

Farm Slagkraal
353-IS District
STANDERTON
Mpumalanga

Regional Manager
Department of Mineral Resources
Mpumalanga Region
eMalahleni
P/Bag X7279
1035

Attention: Sibongile Radebe

MP 30/5/1/2/2(74) MR

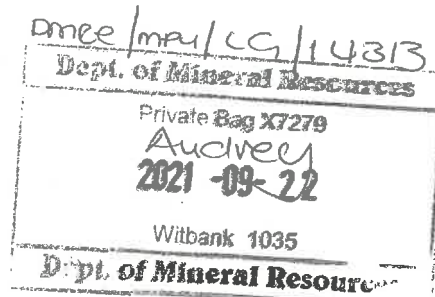
SUBMISSION OF THE AMENDED SOCIAL AND LABOUR PLAN AS INSTRUCTED BY DIRECTIVE IN TERMS OF SECTION 29 OF THE MINERAL AND PETROLEUM RESOURCE DEVELOPMENT ACT 2002 (ACT 28 OF 2002), AS AMENDED, IN RESPECT OF MINING AREA: FARM SLAGKRAAL, 353 – IS DISTRICT, SITUATED IN THE MAGISTERIAL DISTRICT OF STANDERTON

New Denmark Colliery hereby submits the Social and Labour Plan 20/21 – 24/25 in terms of section 29 of the Mineral and Petroleum Resource Development Act 2002 (act 28 of 2002),

Yours truly,



Brenda Mogale
017 749 0086
Document and Data Controller
New Denmark Colliery



For / on behalf of

Mike Lawson
General Manager
017 749 0162
New Denmark Colliery

Driver: 

DMR: _____

Date: 21 September 2021

Date: _____

NEW DENMARK COLLIERY SOCIAL AND LABOUR PLAN 2020/21 – 2024/25

MP 30/5/1/2/2/74 MR

VERSION 4.0

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SECTION A:

PREAMBLE - Regulation 46 (A)

1. Introduction & Preamble

1.1 Purpose

The purpose of the Mineral and Petroleum Resources Development Act, 2002, (Act No 28 of 2002) (MPRDA) is amongst others to transform the mining and production industries in South Africa. To ensure effective transformation the Act requires the submission of the Social and Labour Plan as a pre-requisite for the granting of mining or production rights. The Social and Labour Plan requires applicants for mining and production rights to develop and implement comprehensive Human Resources Development Programmes, Mine Community Development Plan, Housing and Living Conditions Plan, Employment Equity Plan, and Processes to save jobs and manage downscaling and/or closure.

This Social and Labour Plan (SLP) details commitments set by NDC for the new SLP cycle commencing on 2020/21 – 2024/25. The implementation of the commitments detailed on this SLP will be effective from the date of approval by the Department of Mineral Resources and Energy (DMRE). The SLP has thus been designed as a working document to facilitate the appropriate implementation, thereby allowing NDC to implement the programmes on the date of receiving approval from the DMRE.

1.2 About New Denmark Colliery

Established in 1980, New Denmark Colliery is one of the deepest coal mines in South Africa, mining at a depth of over 200m. Located 30km north of Standerton, New Denmark falls under the jurisdiction of the Lekwa Local Municipality, which is part of the Gert Sibande District in the Mpumalanga Province.

Production commenced at the Central Shaft in 1982, two years after New Denmark was established. New Denmark's North Shaft was commissioned in 1986, and a third shaft, Okhozini, began production in 1996. With rights to 34 308 hectares, New Denmark is a mechanised underground coal mine using continuous miners to extract bituminous steam coal for Eskom's Tutuka Power Station.

Table 1: Preamble

Name of the Company:	Seriti Coal (Pty) Ltd
Name of the Colliery	New Denmark Colliery
Physical address	Mining and Property Rights Department
	5th Floor Worley Parsons Building 39 Melrose Boulevard Melrose Arch Melrose, Johannesburg, 2076
Postal address	5th Floor Worley Parsons Building 39 Melrose Boulevard Melrose Arch Melrose, Johannesburg, 2076
Telephone number	+27 (0) 11 047 7000
Alternate number	+27 (0) 11 047 7000
Mine address	New Denmark Colliery
	Farm Slagkraal, 353 – IS District
	Standerton
	Mpumalanga
Mine postal address	Private Bag X 2022
	Standerton
	2430
Telephone number	+27 (17) 740 0162
Mine fax number	+27 (17) 749 0001
Commodity	Coal
Life of mine	11 years with further opportunities being explored
Financial Year	31 March
Contact Person at New Denmark Colliery for this Report	Euphodia Mphahlele Human Resource Manager E: euphodia.mphahlele@seritiza.com O: (017) 749 0665 M: 076 735 8773

1.3 Breakdown of Labour Sending Areas

Table 2: Labour Sending Areas as at 31 March 2020

Labour sending area	Number	%
Mpumalanga	745	45%
Eastern Cape	161	9%
KwaZulu Natal	195	12%
Gauteng	149	9%
Eastern Cape	165	10%
Free State	95	6%
Limpopo	97	6%
Northern Cape	5	0.2%
Western Cape	8	0.3%
North West	13	0.5%
Foreign Nationals		
	30	2%
Total	1663	100%

Table 3: Mine Community Labour Sending Areas

Labour Sending Areas	Number	%
MINING AREA		
Lekwa Local Municipality		
Standerton	676	40.6%
Morgenzon	4	0.2%
Other	1	0.1%
ADJACENT COMMUNITIES		
Govan Mbeki Local Municipality	50	3.0%
Bethal	24	1.4%
Secunda	4	0.2%
Trichardt	5	0.3%
Other	17	1.0%
Msukaligwa Local Municipality	23	1.4%
Ermelo	17	1.0%
Other	6	0.4%

Table 4: Other Labour Sending Areas

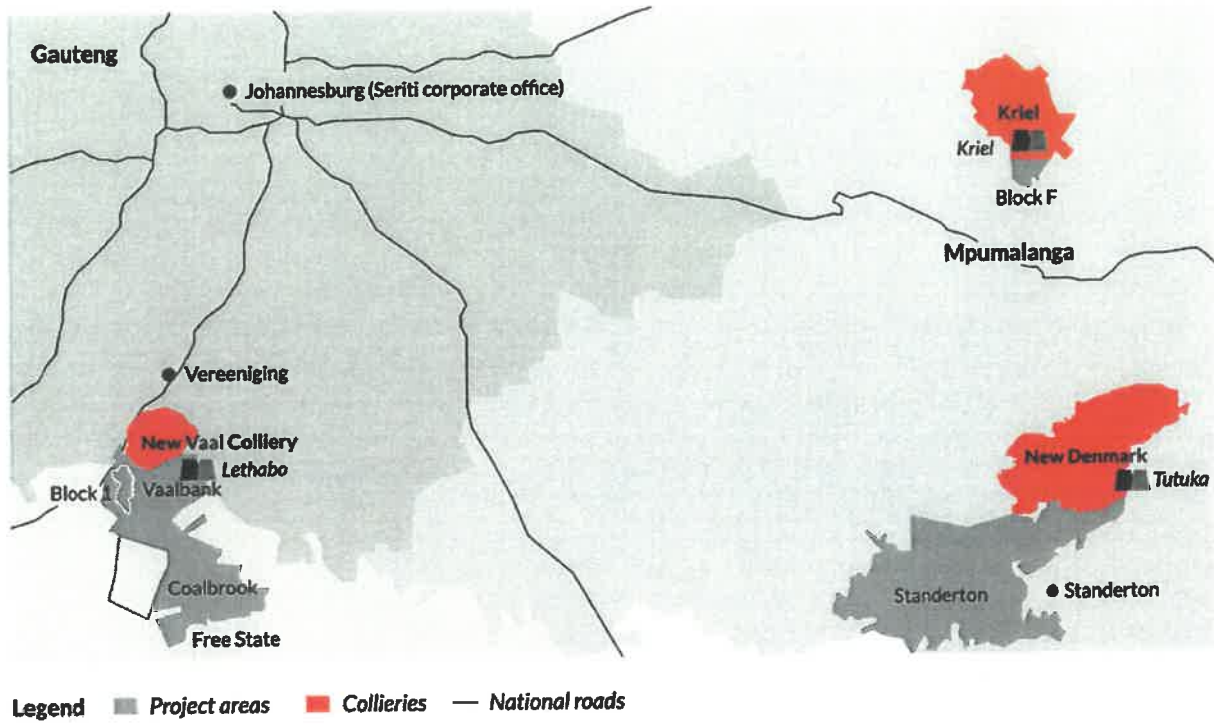
Other Labour Sending Areas		
Gauteng		
City of Johannesburg	67	4.0%
City of Tshwane	27	1.6%
Other	55	3.4%
Eastern Cape		
OR Tambo	51	3.0%
Alfred Nzo	27	1.5%
Joe Gqabi	24	1.3%
Chris Hani	23	1.2%
Other	40	2.0%
KwaZulu Natal		
EThekweni Metropolitan	12	0.8%
Zululand District Municipality	47	2.9%
Amajuba District Municipality	47	2.9%
Umzinyathi District Municipality	19	1.3%
Other	70	1.6%

1.4 Location

New Denmark Colliery is hosted by the Lekwa Local Municipality of Gert Sibande District in Mpumalanga Province. The mine is situated in the area that is approximately 30 kilometres of Standerton and 40 kilometres from Secunda. The mine falls within the following jurisdiction:

- **Province:** Mpumalanga
- **District Municipality:** Gert Sibande District
- **Local Municipality:** Lekwa Local Municipality

Figure 1: New Denmark Colliery Location



SECTION B:

HUMAN RESOURCE DEVELOPMENT PROGRAMME Regulation 46 (B)

2 Human Resource Development

2.1 Introduction

This section will outline the mine's Human Resource Development (HRD) programmes as guided by Section 46 (b) of the MPRDA Regulations.

New Demark Colliery (NDC) is dedicated to improving the skills of its employees. We aim to be an employer of choice in the South African mining industry. Our drive to HRD entails providing sustainable education for our employees and extending our capacity-building initiatives to our host communities. Our integrated HRD programmes further seek to maximise the productive potential of our employees, and our core contractors, through the implementation of the following plans:

- Skills Development Plan
- Succession Plan
- Mentorship plans
- Internship and bursary plan
- Employment equity plan

2.2 Skills Development Facilitator

NDC has a dedicated skills development facilitator, who is responsible for co-ordinating the compilation of the Workplace Skills Plan and Annual Training Report in consultation with New Denmark Colliery's skills development committee. The committee meets bi monthly to discuss compliance, current training programmes, skills development planning and operational requirements. This skills development committee is represented by management, union representatives and employees from various disciplines.

Table 5: Details of the SETA registration

Name of the SETA	Mining Qualifications Authority (MQA)
Registration Number with the SETA	L 660798176
Confirmation of having appointed a Skills Development Facilitator	Hemraj Beni
Proof of submission of workplace skills plan and date of submission	24/04/2019
To which institution have you submitted your skills development plan	MQA

2.3 Baseline Situation (Form Q)

The following tables, Table 4 (Form Q,) depict the education levels of the entire NDC workforce

Table 6: Form Q as at 31 March 2020

BAND	NQF Level	Highest Qualification Type	African		Coloured		Indian		White		Total			Age Groups			
			Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	PWD	Non-SA	>55	35 - 55	<35
General Education and Training (GET)		Undefined	702	10	8	4	5	0	21	0	736	14	2	0	409	191	5
		AET 1/Std 2, Grade 3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		AET 2/Std 3/4, Grade 5/6	6	0	0	0	0	0	0	0	6	0	0	0	1	2	3
	1	AET 3/Std 5/6, Grade 7/8	1	0	0	0	0	0	0	0	1	0	0	0	0	1	0
		No Schooling	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Pre-AET	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		AET 4/Std 7, Grade 9	2	0	0	0	0	0	0	0	2	0	0	0	0	0	0
	2	Std 8/Grade 10, NATED 1/NCV Level 1	36	2	0	0	0	0	0	0	36	2	0	2	0	0	54
	3	Std 9/Grade 11, NATED 2/NCV Level 2	2	0	0	0	0	0	0	0	2	0	0	0	0	2	10
	4	Std 10/Grade 12, NATED 3/NCV Level 3	395	121	3	15	0	10	30	5	428	151	14	6	245	278	7
Further Education and Training (FET)	5	Higher Certificate	30	55	4	1	16	1	122	5	172	62	3	4	112	258	34
	6	Diploma/Advanced Certificate/NATED 4-6	15	12	0	1	1	0	6	2	22	15	0	0	18	16	3
	7	Advanced Diploma/BTech Degree/Bachelor's Degree	5	8	0	0	0	0	1	0	6	8	0	2	5	9	0
Higher Education and Training (HET)	8	Bachelor Honours Degree/Postgraduate Diploma /Bachelor's Degree	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	9	Master's Degree/Master's Degree (Professional)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	10	Doctoral Degree/Doctoral Degree (Professional)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Totals	1194	208	15	21	22	11	180	12	1411	252	19	14	790	757	116
Grand Totals			1663						1663			1663			1663		

2.4 Skills Development Plan

The key objectives of our HRD programme are to produce a skilled, trained and diverse workforce to meet the demands of a modern industry; develop skills that enhance productivity of the workforce and improve the employment prospects of Historically Disadvantaged Persons (HDPs). To achieve this, NDC committed 5% of its leviable amount (excluding the statutory skills development levy) for essential skills development. To align with Mining Charter III requirements, this amount will be invested in programmes focusing on science, technology, engineering, mathematics skills (STEM), as well as artisans, internships, learnerships, bursaries, literacy and numeracy skills for employees and non -employees (i.e. community members).

The tables below detail NDC's five-year HRD commitments for employees and non -employees, i.e. community members. Should a situation arise where operational requirements change, the identified programmes may, after consultation and approval by DMRE, change to suite the need of the operation or host communities. As experienced in the past, should the mine experience challenges related to lack of interest from either employees and the surrounding communities on participating in any of the committed programmes, the DMRE will be notified accordingly, wherein the committed amount of such programme(s) will be allocated to other training interventions of interest intended to upskill the identified beneficiaries.

2.4.1 Adult Education & Training (Literacy and Numeracy Skills)

NDC has continuously funded Adult Education and Training (AET) to interested employees and their dependants. Internal communication channels are used to encourage employees to participate in AET. Our recruitment strategy has further changed to employ people with a minimum qualification of Grade 10, this further helps to replace the current ageing workforce as and when they become due for retirement. Over the recent years, the mine has noted that the Grade 10 requirement present a challenge in that the remaining employees are no longer motivated or interested to attend the AET programme, hence the programme has been shifted towards empowering local communities where current and future labour is sourced from.

The following tables details NDC's 5-year financial commitment on AET and implementation plan.

Implementation Plan		
Actions	Person Responsible	Action / Completion Date
A management brief to employees and contractors to encourage them to register for AET	HR Manager	January - Annually
Community members encouraged to register for AET	Community Development Sup	Annually through Forums
Communication to the workforce during annual Safety Awareness Training to explain benefits of AET, the requirements and potential actions the company can take to assist employees	Training Manager	Annually through Safety Awareness Training

Table 7: NDC 5-year Financial Commitment on Adult Education and Training (Literacy and Numeracy)

Programme	Y1	Y2	Y3	Y4	Y5	Total
Pre-AET	0	0	0	0	0	0
AET L1	0	0	0	0	0	0
AET L2	4	2	1	1	1	9
AET L3	4	2	1	1	1	9
AET L4	2	1	1	1	1	6
Total Number	10	5	3	3	3	24
Total Financial Provision	R140 000	R80 000	R48 000	R81 000	R84 000	R433 000.00
% of HRD Leviable Amount	0,011%	0,006%	0,0035%	0,006%	0,005%	0,032%

2.4.2 STEM Programmes (Mine Employees)

The various necessary science, technology, engineering, mathematics (STEM) programmes implemented by NDC enables the mine to meet its operational needs and assist employees to achieve the personal development goals. Examples of STEM courses presented on a year to year basis include but not limited to: Medium voltage, Maintenance for conveyors, Joy maintenance and fault finding, Dimako transformer courses, Gas testing and flame proofing, mining awareness, engineering awareness, various skill programmes, etc. The following tables detail NDC's 5-year financial commitment on STEM commitment and implementation plan.

Implementation Plan		
Actions	Person Responsible	Action / Completion Date
Needs determined from Operational requirements	<ul style="list-style-type: none"> Section Heads L & D Department 	January – Annually
Needs determined from Skill Development Committee meetings	<ul style="list-style-type: none"> SDC Members Training Manager 	Monthly – Annually
Needs determined from Metrics	<ul style="list-style-type: none"> Line Management L & D Department 	Monthly – Annually
Identify individuals for programmes based on organisational needs.	<ul style="list-style-type: none"> Section Heads L & D Department 	Monthly – Annually
Communicate and schedule training relevant to programmes	<ul style="list-style-type: none"> L & D Department 	Weekly – Monthly - Annually

Table 8: NDC’s 5-Year Financial STEM Commitment

Programme	Y1	Y2	Y3	Y4	Y5	Total
Total Number	350	360	368	371	378	1827
Total Financial Provision	R15 229 072	R15 972 661	R15 917 659	R14 891 758	R17 524 151	R79 535 301
% of HRD Leviaible Amount	1.20%	1,17%	1.16%	1,02%	1,12%	5,67%

2.4.3 Safety Programmes

Seriti and its’ managed operations are committed to Zero Harm – a journey that requires the complete involvement of every employee, including our contractors and business partners. To sustain this journey, the company pro-actively manages safety, health and environmental (SHE) risks and identifies opportunities aimed at improving our performance. Various safety courses based on best practices are continuously researched and implemented throughout the organisation. These courses include, but not limited to: Competent A, OHS safety rep training, Hazard and Risk Identification Safety Awareness/Safety Refresher Training (S1,2 ORMP – S3 ORMP).

The following tables detail NDC’s 5-year financial commitment on Safety Programmes and implementation plan.

Implementation Plan		
Actions	Person Responsible	Action / Completion Date
Needs determined from Operational requirements	<ul style="list-style-type: none"> Section Heads L & D Department 	January – Annually
Needs determined from Metrics	<ul style="list-style-type: none"> Line Management L & D Department 	Monthly – Annually
Identify individuals for programmes based on organisational needs.	<ul style="list-style-type: none"> Section Heads L & D Department 	Monthly – Annually
Communicate and schedule training relevant to programmes	<ul style="list-style-type: none"> L & D Department 	Weekly – Monthly - Annually

Table 9: NDC's 5-Year Financial Commitment on Safety Programme

Programme	Y1	Y2	Y3	Y4	Y5	Total
Total Number	200	225	237	280	300	1242
Total Financial Provision	R7 864 802	R7 805 045	R8 021 045	R 7 989 545	R8 817 197	R40 497 634
% of HRD Leivable Amount	0,62%	0,57%	0,58%	0,55%	0,57%	2,89%

2.4.4 Leadership Development Programmes.

NDC continuously identify opportunities to enhance its frontline supervisors' skills and knowledge required to support the company's strategic intent. This development enables supervisors to be adequately skilled to achieve best in class in safety, build successful teams, provide effective supervision, deliver superior consistent performance and manage staff performance. The courses to be implemented will include but not limited to: Organisational Leadership Programme Mentoring and Coaching, Assertiveness, Managing for results, etc. Further to this Seriti has also introduced the Seriti Behavioural Framework that sets out the behavioural attributes, knowledge, skills, experience and potential required to succeed in the company. The following tables detail NDC's 5-year financial commitment on Safety Programmes and implementation plan.

Implementation Plan		
Actions	Person Responsible	Action / Completion Date
Needs determined from Metrics	<ul style="list-style-type: none"> Line Management L & D Department 	Monthly – Annually
Identify individuals for programmes based on organisational needs.	<ul style="list-style-type: none"> Section Heads Heads of Departments L & D Department 	Monthly – Annually
Communicate and schedule training relevant to programmes	<ul style="list-style-type: none"> Training Manager 	Weekly – Monthly - Annually

Table 10: NDC's 5-year financial commitment on Leadership Development Programme

Programme	Y1	Y2	Y3	Y4	Y5	Total
Total Number	20	30	35	40	40	165
Total Financial Provision	R549 500	R651 600	R651 600	657 600	R705 600	R3 215 900
% of HRD Leivable Amount	0,04%	0,05%	0,05%	0,05%	0,05%	0,24%

2.4.5 Learnerships (STEM – Mine & Non-Mine Employees)

A Learnership is a registered and accredited learning programme that includes practical work experience, as well as theoretical studies, thereby integrating workplace and institutional learning. This learnership provides learners with an opportunity to get a qualification whilst employed. The programme provides a vertical and horizontal articulation within the qualifications framework and produces meaningful competencies for a productive workforce. The structured learning part of the learnerships include the unit- standard categories required to qualify, i.e. fundamental learning, core learning and specialisation. Work experience must relate to structured learning and prepare learners for competency assessment.

The following tables detail NDC's 5-year financial commitment on learnership programmes for both employees (18.1) and non-employees (18.2).

Implementation Plan		
Actions	Person Responsible	Action / Completion Date
Advertisements for Learnerships to be placed at the Colliery	Recruitment Officer	As per recruitment schedule
Advertisements for Learnerships to be placed at the Community	Community Development Sup	As per recruitment schedule

Table 11: NDC's 5-year financial commitment on Learnership Programme (Employees and Non-Employees)

Programme	Duration	Ext 18,2	Int 18,1	Other	Y1		Y2		Y3		Y4		Y5	
					Int	Cont.	Int	Cont.	Int	Cont.	Int	Cont.	Int	Cont.
Millwrights	4,5 Years	11	23	N/A		34	0	21	0	21	0	21	0	21
Learner Miners	9 Months	N/A	N/A	10	0	10	5	5	5	5	5	5	5	5
Business Practice	12 Months	N/A	N/A	30	30	0	30	0	30	0	30	0	30	0
Total Learners	N / A	12	22	40	30	44	35	26	35	26	35	26	35	26
Total Financial Provision	N / A	38		40	R7 984 926		R10 300 000		R10 250 000		R10 400 000		R10 500 000	
% of HRD Leivable Amount	N / A	N/A		N/A	0,63%		0,75%		0,75%		0,72%		0,69%	

2.4.6 Non-Mining Skills Training (STEM)

The Non-Mining Skills programme aims to equip employees and members from the community with non-mining-related skills; to enable them to find other forms of livelihood in other sectors of the economy. All our employees with mining-specific skills reaching retirement age would be given an opportunity to acquire a non-mining-related portable skill through a need's analysis process. Training will include but not limited to: Automotive body repair, Welding, Bricklaying, Hospitality, Photovoltaic training, etc.

Implementation Plan		
Actions	Person Responsible	Action / Completion Date
Portable skills training offered to the retirees of the year during retirement discussion	ER Officer	Annually
If retiree is not interested in training, a once off opportunity to be offered to a direct dependant	ER Officer	Annually
If direct independent is not interested the opportunity will be offered to members form the community.	ER Officer Community Development Sup	Annually through forums
Where applicable, verify accredited service providers and course content are being utilized	Training Manager	Annually

Table 12: NDC's 5-Year Financial Commitment on Non - Mining Skills to Employees and Communities

Programme	Y1	Y2	Y3	Y4	Y5	Total
Total Number	50	52	55	60	64	281
Total Financial Provision	R27 458 140	R17 000 000	R17 200 000	R18 500 000	R18 000 000	R98 158 140
% of HRD Leivable Amount	2.16%	2.13%	2.15%	2.35%	2.30%	11,09%

2.4.7 Hard to Fill Vacancies

Table 13: NDC's Hard to Fill Vacancies

HARD TO FILL VACANCIES					
Occupational level	Department	Job title of scarce and critical skill	Job title of vacancy	Main reason for inability to fill the vacancy	Intervention
Middle Management	Mining	Mining Engineer	Mine Overseer/Section Manager	Low Pass Rate of MMC in the industry	External Recruitment
Middle Management	Technical Services	Rock Engineer	Rock Engineering Specialist	Low Pass Rate of Rock Engineering ticket in the industry	Internal development of Strata Control Officers and PIT
Middle Management	Engineering	Ticketed Engineer	Section Engineer	Low Pass Rate of GCC in the industry	Recruitment of PIT and external recruitment

2.4.8 Career Progression Plan

NDC continuously identify opportunities to enhance career development planning processes of our employees. We strive to implement generic career paths for all disciplines, and work with individuals to develop more suitable and customised career paths. This ongoing initiative that we continue to refine enables our workforce to manage their careers more effectively and to pursue specific career opportunities within Seriti group.

Table 14: NDC's Career Progression Plan

Current Position	Training intervention	Qualification to be achieved	Y1		Y2		Y3		Y4		Y5	
			No of identified employees		No of identified employees		No of identified employees		No of identified employees		No of identified employees	
			New	Cont.	New	Cont.	New	Cont.	New	Cont.	New	Cont.
Mining Intern	Intern Programme	Mine Overseer ticket and Mine Managers Ticket	1	3	0	2	0	0	0	0	0	0
Rock Engineering Intern	Intern Programme	Strata control Ticket	0	1	0	0	0	0	0	0	0	0
Geology Intern	Intern Programme	Intermediate ticket	0	1	0	0	0	0	0	0	0	0
Human Resources Intern	Intern Programme	HR Analyst	0	1	0	0	0	0	0	0	0	0
Learner Millwright	Learnership	Qualified Artisan	13	21	0	21	0	21	0	21	0	21
Learner Miner	Learnership	Qualified Miner	5	10	5	5	5	5	5	5	5	5
VOHE Officer	Coaching/Training	Mine environmental Control	0	1	0	1	1	0	0	1	0	1
Snr VOHE Assistant	Coaching/Training	Mine Environmental Control	0	1	0	1	0	1	1	0	1	0
Senior Surveyor	Coaching/Training	Mine Surveyor Ticket of competency	0	1	0	1	0	1	0	1	0	1
Strata Control Officer	Coaching/Training	Rock Eng Ticket	0	1	0	1	0	1	0	1	0	1
Total			19	41	5	32	6	29	6	29	6	29

2.4.9 Mentorship

All our graduates and learners are afforded an opportunity to participate in mentorship programmes wherein an appropriate mentor with the relevant technical skills and capabilities is assigned to provide guidance and direction to the mentees' growth and development objectives. These programmes occur at the following levels:

- All graduates brought into the organisation are assigned a technical mentor who provide support and guidance in the early stages of their careers;
- All learners participating in our learnership programme are assigned a mentor who will provide support and guidance necessary to enable the learners to complete their program and obtain the relevant qualification.

Table 15: NDC's 5-Year Mentorship Programme and Commitments

Mentoring Programme	Duration	Y1			Y2			Y3			Y4			Y5		
		HDSA	NON-HDSA	Totals	HDSA	NON-HDSA	Totals	HDSA	NON-HDSA	Totals	HDSA	NON-HDSA	Totals	HDSA	NON-HDSA	Totals
Millwrights	4,5 Years	29	5	34	20	1	21	20	1	21	20	1	21	20	1	21
Learner Miners	9 Months	4	1	5	4	1	5	4	1	5	4	1	5	4	1	5
Internships	3 Years	6	1	7	6	2	8	6	2	8	8	2	10	8	2	10
Total		39	7	46	30	4	34	30	4	34	32	4	36	32	4	36

2.4.10 Internships (STEM)

NDC offers experiential learning to several students, which not only affords them an opportunity to complete the practical component of their studies but provides NDC with a pipeline of students who could ultimately be offered permanent employment within the company. The Tables below details NDC's 5-year commitments on the internship programme and implementation plan thereof.

Implementation Plan		
Actions	Person Responsible	Action / Completion Date
Advertise internship opportunities externally through community newspapers, municipal councils and other relevant authorities to attract recruits from the local community.	Community Development Sup	As per recruitment schedule
Targets to be reviewed annually based on business needs.	Training Manager	Annually
Contractual agreements with learners must be in place.	Training Manager	As per recruitment schedule
A pool of mentors will be confirmed for learners	Training Manager	As per recruitment schedule

Table 16: NDC 5-year Internship Programme and Commitments

Internship Field	Y1		Y2		Y3		Y4		Y5	
	New intake	Cont.	New intake	Cont.	New intake	Cont.	New intake	Cont.	New intake	Cont.
Mining	1	4	0	3	1	1	1	1	1	0
Engineering	0	0	2	0	0	2	0	2	0	2
Rock Engineering	0	0	0	0	1	0	0	1	0	1
Geology	0	0	0	0	0	0	0	0	0	0
Human Resources	0	0	0	0	0	0	0	0	1	0
Total	1	4	2	3	2	3	1	4	2	3
Grand Total	5		5		5		5		5	
Total Financial Provision	R2 500 000,00		R2 650 000,00		R2 650 000,00		R2 750 000,00		R2 750 000,00	
% of HRD Leviable Amount	0.20%		0,19%		0,19%		0,19%		0.18%	

2.4.11 In House study assistance (STEM)

The In-house study assistance is available to all the New Denmark permanently employed personnel. The study assistance is managed centrally by the Learning & Development department and is made available to employees wishing to enhance their career opportunities by studying further on a part-time basis. Employees can apply for study assistance applicable to all fields across the New Denmark mining scope.

The Tables below details NDC’s 5-year financial commitments on the in-house study assistance pertaining to STEM and implementation plan thereof.

Implementation Plan		
Actions	Person Responsible	Action / Completion Date
Communication of In-House Study assistance policy through Safety Awareness Training	L & D Department	Weekly
Review and approve relevant applications as and when they are received.	<ul style="list-style-type: none"> • Front Line Manager • Training Manager • HR Manager 	Ad-Hoc

Table 17: NDC’s 5-Year Financial Commitments on In House Study Assistance on STEM

Programme	Y1	Y2	Y3	Y4	Y5	Total
Total Number	8	13	15	17	20	75
Total Financial Provision	R160 000	R200 000	R200 000	R252 000	R250 000	R1 062 000
% of HRD Leivable Amount	0,012%	0,015%	0,014%	0,014%	0,016%	0,071%

2.4.12 Bursaries and Scholarships (STEM)

The NDC bursary programme is targeted at students who intent pursuing a career in the mining industry. The programme is further developed to build a pipeline of future skills that the company needs. NDC also commits to continue with the community scholarship program aimed at financially supporting deserving learners from host communities to further their studies on STEM related degrees at a tertiary institution of their choice. The students are also offered mentorship support during the duration of their studies to ensure that they complete their tertiary studies.

The Tables below details NDC’s 5-year financial commitments on the bursaries and scholarship programmes and implementation plan thereof.

Implementation Plan (Bursars and Scholarships)		
Actions	Person Responsible	Action / Completion Date
Advertise Bursars and Scholars opportunities externally through community newspapers, municipal councils and other relevant authorities to attract recruits from the local community.	Community Development Sup	As per recruitment schedule
Targets to be reviewed annually based on business needs.	Training Manager/Group L & D Manager	Annually
Contractual agreements with learners must be in place.	Training Manager	As per recruitment schedule

Table 18: Bursary and Scholarship

Bursary & Scholarship	Y1		Y2		Y3		Y4		Y5	
	New intake	Cont.	New intake	Cont.	New intake	Cont.	New intake	Cont.	New intake	Cont.
BSC Life& Env Science	0	1	0	1	1	0	0	1	0	1
Engineering Mechanical	0	2	1	1	1	1	0	2	0	2
Accounting	0	2	1	1	0	2	1	1	0	2
Nursing	0	1	0	1	0	1	1	0	0	1
Bachelor of Commerce	0	1	0	1	1	0	0	1	0	1
Total	0	7	2	5	3	4	2	5	0	7
Grand Total	7		7		7		7		7	
Total Financial Provision	R 1 500 000		R1 600 000		R1 500 000		R1 500 000		R1 500 000	
% of HRD Leivable Amount	0,118%		0,117%		0,109%		0,109%		0,096%	

2.4.13 Employment Equity

One of our greatest assets is the diversity of our people and we pride ourselves for having moved beyond compliance over the past couple of years. We continue to focus on ways to improve our performance in the attraction, retention and advancement of women in all disciplines and at all levels of our organisation, as that has been one of the challenges faced by NDC.

Table 19: Employment Equity: Form S as at 31 March 2020

	African		Coloured		Indian		White		Total Incl. FN	Total HDSA	Total Female	Foreign Nationals			MC III Target	
	Female	Male	Female	Male	Female	Male	Female	Male				Female	Male	TOTAL	% HDSA	% Female
Board	1	2	0	0	0	0	0	0	4	3	1	0	1	1	50.00%	20.00%
Top Management	0	3	0	0	0	0	0	1	5	3	0	0	1	1	50.00%	20.00%
Senior Management	3	1	0	0	0	0	0	3	8	5	3	1	0	1	60.00%	25.00%
Middle Management	9	28	0	1	0	3	0	17	60	43	9	0	2	2	60.00%	25.00%
Junior Management	33	115	2	4	1	6	4	54	224	170	40	0	5	5	70.00%	30.00%
Core	107	500	3	4	0	0	2	16	642	626	112	0	10	10	60.00%	-
Critical	68	406	3	5	2	9	3	58	566	508	76	0	12	12		
Other	61	82	0	2	0	3	3	12	163	151	64	0	0	0	N/A	N/A
Total	282	1137	8	16	3	21	12	161	1672	1479	305	1	31	32		
Disability	5	13						1	19							1.5%

To align NDC’s labour requirements with Mining Charter III requirements, plans are in place and reviewed regularly to ensure our Employment Equity, local recruitment and human resources development strategies support our legal obligation. The intention is to achieve equity in the workplace, create a diverse workplace, improve participation of Historically Disadvantaged Persons in all levels and ensure alignment with the requirements of Employment Equity Act.

Table 20: NDC’s 5-year Employment Equity Commitments

Employment Equity Targets	Mining Charter III Targets	Y1	Y2	Y3	Y4	Y5
Board						
HDSAs	50%	75%	75%	75%	75%	75%
Females	20%	25%	25%	25%	25%	25%
Executives/Top Management						
HDSAs	50%	60%	60%	60%	60%	60%
Females	20%	0%	0%	20%	20%	20%
Senior Management						
HDSAs	60%	38%	38%	50%	50%	60%
Females	25%	25%	25%	25%	25%	25%
Middle Management						
HDSAs	60%	68%	68%	68%	68%	68%
Females	25%	24%	24%	25%	25%	25%
Junior Management						
HDSAs	70%	75%	75%	75%	75%	75%
Females	30%	25%	27%	30%	30%	30%
Core Skills						
HDSAs	60%	90%	90%	90%	90%	90%
Disabilities						
Africans Coloureds Indians Whites	1.5%	1%	1.2%	1.4%	1.5%	1.5%

SECTION: C

LOCAL ECONOMIC DEVELOPMENT Regulation 46 (c)

3. Local Economic Development

3.1 Social and economic background information (Regulation 46 (c) (i))

Lekwa Local Municipality was established on the 5th of December 2000 after the amalgamation of 3 former Transitional Local Councils namely Standerton, Sakhile and Morgenzon. Lekwa Local Municipality lies on the large open plains of the Highveld region that is characterised by tall grass and is transversed by the Vaal River which flows in a westerly direction. The municipality spans an area of 4 586 km² which equates to 15% of the overall area of Gert Sibande District. The Municipality is named after the Vaal River which is commonly known as Lekwa (a Sotho name for Vaal River).

The Municipality consists of Standerton which serves as an urban node, while Morgenzon, which is 45km North East of Standerton, serves as a satellite node. It is landlocked by the following local municipalities, Pixley ka Seme and Msukaligwa on the east, Dipaliseng on the west and Govan Mbeki on the north. The south edge is abutted by Mpumelelo Local Municipality which is in the northern part of the Free State Province.

According to Census 2011, Lekwa Local Municipality has a total population of 115 662, of whom 84,2% are black African, 11,4% are white, with the other population groups making up the remaining 4,4%. Of those aged 20 years and older, 4,6% have completed primary school, 34,1% have some secondary education, 25,1% have completed matric and 10,3% have some form of higher education. 11,2% of those aged 20 years and older have no form of schooling

There are 31 071 households in the municipality, with an average household size of 3,6 persons per household. 90,6% of households have access to piped water either in their dwelling or in the yard. Only 2,4% of households do not have access to piped water.

46 013 people are economically active (employed or unemployed but looking for work), and of these 25,9% are unemployed. Of the 23 126 economically active youth (15 – 34 years) in the area, 35,2% are unemployed.

Table 21: Socio-Economic Profile of Lekwa Local Municipality

	2016	2011
Population	123 419	115 662
Age Structure		
Population under 15	26.5%	28.6%
Population 15 to 64	67.9%	66.4%
Population over 65	5.6%	5.0%
Dependency Ratio		
Per 100 (15-64)	47.2	50.6
Sex Ratio		
Males per 100 females	100.2	99.4
Population Growth		
Per annum	1.48%	n/a
Labour Market		
Unemployment rate (official)	n/a	25.9%
Youth unemployment rate (official) 15-34	n/a	35.2%

Education (aged 20 +)	
No schooling	11.2%
Matric	9.3%
Higher education	25.1%
	7.7%
Household Dynamics	
Households	31 071
	37 334
Average household size	3.6
Female headed households	36.7%
Formal dwellings	73.6%
Housing owned	50.0%
	64.3%
Household Services	
Flush toilet connected to sewerage	83.6%
	85.7%
Weekly refuse removal	82.2%
	65.8%
Piped water inside dwelling	55.2%
	43.5%
Electricity for lighting	88.6%
	90.8%

3.2 Key economic activities (Regulation 46 (c) (ii))

According to the Lekwa Local Municipality LED strategy 2015/2016 and IDP 2017-2022 labour indicator, the key economic activities are as follows:

Table 22: Economic Activities at Lekwa Local Municipality

INDUSTRY	PERCENTAGE OF EMPLOYMENT
Agriculture	7.4 %
Mining	2.7 %
Manufacturing	7.7 %
Utilities	1.1 %
Construction	7.8 %
Trade	26.8 %
Transport	4.3 %
Finance	14.3 %
Community services	21.0 %
Private Household	6.9 %
Total	100 %

3.3 Negative Impact of the mining operation

Table 23: Negative impact of the Mining Operation

Key Issues	Yes	No	Stakeholder affected	Impact description	Management measures
Subsidence	X		Farmers Landowners Community road users	Long wall mining and stooping results in some degree of surface subsidence as ground above the mined blocks settles.	Subsidence is monitored and investigated as it happens.
Water availability and quality	X		Farmers	The water in boreholes on some neighbouring farms have been affected due to coal mining. New Denmark supplies most of the adjacent farmers with potable water	Water lease agreement with Eskom to supply the farmers Water quality monitoring as per water legislation requirements.
Relocation of People		X	None	None	None

Exhumation of graves		X	None	None	None
Influx of people		X	None	None	None

3.4 Provide needs of the area in order of priority

Table 24: Priority of Needs on Lekwa Local Municipality

General	Specific	Type of need	Municipality
Social Development	Building a disability facility for children	Infrastructure	Lekwa Local Municipality
Water and Sanitation	Provision of Water and Sanitation	Infrastructure	Lekwa Local Municipality
Education	Early Childhood Development	Infrastructure	Lekwa Local Municipality
Job Creation	Enterprise and Supplier Development	Poverty Alleviation	Lekwa Local Municipality

3.5 Consultation Process

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. In consultation with Lekwa Local Municipality, the 15 wards within the Municipality, NDC was able to identify developmental priorities of mine communities (See Annexure A). These developmental priorities are contained in the Social and Labour.

The key focus areas for the NDC LED intervention are based on Community Engagement, analysis of Lekwa Local Municipality IDP 2017-2022, consultation with local municipality and desktop regional analysis. Stakeholder engagement activities were organized through the office of the speaker with the assistance of the Municipal Manager’s office who participated in some of the engagements. Stakeholders were informed of the engagements through a hailing system. Meetings were organized to take place in the afternoon when most people would have been back from work. (See Annexure A detailed stakeholder engagement report and attendance register)

The NDC engagement plan towards LED projects was as follows:

Table 25: Stakeholder Engagement Action Plan

ACTION PLAN	STAKEHOLDER	RESPONSIBLE	STATUS	DATED OF CONSULATION
Step 1: Consultation with Local Municipality, Provincial Growth and Development Strategy (PGDS), National Spatial Development Strategy (NSDS), National Priorities	Local Authorities: - Lekwa Local Municipality	CDS	CONSULTATION WITH LEKWA LOCAL MUNICIPALITY DATE <ul style="list-style-type: none"> • Consultation were completed • Bi-annual meeting with the Exco and Mayor will be conducted 	25 July 2019, 20 August 2019 and 27 August 2019
Step 2: Consultation on Local BEE procurement, and local economic development.	Interested Groups: - NDC Stakeholder Forum	CDS	<ul style="list-style-type: none"> • Consultation conducted • Monthly meetings will be held 	17 October 2019
Step 3: Collaboration on LED Project and understanding of priority needs as prescribed in the NDP	Other Government Stakeholder: - Department of Education - Department of Social Development - Department of Health - Department of Agriculture	CDS	<ul style="list-style-type: none"> • Consultation will take place when project requires 	As when required
Step 4: Consultation with communities within Lekwa Local Municipality	Communities: - Ward Communities - Farms - Pressure Groups	CDS	<ul style="list-style-type: none"> • Consultations were completed • A Community Forum was established is meets monthly 	26 November 2019

3.6 Mine Community Development Projects

Mining Charter III requires NDC to strike a balance between mining and mine community's socio-economic development needs. As the mining right holder NDC must meaningfully contribute towards Mine Community Development; with a bias towards mine communities both in terms of impact and size, and in keeping with the principles of the social license to operate. The identified projects will be executed in our mine community which is where our mining takes place, major labour sending areas, adjacent communities within Lekwa Local Municipality.

Table 26: Project 1 - Inkazimulo KaNkulunkulu

Project Name		Project 1: Inkazimulo KaNkulunkulu Stimulation Centre		Project Start date			
Background to project		<p>Inkazimulo Kankulunkulu Stimulation Centre is a non-profit organization established in 1993 to provide a based continuum of care for people living with disabilities, e.g. Epilepsy, down-syndrome, autistic, Intellectual and physical disabilities. The centre provides its services to the Lekwa Municipality and is in Standerton. Inkazimulo Kankulunkulu offers a complete comprehensive care programme that is holistic in its approach.</p> <p>The challenges which the centre faces include, a delapidated structure that has no electricity, water and ablution facility for those with special needs.</p> <p>Objectives:</p> <ul style="list-style-type: none"> - To foster, promote, encourage, advance and develop services for intellectually and physically disabled children; - Develop a firm foundation for the disabled children by stimulation and teaching of life skills and developing a disabled child; 		April 2020		March 2022	
Project Partners		Lekwa Local Municipality		Information valid as at:			
Project incorporated into which IDP		- IDP 2017 - 2022		- Standerton Community			
Financial Year	Output	Responsible Entity	Activity	Beneficiaries			
				Timeline			
March 2021	-Conducive environment that stimulates and development of intellects of children with disabilities.	-NDC -Lekwa Local Municipality -Department of Social Development	<p>Stage 1:</p> <ul style="list-style-type: none"> -Development of Project Brief - Establish in consultation with all stakeholders, the site characteristics necessary for the proper designs and approval of the project - Participate in the tender process in accordance with the agreed procedures by the procurement policy - Appointment of the service provider 	2020	2021 1 st Quarter		
				2021 2 nd Quarter	2021 3 rd Quarter	Budget Allocation	
					R 6 000 000,00		

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				R 400 000				
						R 1 840 000		
							R 1 840 000	
								R 1 920 000
TOTAL BUDGET								R 6 000 000,00

Table 27: Project 2 Standerton Hospital Renovation

Project Name		Project 2: Standerton Hospital		Project Start date		April 2021	
Background to project		<p>The Standerton Hospital project aims to improve access to and use of quality health services in Standerton. The hospital serves more than 120,000 people in the within Lekwa Local Municipality, Depaleseng and Vrede community situated in Free State. The 205 bed hospital has employees, including doctors, nurses, administrative staff, and cleaners.</p> <p>The hospital needs renovations to its casualty ward. Hospital activities cannot be organized properly because of the challenges the causality ward experienced. The hospital is unable to provide health services to the community properly.</p>		Project end Date		March 2022	
Project Partners		Lekwa Local Municipality		Information valid as at:		November 2019	
Project incorporated into which IDP		- IDP 2017 - 2022		Beneficiaries		- Standerton Community	
Financial Year	Output	Responsible Entity	Activity	Timeline		Budget Allocation	
				1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter
March 2021	-An improved delivery of health services at a Standerton hospital that serves thousands of residents.	-NDC - Mpumalanga Department of Health	<p>Stage 1:</p> <ul style="list-style-type: none"> -Development of Project Brief - Participate in the tender process in accordance with the agreed procedures by the procurement policy - Appointment of the service provider <p>Stage 2</p> <ul style="list-style-type: none"> - Facilitate the hand-over of the site to the contractors 				

Table 28: Project 3 - Provision of Water

Project Name		Project 3: Provision Water		Project Start date		April 2022	
Background to project		<p>According to the questionnaire results the top three priorities towards development at Lekwa Local Municipality are Water, Sanitation and Education. The Lekwa Local Municipality has been designated as a sole Water Service Authority. This means that the Municipality has a duty to all consumers and stakeholders in their jurisdiction to ensure efficiency to water and sanitation services.</p> <p>The municipality is currently carrying a burden on high capital cost projects and there is a huge need to invest in improving water infrastructure. This challenge has rippled onto associated services such as schools, clinics, hospitals, TVET Collages etc. not having access</p> <p>Taking to account the current population growth of 1.13% per annum which will continue to increase the water demand, this comment will alleviate or lessen the burden on the Municipality.</p>		Project end Date		March 2023	
Project Partners		Lekwa Local Municipality		Information valid as at:		March 2020	
Project incorporated into which IDP		- IDP 2017 - 2022		Beneficiaries		Lekwa Local Municipality	
Financial Year	Output	Responsible Entity	Activity	Timeline			
				1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter
March 2024	Access to clean safe water within Lekwa Local Municipality		<ul style="list-style-type: none"> • Consultation with local municipality • Identify priority areas • Appoint a local contractor to fulfil the scope of work • Implementation of the project • Monitor and report on progress/status 	R 200 000,00			
					R 2 300 000,00	R 2 163 514,00	

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						of the project until completion		
						<ul style="list-style-type: none"> • Sign off and handover to the project to Municipality 		
							TOTAL BUDGET	R 5 563 514,00

Table 29: Project 4 – Administration Block

Project Name		Project 4: Education – Zikhatheleni Secondary School Administration Block		Project Start date		April 2023	
Background to project		<p>According to the questionnaire results the top three priorities towards development at Lekwa Local Municipality are Water, Sanitation and Education</p> <p>A successful school is about much more than teaching. While good teaching and learning are crucial, the administration that underpins it is key to providing a well-rounded education that encompasses the whole child. Effective administration and operations support an education that goes well beyond imparting knowledge. A growing body of research has found that school facilities can have a profound impact on both teacher and student outcomes. With respect to teachers, school facilities affect teacher recruitment, retention, commitment, and effort. With respect to students, school facilities affect health, behaviour, engagement, learning, and growth in achievement. Thus, researchers generally conclude that without adequate facilities and resources, it is extremely difficult to serve large numbers of children with complex needs. The physical facility quality is an important predictor of teacher retention and student learning. The physical and emotional health of students and teachers depend on the quality of the physical location, which makes establishing safe, healthy buildings essential.</p>		Project end Date		March 2024	
Project Partners		Department of Education		Information valid as at:		August 2019	
Project incorporated into which IDP		- IDP 2017 - 2022		Beneficiaries		Department of Education and community within Lekwa Local Municipality	
Financial Year		Responsible Entity		Activity		Timeline	
March 2023		<ul style="list-style-type: none"> NDC Department of Basic Education Lekwa Local Municipality 		<ul style="list-style-type: none"> Consultation with DoE Appoint a local contractor to fulfil the scope of work Implementation of the project Monitor and report on progress/status of the project 		<ul style="list-style-type: none"> 1st quarter 2nd quarter 3rd Quarter 4th Quarter 	
		<ul style="list-style-type: none"> Construction of an administration block at Zikhatheleni Secondary School. 		R0		R 1 000 000	
				R 1 000 000		R 1 000 000	
						Budget Allocation	

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					until completion				
					<ul style="list-style-type: none"> • Sign off and handover to the project to Department of Education 				
TOTAL BUDGET									R 3 000 000,00
							R 1 000 000		

Table 30: Project 5 – Sanitation

Project Name		Project 5: Sanitation				Project Start date	April 2024
Background to project		According Lekwa Local Municipality's IDP 2019/2020 the number of households with access to flush/chemical ablution facilities has increased. The Municipality however is still faced with a backlog on the provision of infrastructure development on sanitation. During the stakeholder engagements and from the survey which was conducted, it was found that the lack of overall sanitation in the Lekwa has a huge impact on the health, safety and quality of life. The most urgent sanitation issue identified during the survey was sub-standard or non-functional infrastructure both in urban and peri-urban areas.				Project end Date	March 2025
Project Partners		Lekwa Local Municipality				Information valid as at: December 2019 Lekwa Local Municipality	
Project incorporated into which IDP		- IDP 2017 - 2022				Beneficiaries	
Financial Year		Responsible Entity	Activity	Timeline		3 rd Quarter	4 th Quarter
March 2025		- NDC - Lekwa Local Municipality	<ul style="list-style-type: none"> Conduct a sanitation needs analysis and define the scope of work Appoint a local contractor to fulfil the scope of work Implementation of the project Sign off and handover the project to Municipality 	R 600 000,00			
Minimise sewer spillages into the Vaal River					R 2 000 000,00	R 1 000 000,00	R 571 134,00
							R 4 171 134,00
						TOTAL BUDGET	R 4 171 134 ,00

3.8 Measures to address Housing, Living Conditions and Nutrition – Regulation 46 (c)(iv)

3.8.1 Introduction

Mining charter III requires mining companies to improve the standard of housing and living conditions of mine employees, as stipulated in the Housing and Living Conditions Standard for the Mining and Minerals Industry, developed in terms of Section 100 of the MPRDA. The Standard provides, amongst others, the following principles:

- Decent and affordable housing;
- Provision for home ownership;
- Provision for social, physical and economic integration of human settlements; and
- Secure tenure for mine employees in housing institutions.

3.8.2 Type of housing provided to employees

New Denmark Colliery already met the Mining Charter target during 2013 by ensuring that all employees stay with their families in company provided accommodation, all employees resides in family flats which are in liveable conditions. The company has introduced housing allowances to promote home ownership and 84% of employees cater for their own accommodation in sustainable areas.

3.3.1 The types of housing provided for employees

Table 20 below shows a summary of accommodation provided by NDC to its employees to date.

Table 31: Types of Housing Provided to Employees

Employee type	Houses (Seriti and Eskom)	Married quarters	Flatlets	Single quarters	Total in housing	*Total on housing allowance
Officials	51	0	0	0	51	258
Senior-skilled	57	0	0	0	57	164
Skilled	56	1	0	0	57	851
Other	0	0	0	0	0	47
TOTAL	164	1	0	0	165	1320

The percentage of mine employees receiving a housing allowance and living in sustainable and established residential areas has increased in the last few years as well as the housing allowance being received by the employees. The company continues to encourage employees to take the housing allowance for home ownership purpose.

Figure 2 below illustrate the number of employees per employee type who opted for the housing allowance and are now living in their own accommodation.

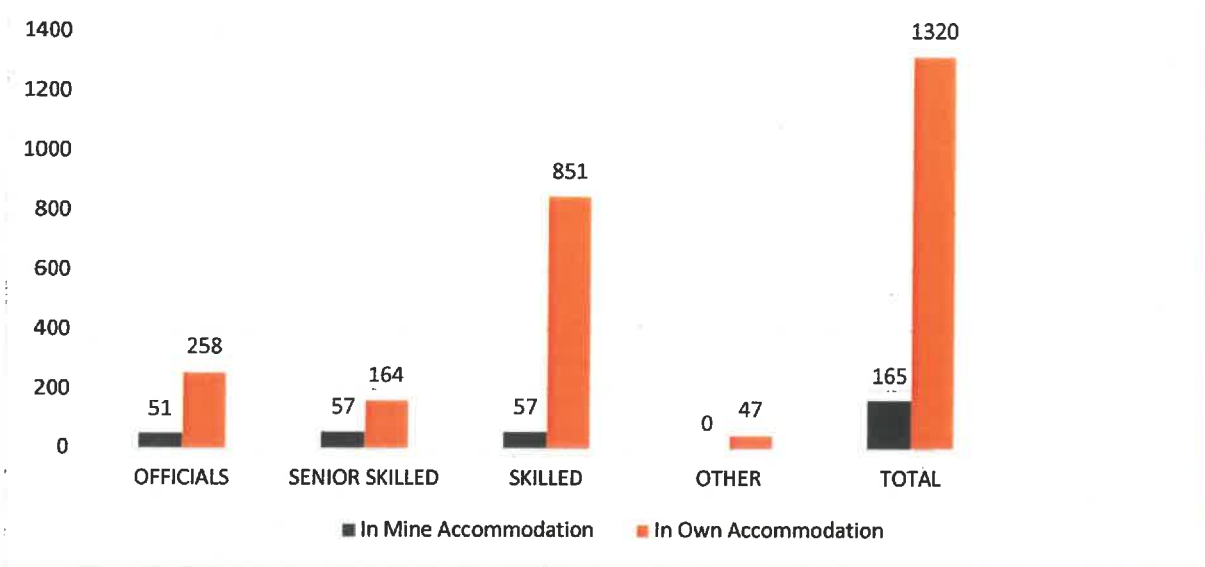


Figure 2: NDC's Employees on Housing Allowance and Own Accommodation

3.3.2 Housing Action Plan

Our housing action plan has been based on the following pillars:

- The adjustment of housing allowances in line with market conditions to encourage employees to relocate to sustainable residential settlements in established areas.
- To facilitate and market home ownership to all employees.
- Not allowing employees who are already on own accommodation to move back into mine accommodation.

3.8.3 Principles of Living Condition

Health care focuses on three fields in particular: HIV/AIDS, TB screening and the management of chronic illnesses.

- The HIV/AIDS programme is critical since it influences future generations and thus the employees of the future. Current assumptions are that in the next 10 to 20 years, the stigma attached to HIV/AIDS will be a thing of the past and people will be talking about it more openly.

- The objective is to put everyone diagnosed with HIV/AIDS on treatment irrespective of the CD4 count
- TB screening and contact tracing will ensure reduction on new TB cases in future
- The management of chronic illnesses will assist in reducing absenteeism which also contributes to production.
- Management of these conditions is extended to the dependants and community through the wellness campaigns

The following strategies are in place to manage health-related issues, ensuring compliance and consistency

- Chronic disease assessment forms part of employees' Certificate of Fitness and these employees are monitored frequently i.e. 3 – 6 monthly
- HIV/AIDS assessments and TB screening forms part of the Certificate of Fitness.
- Focus on Body Mass Index (BMI), because if not managed, will result in the increase of diabetes, hypertension, heart disease, stroke, etc.
- Focus on prevention of harmful exposures.
- Focus on preventative efforts into communities from which we are likely to recruit future employees.
- Monitor employees who tested positive for HIV and refer accordingly

There is also an on-site health centre that provide services to the employees as per the Mine Health & Safety Act. Services include:

- Medical surveillance
- Occupational disease investigation and management
- Chronic disease management (HIV/AIDS, TB, diabetes, hypertension, cancer screening)
- Emergency care and injury reporting

Medical surveillance, improved systems, wellness programme and partnership with DOH (Department of Health) will continue to improve the overall health care delivered to employees, dependents and the community.

3.9 The procurement progression plan and implementation for HDSA companies in terms of capital goods, services and consumables – Regulation 46(c)(vi)

3.9.1 Inclusive Procurement

As a mining right holder, the Mining Charter III requires that we promote economic growth through the development or nurturing of small, medium and micro enterprises and suppliers of mining goods and services. To achieve inclusive procurement, supplier and enterprise development as the mining right holder we must identify all goods that will be required at the mine and ensure that our procurement policy adhere to Mining Charter III requirements. The five-year transition to meeting the requirements of the mining charter are shown in **Table 31** below.

Table 32: Inclusive Procurement

Mining Goods	Y1	Y2	Y3	Y4	Y5
Goods procured from HDP (51% BO)	6%	10.5%	15%	21%	21%
Goods procured from 51% BWO/BYO Entities	1.43%	2.50%	3.7%	5%	5%
Goods procured from BEE compliant companies (25 + 1% HDP or BEE Level 4)	12.57%	22%	31.43%	44%	44%
Services	Y1	Y2	Y3	Y4	Y5
Goods procured from HDP (51% BO)	50%	50%	50%	50%	50%
Goods procured from 51% controlled Black Women Entities	15%	15%	15%	15%	15%
Goods procured from 51% controlled black youth owned Entities	5%	5%	5%	5%	5%
Goods procured from BEE compliant companies (25 + 1% HDP or BEE Level 4)	10%	10%	10%	10%	10%

3.9.2 Enterprise Development and Supplier Development

The purpose for implementing supplier and enterprise development is to strengthen local procurement; **enhance the ease** and cost competitiveness of sourcing mining goods and services and build South Africa's industrial base in critical sectors of production and value addition. Seriti since 2019 has committed R 22.5 million over a period of five years towards the development of local SMMEs through incubation and

New Denmark Colliery Social and Labour Plan: In compliance with Regulation 46 of the Mineral and Petroleum Resources Development Act, 2002

funding. In keeping with the aims of the Mining Charter III, the focus will be on developing local black owned and managed SMME.

Table 33: Enterprise Development Programme

Period	Y1	Y2	Y3	Y4	Y5
Enterprise Development Budget	1 200 000	1 200 000	1 200 000	1 200 000	1 200 000
Supplier Development Budget	2 880 000	2 880 000	2 880 000	2 880 000	2 880 000
ESD HUB	1 500 000	728 923	728 923	728 923	728 923
Funding	420 000	420 000	420 000	420 000	420 000
Total	R 6 000 000	R 5 228 923	R 5 228 923	R 5 228 923	R 5 228 923

SECTION: D

MANAGEMENT OF DOWNSCALING & RETRENCHMENTS – Regulation 46 (d)

4. Management of Downscaling & Retrenchments

NDC acknowledges the need to ensure compliance and ethical conduct where retrenchments and downscaling are concerned. As such, the mine complies with all Labour Relations, Basic Conditions of Employment and Mining Legislation where such may be required. As per the MPRDA, a Future Forum is required to be established for the purpose of communication between the Mine and employees and must consist of representatives from management and organised labour.

In the event of unplanned downscaling and retrenchment, NDC will comply with the relevant legislature in terms of:

- Section 52 (1) of the MPRDA and Section 189 of the LRA.
- Section 52 (1) of the MPRDA, National Social plan guideline of DoL and Section 189 of the LRA.

In order to meet the requirements of Regulation 46 (d) (i), (ii), (iii), and (iv), the following process will be implemented at NDC:

4.1 Establishment of a Future Forum – Regulation 46 (d) (i)

New Denmark Colliery recently re-establishing its Future Forum, with new terms of reference. The future forum consists of the General Manager, HR Manager, Community Development and five office bearing members of the union.

4.1.1. The following objectives shall apply to the Forum:

- To promote on-going discussion / consultations between workers or their representatives and the employer about the future of the mine and industry / sector.
- To look ahead / into the future to identify problems, challenges facing the mine and the industry or sector that may contribute to future job losses or decline of the mine and industry/sector, and agree and propose possible solutions;
- To develop turnaround or redeployment strategies to help reduce job losses and to improve business sustainability;

- To structure and implement proposals agreed on both by New Denmark Colliery and worker parties; and
- To notify the Minister of Labour of its proposals and to indicate if the Future Forum requires support in the implementation of its plans / proposals.

4.1.2. Establishment of future forum

Date of Establishment	- FF was initially established in 2016 -Re-established in June 2019 with new Terms of Reference
No. of planned meetings per annum	4

4.2 Mechanism to save jobs and alternatives to avoid decline in employment – Regulation 46 (d) (ii)

New Denmark Colliery is projected to close in 2039, excluding life extension projects. The mine does not foresee early mine closure or downscaling in the period of this Social and Labour Plan. The mine commits to comply with all relevant legislative and regulatory frameworks should such eventuality occur. The Future Forum would have had an opportunity to meaningfully engage on the future of the mine throughout the Life of Mine and a plan will be jointly developed with our organised labour representatives which will include;

- Utilising the Future Forum to identify strategies to prolong the life of mine or avoid retrenchment and downscaling
- Ensuring a productive workforce through training and motivation
- Making continuous adjustments to production methods to remain competitive
- Liaise with Seriti Coal and Seriti Power mines to identify positions where NDC employees can be absorbed
- Consult with DoL and DMRE to assess any potential opportunities to mitigate the effects of retrenchment or closure
- Conducting consultation process in terms of Section 52 (1) of the Act
- Implementing Section 189 of the LRA

4.3 Management of retrenchments – Regulation 46 (d) (iii)

In line with the amended MPRDA regulations, NDC will notify the minister where (a) prevailing economic conditions cause the profit-to-revenue ratio of a mine to be less than 6% on average for a continuous period of 12 months, or (b) if any mining operation is to be scaled down or to cease with the possible effect that 10% or more of the workforce or more than 500 employees, whichever is the lesser, are likely to be retrenched in any 12-month period, as outlined in the new regulations relating to section 52 of the MPRDA.

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

- Consultation with all relevant stakeholders
- The mine would follow the Labour Relations Act as well as the guidelines provided by the Department of Labour to ensure fair opportunities to train, redeploy employees and establish alternative measures short of retrenchment
- Our communication strategy would include:
- Informing employees of possible retrenchments
 - Informing other interested and affected parties, including sending areas and local municipalities, of possible retrenchments at the operation
 - Informing outside parties of possible retrenchments

4.4 Mechanism to Ameliorate the Social and Economic Impact of Downscaling and Closure

Planning for closure and downsizing takes place throughout the life cycle of the mine, from exploration through to post-closure rehabilitation. New Denmark Colliery intends to ensure that the livelihoods of its mineworkers, residents and families are sustained despite the downsizing or closure of the mine.

Strategy

New Denmark Colliery will make every effort to ameliorate the social and economic impact of individuals, regions and economies where retrenchment and closure is certain. These initiatives will focus on:

- Assessment and counselling services for affected individuals
- Comprehensive self-employment training and re-employment programmes; and
- Closure planning

Assessment and counselling services

The Company will consider providing counselling through professional counsellors. Requests for such counselling are to be directed to the Manager Human Resources.

4.4.1 Planned type of counselling

Emotional	All counselling will be provided through Employee Assistance Programme.
Financial	
Employment	
Other	

Comprehensive self-employment training and re-employment programmes; and

NDC has formulated an integrated HRD Programme (Section B) which will be implemented throughout the remaining life of the mine and is aimed at enabling employees to access alternative livelihood. The Non-Mining Skills programme is aimed at equipping employees and members from the community with non-mining-related skills; to enable them to find other forms of livelihood in other sectors of the economy. All employees with mining-specific skills reaching retirement age will be given an opportunity to acquire a non-mining-related portable skill through a need’s analysis process. Training will include but not limited to: Welding, Bricklaying, Hospitality, Agriculture, etc.

Closure Planning:

Only a preliminary closure plan is required at this point as per the MPRDA which was completed in 2014, once the NEMA as amended financial provision Regulations come into effect, New Denmark will comply to its requirement. The final mine closure plan will be completed in 2039

NDC is not actively planning for its closure in the next five years. It also acknowledges that when it becomes necessary the unions, who are representatives of the employees, will be consulted at all necessary instances.

SECTION: E

FINANCIAL PROVISION – Regulation 46 (e)

Table 34: Financial Provision

HUMAN RESOURCE DEVELOPMENT PROGRAMME

Programme	Y1	Y2	Y3	Y4	Y5	Total
Abet	R 140 000	R 80 000	R48 000	R 81 000	R 84 000	R 433 000
Learnship	R7 984 926	R10 300 000	R10 250 000	R10 400 000	R 10 500 000	R 49 434 926
Stem Programmes	R15 229 072	R 15 972 659	R 15 917 659	R 14 891 758	R 17 524 151	R 79 535 301
Safety Programmes	R7 864 802	R 7 805 045	R8 021 045	R7 989 545	R8 817 197	R 40 497 634
Leadership Dev Programs	R 549 500	R 651 600	R 651 600	R 657 600	R 705 600	R 3 215 900
Internships	R2 500 000	R2 650 000	R2 650 000	R2 750 000	R2 750 000	R 13 300 000
In House Study assistance	R160 000	R200 000	R200 000	R252 000	R250 000	R 1 062 000
Bursaries and scholarship	R1 500 000	R1 600 000	R1 500 000	R1 500 000	R1 500 000	R 7 600 000
Non-Mining skills	R27 458 140	R17 000 000	R17 200 000	R18 500 000	R18 000 000	R88 200 000
Total	R63 386 440	R56 259 304	R56 438 304	R57 021 903	R 60 130 948	R293 236 899
Leviable Percentage	5%	5%	5%	5%	5%	

LOCAL ECONOMIC DEVELOPMENT PROGRAMME

Programme	Y1	Y2	Y3	Y4	Y5	Total
Inkazimulo KaNkulunkulu Stimulation Centre	R400 000.00	R 5 600 000	R 0.00	R 0.00	R 0.00	R 6 000 000
Standerton Hospital	R 0.00	R 3 000 000	R 0.00	R 0.00	R 0.00	R 3 000 000
Provision of Water	R 0.00	R 0.00	R 5 563 514	R 0.00	R 0.00	R 5 563 514
Administration Block	R 0.00	R 0.00	R 0.00	R 3 000 000	R 0.00	R 3 000 000
Provision of Sanitation	R 0.00	R 0.00	R 0.00	R 0.00	R 4 171 134	R 4 171 134
Total	R 400 000.00	R 8 600 000	R 5 563 514	R 3 000 000	R 4 171 134	R21 734 648

ENTEPRISE AND SUPPLIER DEVELOPMENT

Programme	Y1	Y2	Y3	Y4	Y5	Total
Enterprise Development Programme	1 200 000	1 200 000	1 200 000	1 200 000	1 200 000	R 6 000 000
Supplier Development Programme	2 880 000	2 880 000	2 880 000	2 880 000	2 880 000	R 14 400 000
HUB	1 500 000	728 923	728 923	728 923	728 923	R 4 415 692
Funding	420 000	420 000	420 000	420 000	420 000	R 2 100 000
Total	R 6 000 000	R 5 228 923	R 5 228 923	R 5 228 923	R 5 228 923	R 26 915 692

MANAGEMENT OF DOWNSCALING AND RETRENCHMENT

Programme	Y1	Y2	Y3	Y4	Y5	Total
Management of Retrenchment and Downscaling	R 1 015 000	1 086 050	R 1 162 073, 50	R 1 243 418, 65	R 1 330 457, 95	R 5 837 000, 10
Total	R 1 015 000	R 1 086 050	R 1 162 073, 50	R 1 243 418, 65	R 1 330 457, 95	R 5 837 000, 10

F: SECTION SIX

Undertaking

5. Undertaking

Regional Manager
Department of Minerals Resources
Mpumalanga Region
Saveways Crescent Centre,
Mandela Drive,
Emalahleni, 1035

UNDERTAKING TO ADHERE TO THE SOCIAL AND LABOUR PLAN MINING RIGHT: NEW DENMARK COLLIERY

NDC hereby undertake to adhere to the information, requirements, commitments, and conditions as set out in the **Social and Labour Plan** approved by the Department of Minerals and Energy.



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MIKE LAWSON
General Manager
New Denmark Colliery