housing, but also business, social amenities and schools in a planned and social cohesive manner.

This strategy filters down to the Provincial and Municipal levels where the actual execution of this strategy takes place. To support this strategy Harmony makes available suitable land and in some instances go-develop human settlements with private sector developers.

#### Strategy and Measures to address housing and living conditions

All Harmony mines, including Kalgold, are guided by the **group accommodation policy and strategy**.

- Our strategy is to provide decent accommodation and living options to our employees, by providing a choice of options in residences (hostels), rentals, mine houses, family units and home ownership options;
- In addition we facilitate 'integrated human settlements' on our suitable development land;
- Furthermore we assist local economies, SMME's, schools, organizations and individuals in our communities by providing premises at nominal rentals.

This section of the plan relating to the group policy and strategy are common across all mines.

This Operation is aligned with the Harmony Group Housing and Accommodation Policy and Strategy and commits to improving the living conditions of its employees.

#### Housing strategy

Through the encouragement of home ownership, the facilitation of finance opportunities and the incorporation of current mine villages, the mine will enable employees to become the owners of the units in which they reside.

This will be done in consultation and co-operation with unions and associations and appropriate regional authorities, municipalities and the legislation (MPRDA and SPLUMA) that guides these activities.

The mine promotes home ownership by:

- Selling their existing houses in proclaimed municipal areas to employees at highly discounted prices, thereby creating new home-owners and immediate equity in the house value;
- Home-ownership assistance in the form of the living out allowance of R2 100 per month are paid;
- Arrangements for funding with IEMAS credit facilities and the pension backed loan agreements are facilitated to assist employees with funding

The integration of mining communities into the local municipal structures remains a key strategic driver for Harmony and Kalgold co-fund the process to achieve this aim. We further believe that housing development can produce large job-creation opportunities including leveraging the raw materials (like rock dumps) to produce concrete, road building substrate and bricks for such developments, further enhancing economic development and down-stream beneficiation.



### **Current status of available housing options for employees**

“Human dignity and privacy for mineworkers are the hallmarks to enhance productivity and expedite transformation in the mining industry in terms of housing and living conditions”.

In this regard Harmony mines have implemented measures to improve the standards of housing and living conditions for their employees by offering a variety of housing options to their employees:

- Harmony maintains the **975** company owned residential structures through a structured maintenance model;
- The residences house **7 220** employees in newly renovated single room accommodation units;
- Living out allowances are paid to **15 606** employees that don't reside in mine accommodation;
- Housing assistance allowances are paid to **2305** employees;

The mine has also established accommodation forums both centrally and at operational level, in order to consult with employee representatives in the development of policies and plans relating to housing and living conditions. Hostel Residents' Committees with full-time members who represent the interests of the employees in the management of the residences have been elected.

### **Current status of housing in Kalgold area, within the RATLOU community**

The RATLOU municipal area IDP and SDF extract lists the following as a strategic direction:

- **RATLOU Spatial Development Objectives**
  - To promote the creation of sustainable human settlement in Ratlou LOCAL Municipal Area
  - To encourage rural Urban Integration
  - To establish and promote good and functional land use Management in RLM
  - To unlock the development potential of identified development zones
  - To unlock the potential of Setlagole Commercial and administrative hub
  - To unlock the potential of Kraaipan as a heritage site
  - To unlock the potential of Disaneng as Tourism destination
  - To unlock the potential of Makgobistadt border
- **Desired Outcomes**
  - Spatially efficient settlements
  - Sustainable use of resources
  - Comprehensive Rural Development
  - Local Economic Development
  - Inclusive Land Use Management System
  - Protection of the environment

### **Kalgold workforce preferred requirements for housing and living conditions**

The Operation continues to work with the local and provincial authorities to deliver on local and regional housing initiatives. During 2013-2015 this Operation funded the township application for the Setlagole Village for the amount of R1.24m. This township is the first official municipal township in the Setlagole area and will provide title deeds to the community for the erven on which they have built their houses.

The land surrounding the mine falls under the control of the Rural and Tribal Land Act. The development of housing in the area is subject to informal approvals and no ownership and title deeds are available. The matter was discussed with organised labour and a proposal that in-situ upgrading take place of employees'



existing housing by way of a voucher system. This will allow employees to upgrade their existing dwellings to their own requirements.

#### Project to Upgrade Employee Housing

Project Name	Kalgold housing and living conditions				
Classification of Project	Upgrading of employee housing				
Purpose	Sustainable development				
Geographical Location					
District Municipality	Ngaka Modiri Molema				
Local Municipality	Ratlou				
Town / City / Village					
Province	North West				
Start and end Date	2018	2022			
Output					
Key performance Areas	<ul style="list-style-type: none"><li>Up-scaling the quality of employee housing</li></ul>				
Key Performance Indicators	<ul style="list-style-type: none"><li>Upgrading of employees housing and living Conditions</li><li>Successful implementation of the building material voucher system</li></ul>				
Responsible Entity	Kalgold Mine				
Total Budget for 5 years ('R) and Comments	Year 1	Year 2	Year3	Year 4	Year 5
	1 000 000	1 000 000	1 100 000	1 200 000	1 200 000
	50 Units per annum to be upgraded				
Classification of Units	Number of Units (Permanent)	No of Units (Temporary)	No of Units (Seasonal)		Total No of Units
Short Term	50				50
Medium Term	100				100
Long Term	250				250
Project Completion					
Beneficiaries – mark with “X”	Municipality	Community	Employees		Female
	X	X	X		X
Exit Strategy	Employees to become owners of their own houses				

#### Hostel upgrade

The Operation does not have a hostel and all employees receive a living out allowance of R2 100,00. The living out allowances is part of wage negotiations and the amount might change from time to time.

### 3.10 Financial Provision – House and living Conditions

FINANCIAL PROVISION - HOUSE AND LIVING CONDITIONS						
Project	Plan					Total
	Year 1	Year 2	Year 3	Year 4	Year 5	
House and Living Conditions	1,000,000.00	1,000,000.00	1,100,000.00	1,200,000.00	1,200,000.00	5,500,000.00
<b>Total Financial Provision</b>	<b>1,000,000.00</b>	<b>1,000,000.00</b>	<b>1,100,000.00</b>	<b>1,200,000.00</b>	<b>1,200,000.00</b>	<b>5,500,000.00</b>



### 3.11 Nutrition

*Although this Operation does not have a hostel, most of the other operations do have their respective hostels where employees reside. Below is the nutritional information and plans for these operational hostels.*

#### Measures to address nutrition

This section of the SLP will address the following:

- Nutrition management
- Supplier procurement

#### Nutrition Management

Approximately 7914 of Harmony's employees are housed in 08 hostels. Meals are provided to resident employees, widows and visiting wife's at some of the hostels.

A dietary analysis of the current menu indicates that it adequately caters for the energy and nutritional requirements of mineworkers, based on Dietary Reference Intake (DRI) guidelines as defined by the Institute of Medicine, Food and Nutrition Board, USA and studies done by the Chamber of Mines Research Organisation (COMRO, 1991) into the nutritional requirements for underground mine workers performing moderate to hard work.

- DRI is the collective name that refers to a set of at least four nutrient-based reference values
- The estimated average requirement (EAR) nutrient intake is the value that is estimated to meet the nutrient requirements in 50% of the individuals in a given life-stage and gender group.
- The recommended daily allowance (RDA) is the daily dietary intake level that is sufficient to meet the nutrient requirements of 97 to 98% of individuals in a given life-stage and gender group.
- Adequate intake (AI) in the case where the scientific evidence is inadequate to set the EAR, is used instead of an RDA.
- Tolerable upper intake (TUI) is the highest level of nutrient intake that is considered unlikely to pose any risk of adverse health effects to almost all individuals in the general population.
- Acceptable macro nutrient distribution range (AMDR) is defined as a range of intake for a particular energy source that is associated with reduced risk of chronic disease while providing adequate intakes of essential nutrients.

#### Additional Information

Where South African information on Industrial Feeding is not available, international best practices are used.

- **Energy Requirement**

The diet plan is drawn up using the COMRO reference report 91/11 as basis to establish the energy requirement of workers. (Ref. Guideline for the Compilation of a Mandatory Code of Practice for an Occupational Health Programme On Thermal Stress: R146, 2016; MHSA, Act 29 of 1996)

- **Macro-nutrient requirement**

The macro-nutrient requirements are established using Dietary Reference Intakes (DRI's), which is a collective term and refers to a set of a least four nutrient based values.

This represent a shift from "avoiding deficiency states" as determined by clinical manifestation and status to "maximising health and promoting quality of life"



This is part of the report on Dietary Reference intakes for energy, carbohydrate, fibre, fat, fatty acids, cholesterol, protein, and amino acids (2002) by the Food and Nutrition Board of the United States Nutrition Board of the Institute of Medicine, National Academy of Sciences, Washington, USA:

- i. Acceptable Macro-nutrient distribution range (AMDR)
- ii. An AMDR is defined as a range of intake for a particular energy source that is associated with reduced risk of chronic disease while providing adequate intakes of essential nutrients.
- iii. The acceptable ranges are as follows:
  - Carbohydrate 45-65%
  - Protein 10-35%
  - Fat 20-35%

- **Micro-Nutrient Requirement**

The DRI is used as reference for all micro-nutrients except Vitamin C, where a South African reference exists.

There are three micro-nutrients, which are directly influenced by the industry.

- Vitamin C:

It is required for normal body temperature regulation and assist with the body's ability to adjust to underground environmental conditions. The recommendation as per the Mining Industry is 250mg per person per day.

- Vitamin A:

It is required for normal dark adaptation time. There are no industry specific requirements and the DRI is used as a reference. (900 micrograms per day)

- Vitamin D:

The intake of vitamin D is affected, as the primary source of Vitamin D is from the photochemical action of ultraviolet sunlight on the 7-dehydroxycholesterol produced in the skin. Because of the limited exposure to sunlight, it is necessary to ensure adequate Vitamin D intake. It was however not possible to assess the menu content as the database is limited in its Vitamin D information. This is a problem with most of the data bases used for nutritional analysis.

Vitamin enriched food products are considered when food only, does not meet with the requirements. Mageu is one of these foods products and is enriched with 200mg Vitamin C per 1000ml and 150mg Calcium per 1000ml.

- **Macro-nutrient as % energy:**

- Carbohydrate 45 – 65% of total energy
  - Protein 10 – 35% of total energy
  - Fat 20 – 35% of total energy

## **Nutrition plan**

The nutrition plan refers to the list of food groups incorporated in each meal as opposed to a menu, which is a list of specific dishes served at each meal.

In order to ensure that balanced meals are served, the number of meals, as well as the food groups to be served at each meal is taken into consideration.



## Number of meals

Although traditionally only a pre-shift or a breakfast and a post shift or main meal was served in the hostel kitchens, a third meal has been introduced. A mid-shift meal or 'lunch pack' is also available to the workers at the majority of hostels.

Three meals are served to resident employees. Breakfast supplies approximately 25-30% of the daily nutritional requirement; main meal approximately 40-45% and supper 20-25%

## South African Food based Dietary Guidelines (revised 2012)

- Enjoy a variety of foods.
- Be active!
- Make starchy foods part of most meals.
- Eat plenty of vegetables and fruit every day.
- Eat dry beans, split peas, lentils and soya regularly.
- Have milk, amasi or yoghurt every day.
- Fish, chicken, lean meat or eggs can be eaten daily.
- Drink lots of clean, safe water.
- Use fats sparingly. Choose vegetable oils, rather than hard fats.
- Use sugar and foods and drinks high in sugar sparingly.
- Use salt and food high in salt sparingly.

## Quality management system

Quarterly audits will be carried out in co-operation with the catering manager and registered dietician on the standard of facilities and hygiene, as well as an analysis of the menu in terms of compliance to nutritional guidelines for the mining industry (COMRO Report) and further guidelines as amended from time to time.

*The nutrition plan measure the following dimensions on a quarterly basis:*

Menu	Minimum guideline	Source
Energy (kJ)	13 000kJ	DRI and COMRO report
Carbohydrate (g)	440g (57%)	AMDR
Protein (g)	135g (18%)	AMDR
Fat (g)	85g (25%)	AMDR
Vitamin C (mg)	250mg	SA Mining Guideline
Vitamin A (IU)	1 000IU	DRI
Calcium (mg)	1 000mg	DRI
<b>Participation</b>		
Meal participation (breakfast)	90%	Dietary guideline
<b>Facility audit</b>		
Buildings/storage	80%	Management requirement
Personal hygiene	80%	Management requirement
Quality of raw food	80%	Management requirement
Quality of cooked food	80%	Management requirement



Findings will be recorded to monitor the progress of this issue over time. Regular food services audits are conducted by mine officials, together with union or association representatives, to establish and maintain high standards in catering facilities.

In order to ensure customer preference, meetings are held with worker representative structures with the aim of including their proposals in the menu. Records of these discussions are used to improve nutrition on an ongoing basis. Random customer satisfaction surveys are also carried out on a quarterly basis to determine service levels and to identify problem areas.

### Dietary plan

*As a guideline the following diet plan is used to establish meal frequency as well as portion sizes. (All portions are quoted in raw quantities)*

Work Category	Moderate Light Work	Moderate Work	Moderate Hard Work	Hard Work
Energy expenditure	12000kJ	13000kJ	14000kJ	15000kJ
Examples of workers	Electrician Mine Overseer Loco Crew	Equipping team Team Leader Stope Team Miner Assistant Cleaning team	Loader Driver Winch Driver	Driller Drill Assistant
Breakfast				
Cereal	90g	90g	90g	90g
Bread	220g	220g	220g	220g
Spread	20g	20g	20g	20g
Protein	60g	60g	120g	120g
Beverage	300ml	300ml	300ml	300ml
Main Meal				
Protein	180g	210g	270g	270g
Gravy / Soup	10g / 100ml	10g / 100ml	15g / 150ml	15g / 150ml
Starch	60g	90g	90g	90g
Maize meal	150g	150g	150g	150g
Vegetable 1	150g	150g	150g	150g
Vegetable 2	(green / yellow)	(green / yellow)	(green / yellow)	(green / yellow)
Fruit	100g	130g	130g	130g
Juice	250ml	250ml	250ml	250ml
Dessert				
Mageu	500ml	500ml	1000ml	1000ml





Work Category	Moderate Light Work	Moderate Work	Moderate Hard Work	Hard Work
<b>Supper</b>				
Protein	60g	60g	120g	150g
Milk	250ml	250ml	250ml	250ml
Gravy / Soup	10g / 100ml	10g / 100ml	10g / 100ml	10g / 100ml
Maize meal	60g	90g	120g	120g
Bread			30g	60g
Vegetable	100g other	100g	100g	100g
Beverage	300ml	300ml	300ml	300ml

## Menu

Daily Allowance (Meal plan) - All quantities are quoted as raw or uncooked product portions:

<b>Breakfast</b>	
Breakfast Cereal	90g
Bread	210 – 240g (6 slices)
Spread	25g
Protein	100g
Beverage Pack	300 ml (includes sugar and creamer)
Sugar	20g
Condiments	5g
<b>Main Meal – A daily choice between beef and chicken and for five (5) days, a processed product is offered</b>	
Protein	300g (beef 300g, Chicken 300g, processed products 200g)
Maize meal	120g
Starch	90g – a daily choice between Samp, Samp and Beans, rice or maize rice is offered
Vegetables	200g
Fruit	130g
Salad	60g (4 times per week)
Fruit Salad	150g (once per week instead of fruit)
Jelly & Custard	40g (once per week)
Mageu	500ml
Juice	200ml (once in 2 weeks)
Cold Drink	30g (Powdered drink)
Condiments	15g
Oil	10ml



Supper	
Protein	100g
Mild / Amazi	300ml (twice per week) A choice between Amazi or Yoghurt
Salad	40g (Four times per week)
Pap or Starch	40g
Condiments	5g

#### Approximate Nutritional Value of the Meal Plan (\* Includes enriched quantities)

Energy	kJ	14 700	
Protein	g	178	21%
Carbohydrate	g	446	51%
Fat	g	112	29%
Vitamin A	µg	960	
Vitamin C	mg	240	
Calcium*	mg	1250	
Iron	mg	20	

#### Suggested but not limited menu options:

Breakfast	
Cereal	Mealimeal, Brown lambalazi, White lambalazi, Mabele
Protein	Boiled egg, Viennas, Pasta, Mince, Wors, GIBLETS, Chicken stew, Spaghetti bolognaise, Gizzards & necks, Meatballs, Ox tripe, Steak and onion stew / amasi / yoghurt
Powdered drink	Assorted Flavours
Main Meal	
Protein	<ul style="list-style-type: none"> <li>Chicken is the main protein served every day</li> <li>A choice of beef and chicken stew is served as a second option different cooking methods should be applied: stewing; braising; grilling; frying.</li> <li>Processed products: can be served as an alternative or third option and includes Fish / tripe / mince / wors / pork chops</li> </ul>
Porridge	Maize meal
Starch	Rice, Samp, Samp and beans, Beans, Mazebe mix
Vegetables	A variety of vegetable in season – use different cooking methods
Salad	Carrot, Beetroot, Coleslaw
Fruit	A variety in season
Mageu	Banana and cream



Dinner	
Protein	Wors, Mince, Ox liver, chicken stew, Beef stew, Bean soup, Ox tripe
Porridge	Maize meal
Diary	Amasi, Yoghurt

**Note:** Any additions to the above mentioned lists should go through proper consultation and it should also be cost effective. Items should be added in the correct group. (I.e. an item in the “protein group” cannot be substituted for an item in the “vegetable group”)

### Supplier procurement

Procurement has a most important role to play within the hostel landscape of Harmony. To contract food suppliers that are BEE compliant and are also able to supply goods on a large scale remains a challenge. This constraint is the challenge that Harmony constantly address through the procurement progression plan.

Currently there are 13 main suppliers for both the Free State and Doornkop hostels. Of these 13 suppliers, eight suppliers (62%) are BEE compliant and five suppliers (38%) are non-compliant. The strategy is aligned to be 80% BEE compliant within the next two years.

*Below is the action plan to ensure that the suppliers to the hostel are BEE compliant:*

Supplier	Commodity	% Black ownership	Corrective plan
Back to basics	Spices	26	Market to be tested for alternative BEE Suppliers.
Bambanani fruit and veg	Fruit & vegetables	26	100% BEE suppliers (Bereng & Practicon)
Dela Casa (Lindsay Butchery)	Red meat	26	100% BEE - Ramathe
Tiger Consumable Brands (King Foods)	Lambalazi & Morvite	28	Market to be tested for alternative BEE Suppliers.
SMT Farm Trading	Tripe	100	100% - Ramathe
Thabong Bakery	Sandwich packs	100	Still supplying sandwich packs
Ukwanda Farm (Greenlands)	Eggs	100	51% - New Day Poultry
Ramathe Meat Market	Red meat	100	BEE supplier
Mageu Number One	Mageu	0	Tender adjudication in progress
Dewfresh	Milk & fruit juice	0	An alternate compliant supplier is being pursued, struggling to get the 250ml in the market for milk.
Summit Ridge (Henwil Chickens)	MCP chickens	0	Business Enterprise has identified and busy developing a 100% supplier but is not ready to supply as yet.



Supplier	Commodity	% Black ownership	Corrective plan
Premier Food (Blue Ribbon)	Bread	2.04	The previous BEE-entity supplier that provided bread to the required quantities was Albany (27.8% black owned), but the unions demanded that they be replaced with Blue Ribbon, given the quality of the product. Discussions are ongoing
Autumn Star (Vitalec)	Groceries	8	After engagement with Harmony, they have committed to convert to the necessary black ownership and have six months within which to comply



### 3.12 Procurement Progression Plan

#### Introduction

Harmony, including Kalgold, believes that procurement plays a pivotal role in the transformation of the South African economic landscape and this element of its Social and Labour Plan engages all of Harmony's supply chain tools and competence to sustainably create business opportunities to fuel the broader national development engine during and beyond the required five year period, starting as close to our operations as possible, in order to sustain our mining communities

The objective of this plan is to highlight our commitment in increasing the money spent on the procurement of goods and services from BEE entities in our local communities where possible and financially viable, over a further period of five years. The sustainability of SMME businesses entails more than just the creation of purchase opportunities and also incorporates related elements of enterprise development initiatives, and community engagements on matters pertaining local procurement

#### Preferential Procurement

Harmony has developed a preferential procurement plan to ensure that it delivers beyond the Social and Labour Plan commitments. The Preferential Procurement plan is incorporated in Harmony's Procurement Policy and Procedure and it is fully aligned to Harmony's preferential procurement strategic pillar to ensure sustainable mining communities. This plan can only be achieved through combined efforts from this and other Operations.

#### Form T

See Annexure 1

#### Current status of Harmony Mines against revised mining charter targets

Kalgold is using the following questions to measure its commitment against the revised mining charter targets:

- **Has the company given HDSAs preferred supplier status?**

The Operation has given HDSAs preferred supplier status as is evident in the following activities that were initiated specifically for this purpose:

- The Operation has allocated a resource dedicated to the management and maintenance of suppliers BEE status and certification
- The Operation has adopted a special payment term that ensures HDSA owned SMME's are paid on a seven day payment term to ensure their financial sustainability and cash flow.
- The Operation has decided to shorten most contract duration to increase the frequency of its tenders to allow for more new entrants to partake in its tenders. The Operation does not support any "evergreen" contracts
- A decision was made to advertise tenders on the Harmony website and Harmony procurement Portal, this is done to allow BEE compliant suppliers to gain access to Harmony's procurement opportunities on an open and equal tender basis.
- Targets have been set for minimum procurement spend on BEE compliant suppliers in line with the current mining charter targets.
- We liaise with HDSA enterprises through the Supplier Days initiative to identify issues and problems that small suppliers experience in dealing with the Operation and collectively find solutions for the elimination of obstacles.



- **Has the company identified the current level of procurement from HDSA companies in terms of capital goods, consumables and services?**

The procurement department will continuously be measured on BEE procurement spent performance, and is being managed and monitored to the same extent as other financial indicators, and is currently reported to the Harmony Board in the form of a dedicated Social and Ethics committee that monitors BEE procurement performance on a quarterly basis. The BEE spent is analysed in terms of capital, consumable and service expenditure and the report is supported by graphs that indicate:

- BEE spend per mining right as a percentage of total discretionary spend;
- BEE procurement spend per province;

- **Has the company indicated a commitment to a progression of procurement from HDSA companies over a three- to five-year timeframe in terms of capital goods, consumables and services, and to what extent has the commitment been implemented?**

There are firm targets for BEE-entity spent, in accordance with the revised Mining Charter scorecard. Targets are set for capital goods, consumables and service expenditure, and performance against these targets are measured and reported quarterly.

The procurement BEE-entity spent targets for the period 2018 to 2022 are based on the Mining Charter requirements and are as follows:

PROCUREMENT SPENT					
<i>Procure locally manufactured goods / consumables / services from BEE compliant manufacturing companies</i>					
Description	Year 1	Year 2	Year 3	Year 4	Year 5
Procurement of capital goods	50%	50%	50%	50%	50%
Procurement of services	70%	70%	70%	70%	70%
Procurement of consumables	60%	60%	60%	60%	60%
Multi National Suppliers	0.5%	0.5%	0.5%	0.5%	0.5%

## Enterprise and Supplier development

### Introduction

The Operation takes its Enterprise and Supplier Development obligation very seriously. The Development will collaborate closely with Supply Chain to ensure increased local HDSA and BEE spend throughout Harmony's South African operations.

As part of Harmony's social responsibility to the communities, the Operation has committed itself to sustainable local economic development in and around the communities where they mine. The Local Economic Development Department is an important contributor towards enterprise development and makes as far as possible use of local BEE and HDSA companies in the implementation of projects meant for the benefit and socio-economic development of the mine community.

The Department continues to have input into the internal strategic committees (i.e. Harmony Tender Committee, Procurement Awards Committee and the Vendor Committee). Enterprise and Supplier



Development Department ensures that the transformation agenda is understood in all those committees when decisions are taken.

### **Business Development Centres (BDCs)**

In support of the SLP commitments made, Harmony has decided to open Enterprise Development centres in three areas and the rationale for running these centres are as follows:

- The centres contribute to the Operation's desire for good corporate citizenship
- The Operation wants to be acknowledged as a socially responsible organisation that cares for the communities where it operates
- The communities around the operation must experience Kalgold as a valuable benefactor to their well-being
- The centres must contribute to the development of a sustainable supplier base
- Building the capacity and ability of emerging BEE companies

The appointment of bridging finance companies Phakamani Impact Capital and Tsys initiative, which for branding purpose will be called Harmony / Leano, will facilitate the financing of emerging local business in order to facilitate growth and sustainability. The main objective is to fund businesses that will enable job creation, poverty alleviation and the overall community empowerment.

### **Purpose**

The Enterprise development centres' aim is to make the Operation more accessible for small local black owned companies. The Enterprise development centre targets five distinct groups:

- Historically disadvantaged (HDSA) suppliers – specifically 51% black owned businesses
- Small, medium and micro enterprises (SMMEs)
- Local businesses
- New entrants
- Youth and women owned businesses

The centres are one-stop business facilities that provide a friendly environment through which the local existing and emerging small entrepreneurs can access information about procurement opportunities in Harmony. The centre's information hub is a good source for business opportunities available. The professional staff at the centre will assist suppliers and guide them through the tender submission and vendor application processes.

### **The Operation, through the Business Development Centres, aims to:**

- Develop HDSA enterprises
- Facilitate access to procurement opportunities
- Give access to bridging finance
- Grow a sustainable HDSA suppliers base
- Diversify the HDSA supplier base
- Create suppliers that can meet Harmony procurement needs
- Match HDSA companies with entrenched suppliers
- Reduce small businesses' dependence on Harmony's existence by assisting companies to create alternative markets





- Collaborate with external stakeholders
- Communicate effectively with HDSA suppliers

### **Location of the Business Development Centres**

The Enterprise development centres are positioned to be close to main activity areas and situated central to the area it serves. The centres are easily accessible to the general public. Given the local municipality participation in this initiative, the proximity of municipal offices was also considered in determining the centre's location.

The centres will be situated at each of the following areas:

- Welkom Arm1, business centre
- Soweto(Region D, Municipal Building)
- Khutsong Business centre-(Carletonville) awaiting Municipality LED Department approval, the Khutsong community is still being assisted through the Soweto centre
- Kalgold – a satellite office has been set up

### **Services provided by the Business Development Centres**

The centres offer a wide range of services, all aimed at empowering HDSA suppliers to successfully transact with the Company. Given the scope of services, all will not be available initially, but will ramp-up as the centres develop:

Immediate services:

- Keeping a database of local HDSA skills
- Keeping track of job/purchase opportunities available in Harmony
- Matching opportunities with available skills
- Alert suppliers and invite them to quote
- Assist with tender and vendor processes
- Provide reasons why bids were unsuccessful
- Skills development programmes
- Business incubation programmes, Memorandum of Understanding signed with SAMTI (SEDA Agricultural Mining Tooling Incubator)
- Business workshops facilitated with Phakamani and Tsys (Harmony/Leano initiative)
- Facilitating of bridging finance, Phakamani and Tsys (Harmony/Leano initiative)
- Facilitate joint ventures, where opportunities arise, in collaboration with procurement
- Temporary office facilities such as internet, printing & faxing
- Mentorship, facilitated with traditional suppliers

### **Stake holders involved**

The Enterprise Development Centre are established by Harmony, but partners will be sought to co-own and co-manage the centre, a more collaborative effort with all strategic and enabling stakeholders in Development will always be sought.



These stake holders will consist of:

- Harmony SA Operations, including Kalgold
- Local municipalities and local communities
- Department of Mineral Resources (DMR)
- Department of Small business
- SAMTI (SEDA Agricultural Mining Tooling Incubator)
- Small Enterprise Development Agency (SEDA)
- Small Enterprise Finance Agency (SEFA)
- National Empowerment Fund (NEF)
- Industrial Development Corporation (IDC)
- Department of Trade and Industry (DTI)
- Other participating financial institutions
- Other mining houses operating in the same areas as Harmony
- Chamber of Mines

#### Financial Provision – Leano / Tsys ESD Fund

FINANCIAL PROVISION - ESD						
	Plan					Total
	Year 1	Year 2	Year 3	Year 4	Year 5	
SMME Development - Leano	26,889.82	26,889.82	26,889.82	26,889.82	26,889.82	134,449.09
<b>Total Financial Provision</b>	<b>26,889.82</b>	<b>26,889.82</b>	<b>26,889.82</b>	<b>26,889.82</b>	<b>26,889.82</b>	<b>134,449.09</b>



## Section 4: **Process for the management of downscaling and retrenchment at Operation**

*As per Regulation 46(d): Processes pertaining to the management of downscaling and retrenchment*

- *Regulation 46(d)(i): The establishment of the future forum*
- *Regulation 46(d)(ii): Mechanisms to save jobs and avoid job losses and a decline in employment*
- *Regulation 46(d)(iii): Mechanisms to provide alternative solutions and procedures for creating job security where job losses cannot be avoided*
- *Regulation 46(d)(iv): Mechanisms to ameliorate the social and economic impact on individuals, regions and economies where retrenchment or closure of the mine is certain*

### 4.1 **Establishment of a future forum**

The Operation's future forum is operational, and is comprised of representatives from mine management and unions or associations branch committee members. This forum was set up to deal with issues of productivity improvement, minimising job losses and limiting the impact of downscaling and retrenchments where these cannot be avoided.

Mindful that the forums experience challenges of inefficiencies and continuity (due to continuous change of representation). Harmony continues to conduct annual audits on the functioning of the future forums annually. Steps are always taken to address these challenges, for example reviving the forums and improving their efficiencies. The corporate social responsibility (CSR) manager has also been tasked to ensure sustainability in all the futures.

Members of future forums are on a continuous basis, inducted or capacitated based on the following:

- Social plan,
- Department of Labour's national social plan policy,
- Harmony's social plan framework,
- Social and labour plan regulation, and their functions.

The aims and objectives of the forum are as follows:

- Implementing early warning systems regarding changes to the existing life of mine
- Discussing strategic plans to avoid or minimise retrenchments and job losses and to promote sustainability and growth within the mine
- Analysing monthly or quarterly performance by assessing operating and management reports
- Developing early warning systems for the mine
- Timeously analysing problems or operational issues
- Assisting in developing turnaround and or redeployment or other appropriate strategies to avoid or minimise job losses whilst promoting business competitiveness and viability
- Assisting in developing measures to avoid or minimise job losses and retrenchments taking account of the viability and operational requirements of each mine and make recommendations to the specific shaft management team
- Co-ordinating and implementing approved solutions in a planned way



The forum is consensus driven and it operates in a completely transparent environment. Parties to the forum work together to improve the mine's performance and job security. The culture and approach of the forums is one of joint problem solving, with management and organised labour negotiating to prolong the life of the mine and get the best possible return for all stakeholders from the ore body. All necessary information is placed at the disposal of the forums to ensure they make fully informed decisions. They do not deal with collective bargaining issues as these tend to be adversarial in nature.

### **Functions of the future forum, as required by the law**

To notify the Minister of Mineral Resources on any matter concerning the social and economic impacts of the mining operation throughout the life of the mine and within the operation, especially when major retrenchments are anticipated.

Liaising with the social plan directorate of the DMR and other stakeholders with regard to social plan issues includes:

- Ensuring that appropriate early warning systems are established in advance and the results made available to the members of future forums on a regular monthly basis
- Advising the mine on any matter concerning the social and economic impacts of the mining operation and specifically the setting and achievement of objectives and priorities in this regard
- Using the appropriate methods of monitoring compliance to the achievement of such objectives and priorities
- Conducting audits, studies or surveys on the needs of all employees, which will allow them to indicate the kind of skills they require for training
- Creating awareness amongst employees of the contents of the social plan within each mine
- Identifying suitable service providers for training as per the employees' needs analysis

After due internal processes, drawing the attention of the Board to any relevant social and economic mining related matter, which requires attention. The Board may refer matters for consideration by the forum.

### **Social plan framework agreement and the social plan fund**

In order to facilitate the functioning of the future forums and the development of alternative skills to the employees and or their proxies, a social plan framework agreement was signed by the Harmony group with organised labour on 19 March 2003.

In addition, and following on from the agreement, the company established a social plan fund in July 2003 with a board of trustees appointed to manage the fund. An amount of R15 million was initially placed in the fund and a further R3.5 million will be deposited into the trust fund on an annual basis for a period of 10 years. At time of compiling this report, the fund's cash balance was estimated at R39 million. The trustees of the fund are drawn from representatives of management and labour.

## **4.2 Mechanisms to provide alternative solutions and procedures for creating job security where job losses cannot be avoided**

As discussed, the primary method by which The Operation intends to avoid retrenchments is by providing other employment opportunities.



## JOBS SAVING AND RETENTION

**Type of project:** Re-deployment of The Operation's employees

### Objectives:

To save and retain jobs and create more job opportunities

### Beneficial change:

- Saving jobs
- Retention of jobs
- Extension of life of mine
- Creation of more jobs opportunities

### Beneficiaries:

The Operation's employees

### Implementation plan:

Proactively monitor the current LOM plan on an ongoing basis, and will make regular recommendations aimed at helping to lengthen the LOM.

The recommendations will include the following measures:

- Exploring synergies and trade-offs between mines
- Mining of low grade areas
- Reduction of costs
- Exploration of new technology in mining for longer term sustainable mines
- Conducting strategic assessment and set performance goals to reduce high costs
- Growth and acquisition objectives of Harmony as a whole
- Redeployment within the group
- Managing/cessation/stopping recruitment of new employees
- Voluntary/compulsory early retirement
- Voluntary severance packages
- Termination of services of temporary and contract labour
- Employment in other companies outside the company
- Adjustment to working arrangements
- Portable skills training

However, in the event that it becomes impossible to avoid downscaling, despite the efforts of the management and the work of the future forums, the future forum will be tasked with finding alternatives to retrenchment and the loss of jobs. This process has been well established in South African labour relations practices and is comprehensively set out in sections 189 and 189A of the Labour Relations Act (LRA). The provisions of the Act allow the representatives of affected employees the opportunity to examine the reasons for the proposed downscaling and to present and consider alternatives to job losses, as well as to propose measures to mitigate the effects of the loss of jobs on employees and communities.

The future forum is tasked with ensuring that retrenchments are avoided wherever possible, but where they cannot be avoided, it is the future forum's task to ensure that the retrenchments take place in an orderly manner. Every effort is being made to reduce the negative consequences on employees and affected communities.



Set out below is a range of possible courses of action to achieve these objectives which the company plans to implement at the mine should downscaling and retrenchments become unavoidable. The detailed implementation of these alternatives to retrenchment will be discussed and agreed upon as and when required in terms of the provisions of the LRA, other relevant legislation, guidelines and collective agreements.

### **Voluntary or compulsory early retirement**

Preference may be given to retain younger employees and allowing those closer to retirement to terminate their employment. This principle is obviously one which will have to be considered and accepted by employee representatives in the context of the consultations envisaged by section 189 and 189A of the LRA which the company and employee representatives will embark on as set out above.

### **Voluntary severance packages**

In circumstances where extensive job losses are being contemplated there will be employees who, because of their skills, experience and or financial circumstances are less dependent on Harmony for employment than others. These employees will be given the opportunity to voluntarily terminate their services.

### **Stopping of new recruitment**

Obviously, where employees are facing losing their jobs it is absurd to continue recruiting new staff. However, there may be special skills which are required, or particular shortages which cannot be readily filled through training and development. If it is not possible to fill the needs of the mine such selective and restricted recruitment may continue, but will be closely monitored and conducted in a completely transparent way.

### **Termination of services of temporary and contracted labour**

Harmony has an agreement with NUM that restricts the employment of contractors and temporary employees in specific circumstances. Replacing such contractors with our own employees, that have become redundant, is a consideration.

### **Employment in other companies outside of Harmony**

The company will make use of the services of TEBA to attempt to place excess employees elsewhere in the industry as well as contacting other employers in mining and other large-scale industries to place redundant employees.

### **Adjustments to working arrangements**

This alternative includes arrangements such as: working part-time, making adjustments to shift schedules, reductions to the length of the working week, extended home stay periods and temporary lay-offs. It is a source of potential job loss reduction which has, regrettably, not met with much acceptance from organised labour in South Africa, but is used extensively in other countries with some success. Harmony plans to pursue this type of alternative with organised labour should job reductions become unavoidable. Obviously any proposal will only be implemented with the agreement of the employee representatives concerned.

### **Reduction of overtime**

The use of extensive overtime is an undesirable work practice. Overtime is both expensive and where it occurs on a large scale, reduces job opportunities. The company constantly ensures that all overtime is strictly controlled and that only unavoidable overtime is worked. In circumstances where job losses are being



contemplated, overtime will receive particularly close attention with a view to restricting it so that only absolutely necessary and unavoidable overtime is worked.

### **Working on off days**

Employees may be approached from time to time to agree to work additional shifts on Saturdays and public holidays, in order to improve productivity and generate additional revenue.

## **4.3 Management of Retrenchment**

### **Section 189 and 189A of the LRA**

The Operation will engage in formal Section 189 and 189A consultations with recognised employee representatives as soon as retrenchments are contemplated. Notification regarding the process will be submitted to the Department of Mineral Resources.

### **Section 52 of the MPRDA**

The company and its mines will provide the DMR with a letter for submission to the Minerals and Mining Development Board, as required by this section.

### **National social plan guidelines**

The consultation process as set out in the national social plan guidelines will be followed whereby employees' representatives and the Department of Labour are notified of, and consulted on, the contemplated downscaling.

### **Moratorium recruitment of new employees**

The Operation will discontinue the recruitment of new employees while attempting to fill vacant positions with existing over-complement employees who are suitably qualified, skilled, and experienced, provided that Harmony will be entitled to recruit employees with specialist skills and where a shortage of labour has occurred in a particular category.

### **National Economic Development and Labour Council social plan agreement**

In accordance with the NEDLAC social plan agreement the Department of Labour will be notified of:

- Number of employees possibly affected
- The employees' job categories
- Timing of the proposed retrenchments
- The assistance being offered includes training
- Prospects for re-employment
- Languages and areas of origin of affected employees
- The employees' skill profiles
- The resources available to assist employees
- Details of the agreements and disagreement or disputes with recognised and affected unions

Discussions will also be held with the department regarding any additional services that may be required, including the deployment of a retrenchment response team.





### **The Department of Labour**

It is envisaged that the Operation will make use of the Department of Labour's retrenchment response teams. They will set up job advice centres for affected employees at the mines in question, provide affected employees with information packs and advise on Unemployment Insurance Fund, assist with their registration with the department as work seekers, and advise on labour market and employment opportunities.

The mine reaches an agreement with the department regarding the provision of services to assist employees, including group counselling, employment counselling, training of affected employees and placement services. If necessary, additional staff will be contracted to assist the department and the mines in ensuring that these services are provided. Where necessary the above services provided for the affected employees will be for the mine's cost.

The Department of Labour is also required to notify the National Productivity Institute and the provincial and local government of any anticipated retrenchments.

### **Collective agreements**

The Operation is a part of Harmony collective agreements with all recognised trade unions which deal with downscaling and retrenchments. These agreements replicate the processes and procedures set out above, but also deal with such issues as severance pay, notice pay, re-employment and recall procedures, accommodation arrangements and training. Harmony has ensured that compliance with these agreements is part of the planning processes for downscaling and job reductions.

These collective agreements commit the Harmony group companies to paying severance packages far in excess of the minimum required by legislation. They also exceed the minimum notice requirements. These higher payments are part of the plan to ameliorate the effects of job losses as much as possible.

All employees at Harmony are members of retirement funds, to which the company and employees contribute on a monthly basis. In all cases, company contributions exceed those of the employees. On retrenchment, affected employees are able to access the accrued benefits accumulated over the years of service in these funds.

Together with the Department of Labour's retrenchment response team, the downscaling mines will assist employees with the registration and collection of UIF benefits.

#### **4.4 Mechanisms to ameliorate the social and economic impact on individuals, regions and economies where retrenchment or closure of the mine is certain**

Should the measures set out above not be sufficient to avoid large scale retrenchments, and the regions from which The Operation recruits employees be adversely affected. The following processes will be followed to ameliorate the hardships which results from job losses:

- Implementation of portable skills training for The Operation's employees for absorption into other sectors of the economy and for job creation and poverty alleviation through self-employment projects



## Skills training

Other mechanisms to provide alternative solutions to avoid retrenchments include the following:

- Training and development
- Relocation of employees to other mines
- Productivity improvement measures

## Portable skills training

Portable skills training is one of the most sustainable methods of mitigating the effects of downscaling and industry job losses. It gives affected employees the opportunity of viable long-term independence from the mining industry's uncertainties. For this reason, The Operation's plan is to make resources available for this type of training. Although it is possible to make arrangements to allow for training after the downscaling occurs and employment has been reduced, the mine plans to start such training before the need arises, thereby minimising the impact on affected employees and enabling them to take up alternative employment immediately the need arises.

*The table below reflects the plan for Portable Skills Training*

PORTABLE SKILLS TRAINING						
Course / Intervention	Plan					Total
	Year 1	Year 2	Year 3	Year 4	Year 5	
Total Planned	48	48	48	48	48	240

## Portable skills training for Full Time Contractor Employees

The Operation's plan is to make resources available for this type of training for the contractor employees. The contractor will be able to assess the facilities and make use of the Operation's service providers in order to train their employees on portable skills. The costs incurred with regards to this training will be for the contractors own account.

## Portable Skills Plan

The training of the Operation's employees will be a continuous, holistic and inclusive process. This process will include educational advancement, life and technical skills acquisition in a learning organisation supportive of the human need for growth and development. To meet these objectives employees participate in AET, life skills programmes, skills development, portable skills and individual career and development counselling.

The following skills are provided for portable skills training. The list are scrutinised regularly and amended based on what employee's requests. The list includes but is not limited to the following:

- Basic Motor Mechanics, Welding, Electrical
- End User Computing
- Broiler Production
- Plumbing
- Farming
- Furniture Making
- Clothing Manufacturing



The following are rolled out and part of the portable skills development plans:

PORTABLE SKILLS PLAN	
Ameliorating the social and economic impact of job losses on individuals	
<b>Objectives:</b>	<ul style="list-style-type: none"> <li>To develop life or portable skills in all employees for job creation and poverty alleviation through self-employment and or to be absorbed in other sustainable sectors of the economy</li> </ul>
<b>Implementation plan:</b>	<p>The Operation's future forum will:</p> <ul style="list-style-type: none"> <li>Conduct road-shows and awareness programmes on portable skills training to all the mine's employees</li> <li>Conduct skills audits through which employees could make skills choices or preferences</li> <li>Implement assessment and counselling services</li> <li>Ensure that employees' skills choices or preferences are in accordance with the IDPs of the local economies, where The Operation's employees are sourced from mining communities and labour-sending areas</li> <li>These areas include Swaziland, Mozambique, Lesotho, Free State, Eastern Cape and Botswana</li> <li>Ensure integration of portable skills training to the Operation's AET and training programmes as a continuous, holistic and inclusive process</li> <li>Implement portable skills training to all employees</li> <li>Monitoring of the training</li> <li>Ensure linkage of the developed portable skills to the sustainable community projects through Harmony's LED and SMME development interventions</li> </ul>
<b>Beneficial changes:</b>	<ul style="list-style-type: none"> <li>Job creation through the community projects</li> <li>Poverty alleviation</li> <li>SMME development skills</li> </ul>
<b>Beneficiaries:</b>	<ul style="list-style-type: none"> <li>The Operation's employees (or their proxies)</li> </ul>

#### Compliance to the IDP of the mining communities and labour-sending regions

Since some of The Operation's employees are sourced from mining areas or labour-sending regions such as Swaziland, Mozambique, Lesotho, Eastern Cape and Botswana, the mine's will always ensure that the provided portable skills are complementary to the local economic needs of their respective areas. Budget for provision for Harmony's social plan trust fund, established in terms of the social plan framework agreement, is in a healthy state and will be able to cater for any eventually. The allocation of these funds will be in accordance with the framework agreement.



#### 4.5 Financial Provision – Downscaling and Retrenchment

FINANCIAL PROVISION - DOWNSCALING AND RETRENCHMENT						
	Plan					Total
	Year 1	Year 2	Year 3	Year 4	Year 5	
Portable Skills (No of employees to be trained)	48	48	48	48	48	240
Cost per person ('R)	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	
<b>Total Financial Provision</b>	<b>192,000.00</b>	<b>192,000.00</b>	<b>192,000.00</b>	<b>192,000.00</b>	<b>192,000.00</b>	<b>960,000.00</b>



## Section 5: Financial provision

*As per Regulation 46(e): To provide financially for the implementation of the social and labour plan in terms of the implementation of-*

- *Regulation 46(e)(i): the human resource development programme*
- *Regulation 46(e)(ii): the local economic development programmes; and*
- *Regulation 46(e)(iii): the processes to manage downscaling and retrenchment*

### 5.1 Five year plan for Operation

Operation is committed to implementing this SLP and sets out in the following table below the amounts it intends to spend in the areas of HRD, LED and the management of downscaling and portable skills training.

*The ability of Operation to fund, on an ongoing basis, the programmes described in this SLP is, however, dependent on the ability of its mines to continue to generate positive cash flows after capital expenditure.*

Our strategic objective is to optimise the mining of our ore bodies, for the benefit of all stakeholders, particularly our employees whose job security is enhanced by our ability to extend the lives of our shafts through pay limit reduction. Decisions will accordingly always be made taking into account the long-term implications, and a balance will need to be found between competing interests.

In a similar vein, profitability and the generation of cash flows is dependent on the rand gold price received, as is the availability of ore reserves to be mined profitably. Gold price sensitivity of the reserves in ounces is shown at 5% intervals above and below the base gold price. With an increasing reserve gold price, generally, the average grade is reduced but with additional tonnes, resulting in an increased ore reserves. With a decreasing gold price, higher grades are declared at reduced tonnes equating to decreased ore reserves. The gold price to be used for the reserved declaration is reviewed annually and approved by the Board within the requirements of the regulatory framework.

Given that we cannot control the international gold price or the rand/dollar exchange rate, the only way in which we can sustain our ore reserves and therefore our future is through increased productivity in all spheres of the business, including stringent cost control.

*This SLP assumes a gold price of R525 000/kg. However, should this price not be achieved on a sustainable basis, and should our SLP roll-out be impaired by the occurrence of events beyond our reasonable control, or should any risk factor (including, without limitation, the risk factors referred to above) materialise or alter materially, the roll-out of the programmes outlined in this SLP may require re-assessment.*

Operation's undertakings elsewhere in this plan need to be read and understood in this context and against this background. On the positive side, should we be able in the future to achieve revenues significantly in excess of R525 000/kg, we will be in a position to accelerate the programmes. See profitability table below worked at 1% of Nett Profit after Tax:



## Profitability Table for the Operation at different Gold Prices

1% Nett Profit After Tax			
	At Au price of R525 000	At Au price of R472 000	At Au price of R577 500
Kalgold	3,019,536.56	1,019,171.68	5,447,854.02

## 5.2 Financial provision – Total of all elements

FINANCIAL PROVISION - TOTAL ALL ELEMENTS OF SLP						
Item	Plan					Total
	Year 1	Year 2	Year 3	Year 4	Year 5	
Human Resource Development	1,275,373.66	1,194,006.57	1,274,224.90	1,517,093.48	1,406,338.28	6,667,036.89
Mine Community Development	3,000,000.00	2,721,448.25	1,159,448.25	1,159,448.25	1,159,448.25	9,199,793.00
House and Living Conditions	1,000,000.00	1,000,000.00	1,100,000.00	1,200,000.00	1,200,000.00	5,500,000.00
Enterprise and Supplier Development	26,889.82	26,889.82	26,889.82	26,889.82	26,889.82	134,449.09
Downscaling and Retrenchment	192,000.00	192,000.00	192,000.00	192,000.00	192,000.00	960,000.00
<b>Total Financial Provision</b>	<b>5,494,263.48</b>	<b>5,134,344.64</b>	<b>3,752,562.97</b>	<b>4,095,431.55</b>	<b>3,984,676.35</b>	<b>22,461,278.98</b>



## Section 6: Reporting, monitoring and evaluation

The general manager of each mine is responsible for the implementation of the SLP and will report on a quarterly basis to the executive in charge of South African mines on progress regarding the implementation of this plan. The executive in charge of the South African mines will in turn report to the Board on progress on the implementation of this plan.

The executive in charge of South African mines shall be required to oversee the preparation and submission by Harmony, on an annual basis, of reports to the DMR. Such reports will be in accordance with the financial yearend and shall reflect expenditures and progress in accordance with the undertakings contained in the various chapters.

### Undertaking

*Regulation 46(f): An undertaking by the holder of the mining right to ensure compliance with the Social and Labour Plan and to make it known to employees*

*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 Chief Executive Officer, Managing Director or any other person so appointed must approve the Social and Labour Plan.*

I, MJA Mosupyoe the undersigned and duly authorised thereto by the Operation of Harmony Gold Mining Company Limited do undertake to adhere to the information, requirements, commitments and conditions as set out in the Social and Labour Plan.

Signed at Kalgold Mine on this 29<sup>th</sup> day of October 2018

**Signature of responsible person:**

  
General Manager