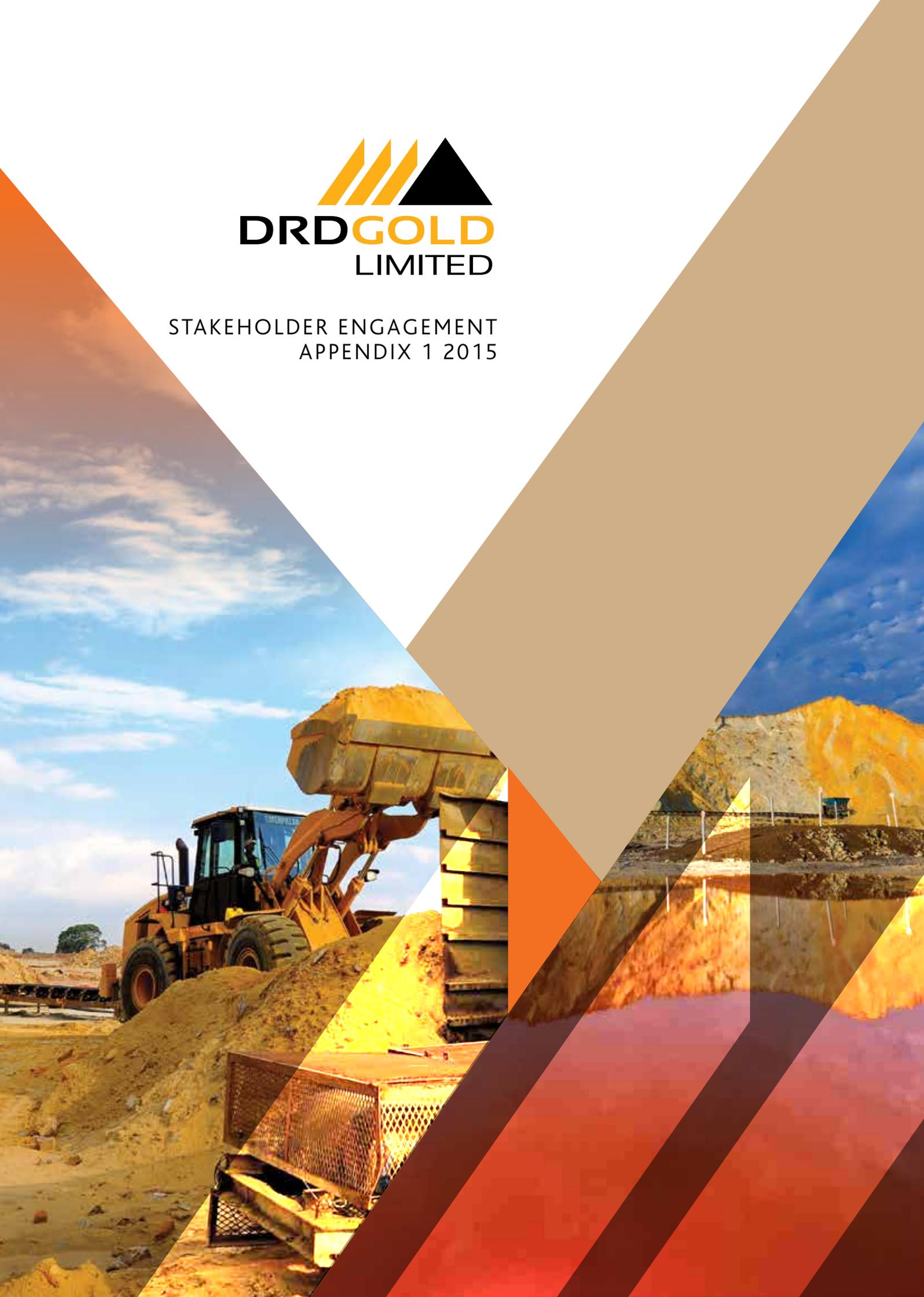




STAKEHOLDER ENGAGEMENT  
APPENDIX 1 2015



# APPENDIX 1: STAKEHOLDER ENGAGEMENT

At DRDGOLD we recognise that a requirement of a successful and sustainable business strategy is effective two-way communication with our stakeholders. Our stakeholders are many and varied – individuals, groups and entities directly or indirectly affected, either positively or negatively, by the activities of the company, and whose attitudes and actions affect the operation of the company.

## OUR PRIMARY STAKEHOLDER GROUPS ARE

### SHAREHOLDERS AND INVESTORS

Operating and financial performance, share price performance and dividends, governance, sustainability of company, management of risk, identification of business opportunities. Other concerns include stability within the industry, labour issues, safety performance and the gold price



### EMPLOYEES AND UNIONS

Job security, training and development, wages and benefits, housing, health and safety, company performance



### SUPPLIERS AND SPECIALIST SERVICE PROVIDERS

Sustainability of company, company's financial performance, employment practices, local procurement, preferential procurement, performance of service providers, business training and support, quality control



### GOVERNMENT AND REGULATORY AUTHORITIES

Licence to operate, water licence, environmental management plan (EMP), social and labour plan (SLP), broad-based black economic empowerment (BBBEE) compliance, labour relations, conditions of employment, health and safety, employment equity, education and training, local economic development, environmental impact and rehabilitation, taxation and royalties



### COMMUNITIES AND NGOs

Local economic development, employment and local job creation, corporate social investment (CSI) projects, dust control, health-, safety- and security-related issues, environmental impact and rehabilitation, skills development and training programmes



### MEDIA

Financial results, corporate activity, environmental issues, health and safety, marketing, community-related topics



## STAKEHOLDER ENGAGEMENT

Stakeholder relationships are integral to a sustainable business and need to be developed, nurtured and maintained over time. In FY2015, the DRDGOLD board committed to growing existing stakeholder relationships and tasked operational management with this responsibility. The activities of the transformation and sustainable development manager have focused on improving stakeholder relationships, particularly in areas where there were backlogs on the delivery of community upliftment projects.

Stakeholder group	Engagement during the year	Stakeholder group's concerns
<b>Shareholders and potential investors</b>	<p>DRDGOLD's shareholders are well-informed and we keep communication channels open. DRDGOLD provides operating, financial and other performance information in an unbiased, timely manner. Our formal investor relations calendar, implemented to ensure participation in key investor conferences in South Africa, Europe, North America and the Far East, has been in operation for two years. These events are usually linked to investor road shows and take the form of small group or one-on-one meetings hosted by the CEO.</p> <p>Financial information and strategic decisions are announced on the JSE's Stock Exchange News Service (SENS), and immediately thereafter the information is posted to our website. All those registered on our database are advised through web alerts that the information has been posted and in most cases the information is released simultaneously as a media statement and distributed to a second database of analysts, investors and media. Information is also communicated in other ways to reach the required audiences – presentations, briefings, teleconferences, webcasts and site visits.</p> <p>Our investor relations consultant handles queries from shareholders on an almost daily basis and, where necessary, these are referred to the CEO/CFO.</p> <p>An increasingly important repository of information is the DRDGOLD website. Shareholders, the investing community and any member of the public can access current and archived information on the company and its operations, as well as all announcements and publications. Current versions of the Integrated Report, Annual Financial Statements, fact sheets, company newsletter and all press releases issued are posted to the website. Important presentations made by members of the executive team and videos are also posted to the website. The quarterly investor webcasts are also recorded and available for a limited period after the event.</p>	<p>Operating/financial performance, returns – share price performance and dividends, governance, management of risk, identification of business opportunities, labour issues and security of tenure, gold price</p>

# APPENDIX 1: STAKEHOLDER ENGAGEMENT

*continued*

Stakeholder group	Engagement during the year	Stakeholder group's concerns
<b>Employees</b>	<p>Our employees and their representatives are briefed through formal and informal structures and we have in place a company-wide briefing system.</p> <p>The use of social media has enhanced interaction between the company and employees. An SMS system is used for communication on matters of mutual interest to all employees who own cellphones.</p> <p>As per the requirements of the SLP, a future forum has been established to inform on the performance of the company and allows for early communication and consultation in terms of downscaling with employees should the need arise.</p> <p>A printed newsletter, <i>Asikhulume</i>, (which means 'let's talk') is produced twice a year and distributed to the various workplaces. An editorial panel including employees and management representatives decides on content. The layout and design of the publication is aimed at ensuring reader appeal. DRDGOLD has a relatively small and well-educated workforce and our employees are largely literate. The articles, as with all our communications, are in English.</p> <p>We encourage open communication and consultation with our employees and conflict is addressed in workplace forums. Employees can report fraud or crime using an independent Tip-offs Anonymous line run by Deloitte. Contact and 'how to' details are provided in each issue of <i>Asikhulume</i>, as well as by notices in the workplace.</p>	Job security, training and development, wages and benefits, housing and accommodation, health and safety, company performance
<b>Suppliers and specialist service providers</b>	The company relies on the providers of specialist services and providers of capital for its overall performance, particularly with respect to reclamation, deposition, security, environmental, public relations or other services that cannot be accommodated in-house.	Company's financial performance, employment practices, local procurement practices, business training and support, quality control, preferential procurement practices, sustainability of the company
<b>Trade unions</b>	Regular engagement with the elected representatives of the workforce takes place in various forums, dealing with matters of mutual interest in weekly, monthly, quarterly or <i>ad hoc</i> meetings when required. Good working relationships are also maintained with regional and/or national office bearers.	Any matter of mutual interest that may impact on organised labour's terms and conditions of employment
<b>Government and regulatory authorities</b>	Engagement with national, regional and local government takes place at both group and operational level. This brings DRDGOLD into regular formal and informal contact with officials working at all levels in the mining, water and environmental affairs, education, labour, health and safety sectors. Several visits to the operations and tailings facilities have been arranged to give officials some practical idea of the business so that they can better understand it.	BBBEE compliance  Labour relations and employment equity, education and training, and local economic development (LED) programmes, environmental impact and rehabilitation, taxation and royalties, health and safety, downscaling of operations, SLP

Stakeholder group	Engagement during the year	Stakeholder group's concerns
<b>Communities and NGOs</b>	<p>DRDGOLD has a responsibility not only to run a successful business but also to empower its workforce. In addition, the company works diligently to implement programmes and job opportunities that benefit the communities in which it operates.</p> <p>A consolidated SLP, prepared in consultation with the relevant authorities and stakeholders, has been submitted to the relevant department in compliance with South African mining legislation. We place importance on providing educational opportunities for the communities within which we operate and we also interact with these groups on a broader range of issues.</p> <p>Management has regular, formal and informal interactions with surrounding communities as well as formal consultations with interested and affected parties (I&amp;APs). Although some of this liaison is driven by regulatory and statutory requirements, our operational teams recognise the value of community support for our activities which may or may not affect them.</p> <p>DRDGOLD engages through ward councillors and recognised community leadership structures. These community liaisons are often extended to individual consultations to deal with specific issues pertaining to the operations.</p> <p>The most obvious concern for communities is the dust emanating from our reclamation activities and tailings dams. In order to maintain open and transparent relations, regular formal and informal meetings are held with local authorities, councillors, community leaders and I&amp;APs. At these meetings the rehabilitation plans to reduce dust fallout on and around the operational footprint are discussed. Security issues e.g. theft of equipment – which impacts on the effectiveness of the dust control systems in place are also discussed at these meetings. We consider it important to communicate to our stakeholders – especially our communities – that we are committed to carefully managing our environmental impact.</p>	<p>Local economic development, employment and local job creation, CSI projects, dust control, health-, safety- and security-related issues, environmental impact and rehabilitation, skills development and training programmes</p>
<b>Communities and NGOs continued</b>	<p>In addition to the meetings, regular site visits are held with all the relevant stakeholders and authorities to demonstrate progress with vegetation establishment on the tailings dams, as well as the dust control systems in place on the reclamation sites.</p>	

# APPENDIX 1: STAKEHOLDER ENGAGEMENT

*continued*

Stakeholder group	Engagement during the year	Stakeholder group's concerns
Media	DRDGOLD communicates regularly with the media in a number of ways. Most queries are first dealt with by the investor relations consultant who consults with the CEO as necessary. These usually relate to financial results, corporate activity, marketing, environmental issues and community-related topics. Media visits to the operations are accommodated whenever possible.	Financial results, corporate activity, operational activity, environmental issues, marketing, community-related topics



[WWW.DRDGOLD.COM](http://WWW.DRDGOLD.COM)