

SOCIAL AND LABOUR PLAN

**Ergo Mining (Pty) Ltd
2023 – 2027**

**Prepared for Mining Right:
CITY DEEP MINE (GP185MR)**

SLP APPROVED ON 15 JULY 2026



TABLE OF CONTENTS

ABBREVIATIONS AND ACRONYMS	IV
1 INTRODUCTION AND INTRODUCTION AND BACKGROUND INFORMATION.....	6
1.1 INTRODUCTION TO ERGO MINING PROPRIETARY LIMITED COMPANY AND OPERATIONS.....	6
1.2 CRITICAL CONTEXT AND PRINCIPLES RELEVANT FOR THIS SLP	6
1.3 MINERAL RIGHTS AND OWNERSHIP.....	7
1.4 INTRODUCTION TO THE CITY DEEP (GP185MR) OPERATION	8
2 HUMAN RESOURCES DEVELOPMENT PROGRAMME	13
2.1 INTRODUCTION	13
2.2 COMPLIANCE WITH SKILLS DEVELOPMENT LEGISLATION	13
2.3 EDUCATION LEVELS OF WORKFORCE	14
2.4 ADULT EDUCATION AND TRAINING (AET).....	17
2.5 OPERATIONAL (CORE BUSINESS) SKILLS TRAINING	18
2.6 LEARNERSHIPS.....	21
2.7 CAREER PROGRESSION PLAN - REGULATION 4B (B)(II)	23
2.8 PORTABLE SKILLS PROGRAMMES	25
2.9 HARD-TO-FILL VACANCIES	28
2.10 MENTORSHIP PLAN - REGULATION 46 (B) (III).....	28
2.11 INTERNSHIP AND BURSARY PLAN – REGULATION 46 (B) (IV).....	30
2.12 HUMAN RESOURCES DEVELOPMENT SUMMARY COMMITMENTS - TARGETS	34
2.13 HUMAN RESOURCES DEVELOPMENT SUMMARY COMMITMENTS – FINANCIAL PROVISION.....	35
2.14 EMPLOYMENT EQUITY PLAN – REGULATION 46 (B) (V).....	36
3 LOCAL ECONOMIC DEVELOPMENT	42
3.1 PROCESS FOLLOWED FOR THE IDENTIFICATION AND SELECTION OF LED PROGRAMMES.....	42
3.2 SOCIO-ECONOMIC BASELINE ANALYSIS	42
3.3 BROAD-BASED ENGAGEMENT PROCESS.....	47
3.4 ALIGNMENT WITH MUNICIPAL DEVELOPMENT PLANS AND PRIORITIES	50
3.5 CITY DEEP LED PRINCIPLES AND DESIGN CRITERIA.....	53
3.6 REGULATION 46 (C) (III) INFRASTRUCTURE AND POVERTY ERADICATION PROJECTS.....	54
3.7 SUMMARY OF LED PROGRAMMES.....	62
3.8 MEASURES TO ADDRESS HOUSING, LIVING CONDITIONS AND NUTRITION – REGULATION 46 (C) (IV).....	63
3.9 HEALTH CARE AND NUTRITION	63
3.10 PROCUREMENT, ENTERPRISE AND SUPPLIER DEVELOPMENT – REGULATION 46 (C) (VI).....	64
4 PROGRAMME FOR MANAGING DOWNSCALING AND RETRENCHMENT – REGULATION 46 (D).....	68
4.1 ESTABLISHING A FUTURE FORUM - REGULATION 46 (D) (I)	68
4.2 MECHANISMS TO SAVE JOBS AND ALTERNATIVES TO AVOID DECLINE IN EMPLOYMENT - REGULATION 46 (D) (II AND III).....	69
4.3 REGULATION 46 (D) (IV) SOCIO ECONOMIC IMPACT OF THE DOWNSCALING AND CLOSURE.	70
4.4 MECHANISMS TO AMELIORATE SOCIAL AND ECONOMIC IMPACT ON INDIVIDUAL REGIONS AND ECONOMIES WHERE RETRENCHMENT OR CLOSURE IS CERTAIN.	70
4.5 IMPLEMENTING MECHANISM FOR THE SLP.....	71
4.6 RESPONSIBILITY AND ACCOUNTABILITY	72
4.7 FINANCIAL PROVISION FOR DOWNSCALING AND RETRENCHMENTS	72
5 FINANCIAL PROVISION FOR IMPLEMENTING THE SLP (REGULATION 46 (E)).....	74

LIST OF FIGURES

Figure 1: Ergo Mining Rights	8
Figure 2: Locality of the City Deep Operation.....	9
Figure 3: Location of ERGO's Mining Rights across City of Johannesburg from the West to City of Ekurhuleni on the East.....	43
Figure 4: Johannesburg 2040 Paradigm.....	52
Figure 5: View 1 - Riverlea Secondary School Site Layout	59
Figure 6: View 2 - Architectural Design for Riverlea Secondary School.....	60
Figure 7: View 3 - Architectural Design for Riverlea Secondary School.....	61

LIST OF TABLES

Table 1: Company Details	9
Table 2: City Deep Operational Phases and Timelines.....	10
Table 3: City Deep SLP Applicability.....	10
Table 4: City Deep Employee and Core Contractor Forecast.....	10
Table 5: Labour Sending Areas of the City Deep Workforce and Core Contractor Workforce, as at 31 December 2022	11
Table 6: Details of SETA registration.....	13
Table 7: Action Plan for Implementing the HRDP	14
Table 8: Form Q: Functional Literacy and Numeracy as at 31 December 2022: City Deep Direct Employees.....	15
Table 9: Form Q: Functional Literacy and Numeracy as at 2025: City Deep Indirect Employees (Core Contractor)	16
Table 10: AET: Direct Employees - 18.1 (City Deep)	17
Table 11: AET Targets: External – 18.2 (City Deep).....	17
Table 12: Accredited Core Business Skills: Direct Employees - 18.1 (City Deep).....	19
Table 13: Accredited Unit Standard Aligned Core Business Skills: External – 18.2 (Core Contractor)	19
Table 14: Action Plan for Skills Programmes	21
Table 15: QCTO Accredited Learnerships: External – 18.2 (City Deep)	22
Table 16: QCTO Accredited Learnerships: Indirect Employees – 18.1 (Direct Employees)	22
Table 17: Learnership Action Plan	23
Table 18: Career Progression Targets	24
Table 19: Portable Skills (Accredited): Direct Employees – 18.1 (City Deep)	26

Table 20: Portable Skills (Accredited): External – 18.2 (City Deep)	26
Table 21: Portable Skills Training Programme Action Plan.....	26
Table 22: Hard-to-fill Vacancies as per Annexure II of the MPRDA regulations	28
Table 23: City Deep Mentorship Targets	29
Table 24: Mentorship Action Plan.....	30
Table 25: Bursary: Direct Employees – 18.1 (City Deep)	32
Table 26: Bursary: External – 18.2 (City Deep)	32
Table 27: Internships: External – 18.2 (City Deep).....	32
Table 28: Internships: Indirect Employees – 18.1 (Core Contractors)	33
Table 29: Internships and Bursaries Action Plan.....	33
Table 30: Total HRD Headcount Targets (2023 - 2027)	34
Table 31: Total HRD Financial Provisions (2023 - 2027)	35
Table 32: City Deep Form S Employment Equity Statistics as at 31 December 2022	37
Table 33: Core Contractor Form S Employment Equity Statistics as at 2025	37
Table 34: City Deep Employment Equity Targets for the 5-year SLP period	38
Table 35: Strategic Action Plan for the Implementation of EE at City Deep Mining (Pty) Ltd	38
Table 36: Participation of HDPs in Management Action Plan.....	39
Table 37: Action Plan for the Participation of Female HDP's.....	40
Table 38: Socio-economic Baseline Indicators.....	44
Table 39: Ergo Mining's Impacts relating to Local Economic Development.....	46
Table 40: Broad-based Engagements held with respect to the City Deep Complex	48
Table 41: Project Plan for Project 1 - Riverlea Secondary School Renovations and Upgrade	54
Table 42: Summary of LED Programmes.....	62
Table 43: City Deep Procurement Baseline (Form T) as at 31 December 2022.....	64
Table 44: City Deep Five-Year Targets for Procurement.....	65
Table 45: Procurement Implementation Plan.....	65
Table 46: Notification Process for Downscaling and Closure	69
Table 47: City Deep Downscaling & Retrenchments Financial Provision	72
Table 48: City Deep SLP Financial Provision Summary for the total SLP	74

ABBREVIATIONS AND ACRONYMS

ABBREVIATION	DESCRIPTION
AET	Adult Education and Training
ATR	Annual Training Report
B-BBEE	Broad-Based Black Economic Empowerment
CoE	City of Ekurhuleni Metropolitan Municipality
CoJ	City of Johannesburg Metropolitan Municipality
DMPR	Department of Mineral and Petroleum Resources
DoL	Department of Labour
EE	Employment Equity
FET	Further Education and Training
FF	Future Forum
HDPs	Historically Disadvantaged Persons
HET	Higher Education and Training
HLC	Housing and Living Conditions
HR	Human Resources
HRD	Human Resources Development
IDPs	Integrated Development Plans
LED	Local Economic Development
MCIII	Mining Charter III (2018)
MHSA	Mining Health Safety Act
MOU	Memorandum of Understanding
MPRDA	Mineral and Petroleum Resources Development Act, 2002
MQA	Mining Qualifications Authority
MRD	Draft Minerals Resources Development (MRD) Bill, 2025
NQF	National Qualifications Framework
PESD	Procurement, Enterprise and Supplier Development
RDP	Reconstruction and Development Programme
SEBS	Socio-Economic Baseline Study
SETA	Sector Education and Training Authority
SHEQ	Safety, Health, Environment, and Quality
SLP	Social and Labour Plan
WSP	Workplace Skills Plan

SECTION 1

PREAMBLE:
INTRODUCTION AND
BACKGROUND TO
THE OPERATION
MPRDA REGULATION 46 (A)



1 INTRODUCTION AND INTRODUCTION AND BACKGROUND INFORMATION

1.1 Introduction to Ergo Mining Proprietary Limited Company and Operations

Ergo Mining Proprietary Limited (Ergo Mining/the Company) is a wholly owned subsidiary of DRDGold Limited, a company that is listed on both the Johannesburg Stock Exchange (JSE: DRD) and the New York Stock Exchange (NYSE: DRD).

1.2 Critical Context and Principles Relevant for this SLP

The business of Ergo Mining is the reclamation and retreatment of gold from Tailings Storage Facilities (TSFs) and sand dumps. By undertaking such reclamation, Ergo Mining rehabilitates the environment by removing material from TSFs and sand dumps and also recovers land and releases it back to the greater Johannesburg and Ekurhuleni areas for redevelopment purposes. Ergo Mining's operations extend over a vast footprint in Gauteng, which span the municipalities of Johannesburg and Ekurhuleni. Ergo Mining's main operations (depicted below) include Knights, Crown Mines, Consolidated Main Reef (CMR), ERGO and City Deep, all of which operations are interlinked. (**Figure 1** below).

Ergo Mining operates using a shared-service business model, thereby enabling economies of scale, reducing costs and making mining of this nature feasible from an economic perspective.

The implication for each of its Mining Rights is that functions such as Procurement, Finance, Human Resources, Human Resources Development, Stakeholder Engagement and Mine Community Development operate to service all Mining Rights on behalf of the company, Ergo Mining.

In preparation of this submission of a Social and Labour Plan for this Mining Right (GP185MR) the following principles have been applied:

- **General:** All Ergo Mining operations are managed on an integrated globular level based on a "single mining complex" principle. For the purposes of this individual Mining Right's SLP, the relevant information has been unbundled, split and ring-fenced. The programmes of this Mining Right's SLP do not stand alone but are interdependent on the other Mining Rights and managed through the Ergo Mining as shared services.
- **Human Resources Development:** Although senior management, permanent workforce (employees) and contractors are managed in a centralised manner and one payroll and supply management system, through the Ergo Mining, these have been split and ring-fenced for this Mining Right's SLP, as best as possible.
- **Employment Equity:** Employment equity is managed and reported to the Department of Labour for the Ergo mining operations on an integrated basis. For purposes of this Mining Right's SLP it has been split and ring-fenced, as best as possible.

- **Procurement:** Procurement programmes are managed in a centralised and integrated manner by Ergo Mining. For purposes of this Mining Right's SLP it has been split and ring-fenced, as best as possible.
- **Stakeholder Relations:** Stakeholder management and community engagement processes are managed by Ergo Mining for all Mining Rights, SLPs, and related communities.
- **Local Economic Development (LED):** LED priority needs and Projects have been identified based on the outcomes of in-depth broad-based consultation processes with stakeholders and communities located across Ergo Mining operations for all its Mining Rights and SLPs, including this Mining Right. This is supported by Socio-Economic Baseline Studies, detailed on-going engagement with relevant government authorities and stakeholders, endorsement processes, memorandums of understanding, and letters of commitment.
- **Financial Provision:** The financial provision for Ergo Mining's SLPs is calculated on a globular integrated level based on the "single mine complex". For purposes of this Mining Right's SLP it has been split and ring-fenced as best as possible, based on the following principles:
 - The Mining Right's financial revenue model and contribution towards Ergo Mining's integrated operations.
 - The point within life cycle of the Mining Right i.e. ramp-up phase, full-scale production, ramp-down phase, care & maintenance.
 - The location of key communities impacted by the Ergo Mining operations adjacent to individual Mining Rights.
 - The common zone of socio-community footprint / impact shared by more than one Mining Right.
 - Focussing financial expenditure on projects and programmes that will the greatest possible socio-economic impact for communities.

1.3 Mineral Rights and Ownership

Ergo Mining is the owner of each of the following Mining Rights, of which the localities are addressed in Figure 1 below:

- City Deep (City Deep or GP 185 MR);
- Crown (Crown or GP 184 MR);
- CMR (CMR or GP 186 MR);
- Ergo (Ergo or GP 158 MR); and
- Knights (Knights or GP 187 MR).

1.4 Introduction to The City Deep (GP185MR) Operation

The City Deep Mining Right (herein referred to as “City Deep”) provides rights for the mining of gold, uranium, silver, nickel, pyrite, and associated minerals from surface sources (TSFs and dumps) within the mining area. These deposits represent legacy waste material from historical mining activity and offer an opportunity for resource recovery using modern, low-impact technologies.

1.4.1 Locality

City Deep Complex is situated within the City Deep area, located to the southeast of Johannesburg's central business district, in the Gauteng Province of South Africa. These properties fall within a well-established industrial and mining zone and are accessible via major transport arteries, including the M2 and Heidelberg Road, which link the area to surrounding suburbs and freight corridors.

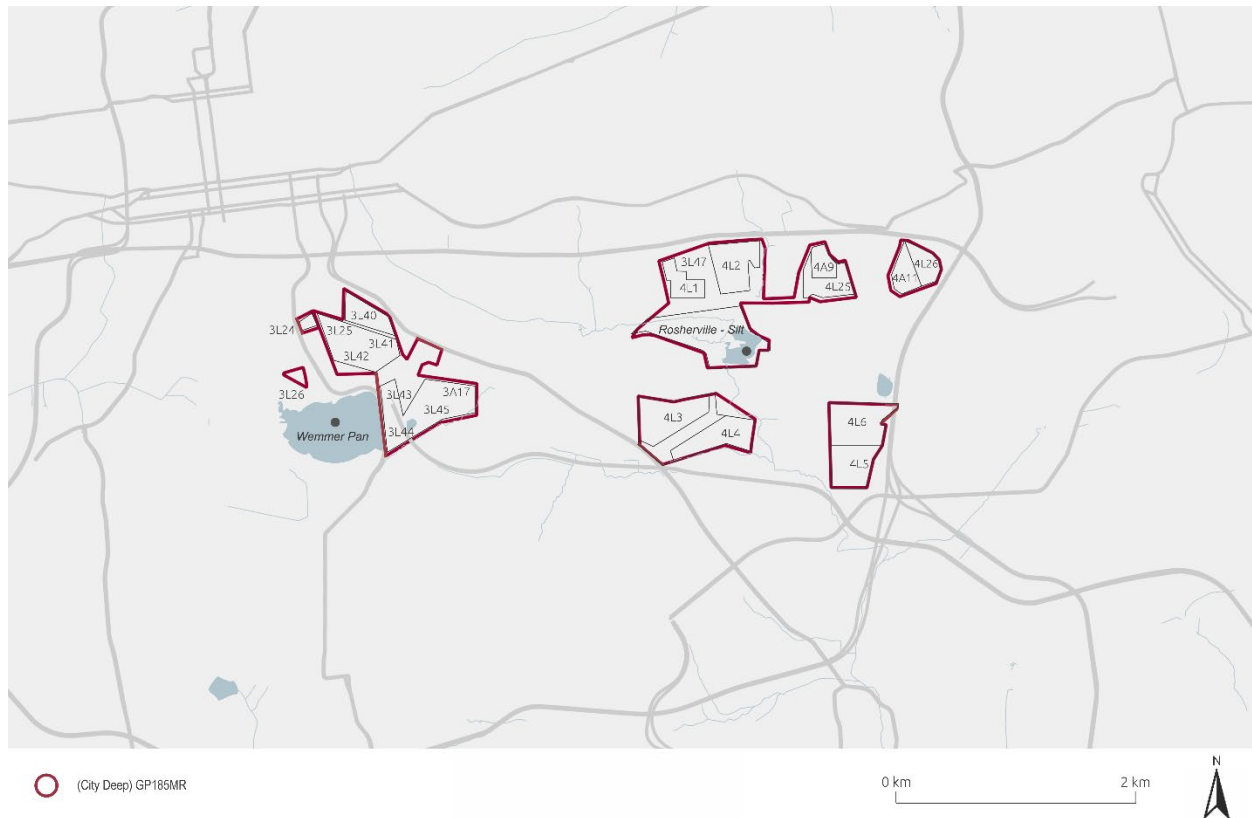


Figure 2: Locality of the City Deep Operation

1.4.2 Particulars of the Operation

Table 1: Company Details

Company Name	Ergo Mining (Pty) Ltd.
Operation and Mining Right Number	City Deep Operation (GP185MR)
Physical Address	Ergo Mining (Pty) Ltd. Vlakfontein Road Vulcania Brakpan
Postal Address	P.O. Box 12442 Selcourt Springs 1567
Responsible person	Wayne Swanepoel: GM HR
Telephone & Fax	T: 011 742 1003 F: 086 695 7457
Commodity	Gold
Life of Mine	8 years
Breakdown of Employees per Sending Area	Available in section 1.3.5
Financial Year End	30 June

1.4.3 Operational Phases and Anticipated Timelines

The following indicative high-level timeline provides context to the Operational phase of the City Deep operation:

Table 2: City Deep Operational Phases and Timelines

Start-Up	Complete
Pre- Construction	Complete
Construction	Complete
Ramp-Up	Complete
Steady State Production	2023 - 2029
Ramp-Down	2030

In terms of SLP design principles, the below table details which elements are applicable to City Deep Operation for this SLP cycle, given the current phase of the Operation.

Table 3: City Deep SLP Applicability

Current Operational Phase	Steady State Production
Human Resources Development	Applicable For 18.1 (Direct and Indirect Employees) For 18.2 (Community)
Employment Equity Plan	Applicable
Local Economic Development	Applicable
Housing and Living Conditions Plan	Applicable
Procurement	Applicable
Downscaling and Retrenchment	Applicable (Although no downscaling is planned, a provision has been made)

1.4.4 Total Employees Forecast for the 2023 - 2027 SLP Period

The forecast for the City Deep operation's direct and indirect employees for the 5 years is as follows:

Table 4: City Deep Employee and Core Contractor Forecast

Years	Current	2023	2024	2025	2026	2027
Permanent employees	90	64	147	147	147	147
Core Contractors	145	145	145	145	145	145

1.4.5 Breakdown of Employees per Labour Sending Area

City Deep's workforce currently consists of 90 permanent employees and 145 core contractors working across the various operations. The current Core Contractor for this Operation, has been appointed to provide services and their employees have been included throughout this SLP.

The geographic origin from which City Deep's workforce is drawn is indicated in Table 5.

Table 5: Labour Sending Areas of the City Deep Workforce and Core Contractor Workforce, as at 31 December 2022

Province	No. of Permanent Employees	No. of Contractor Employees	Percentage
Eastern Cape			0%
Free State			0%
Gauteng	90	145	100%
City of Johannesburg	78	55	56,60%
Ekurhuleni Metropolitan Municipality	8	79	37,02%
West Rand District Municipality	2	10	5,11%
Sedibeng District Municipality	2	0	0,85%
Tshwane Metropolitan Municipality	0	1	0,43%
KwaZulu-Natal			0%
Limpopo			0%
Mpumalanga			0%
North West			0%
Northern Cape			0%
Western Cape			0%
Non-South Africans			0%
	90	145	
Total	235		100%

1.4.6 Local Recruitment

100% of City Deep's permanent employees, including the indirect employees from the core contractors, as well as other non-core contractors, are from the Ekurhuleni and Johannesburg Metropolitan Municipalities (incorporating the city of Johannesburg, Southern Johannesburg and West Rand).

SECTION 2

HUMAN RESOURCES DEVELOPMENT PROGRAMME

MPRDA REGULATION 46 (B)



2 HUMAN RESOURCES DEVELOPMENT PROGRAMME

2.1 Introduction

This section will outline the City Deep's Human Resource Development (HRD) Programmes as required by Regulation 46 of the Mineral and Petroleum Resources Development Regulations, 2004 (Regulations to the MPRDA). City Deep takes full cognisance of the provisions of section 101 of the MPRDA to include Core-Contractors (where applicable) as part of the workforce. As mentioned in the Preamble Section, City Deep currently has one Core Contracting company. The targets and provision of the HRD Programme outlined in this section will apply to City Deep's permanent workforce, as well as targets on behalf of the Core Contractor. For the proper implementation of the HRD Programme, City Deep will utilise accredited providers, where necessary, for their training needs, to ensure the ongoing facilitation of transferrable, accredited skills amongst employees.

2.2 Compliance with Skills Development Legislation

City Deep will comply with the requirements of the Skills Development Act (No 97 of 1998) and will submit Workplace Skills Plans (WSP) and annual training reports to the Mining Qualifications Authority (MQA) at the end of April each year as per the requirements of Regulation 46 (b) (i). **Table 6** shows the SETA registration details. The policy is also integrated with the paying and claiming of levies and grants with the MQA.

Table 6: Details of SETA registration

Name of SETA	Mining Qualifications Authority
Registration number with the relevant SETA	L280767049
Has your company appointed a Skills Development facilitator? If yes provide name	Adelaide Ngubeni
Proof of submission (Date of last submission of WSP)	April 2022

The integrated HRDP will seek to maximise the productive potential of employees and those of core contractor, through the implementation of the following plans:

- Skills Development;
- Mentorship;
- Bursary and Internships;
- Career Progression;
- Portable Skills; and
- An Employment Equity Plan.

The strategic actions in **Table 7** will be implemented by City Deep with regard to the HRDP.

Table 7: Action Plan for Implementing the HRDP

ACTION	DELIVERABLES
MHSA and skills training programme	Mining Health and Safety and Mining Induction
Core training programme	Equipping employees with skills to safely and efficiently carry out their jobs
Career Progression	Providing employees with skills that enable career progression in a mining environment
Portable skills training programme	Giving employees skills at the appropriate times, which are portable to other industries external to Mining
Plan to integrate with the relevant Sector Education and Training Authority, MQA (SETA) requirements, paying and claiming of levies.	Integrate skills development legislation, and will include developing and submitting a Workplace Skills Plan (WSP) and Annual Training Report

City Deep's Skills Development Plan focuses on equipping employees with skills to enhance their progression and development in the mining industry.

The objectives for Skills Development at City Deep are to:

- Improve the quality of life of employees;
- Expand employees' prospects for work enhancement at City Deep;
- Enhance safety, productivity and the competitiveness of the employee;
- Improve the levels of return on the investment in education and training;
- Encourage the use of the workplace as an active learning environment;
- Allow new employees to gain relevant work experience;
- Advance the employment prospects of employees through education and training; and
- Utilise the Workplace Skills Plan as a vehicle to align skills development with both business growth strategies and employment equity plans.

The City Deep's Skills Development Plan links with Skills Development legislation and includes the annual submissions of a Workplace Skills Plan (WSP) and Annual Training Reports (ATR) including payment of Skills Development levies to relevant authorities.

2.3 Education Levels of Workforce

The baseline education levels of the workforce are provided in **Table 8** and **Table 9**.

Table 8: Form Q: Functional Literacy and Numeracy as at 31 December 2022: City Deep Direct Employees

Band	NQF Level	Old System	Non-Designated				Designated										Total
			Foreign Nationals		White Male	Non-Designated Sub-Total	Female				Sub-Total	Male			Sub-Total	Designated Sub-Total	
			Female	Male			African	Coloured	Indian	White		African	Coloured	Indian			
General Education and Training (GET)		No Schooling				0					0				0	0	0
		Grade 0/Pre				0					0				0	0	0
		Grade 1/Sub A				0					0				0	0	0
		Grade 2/Sub B				0					0				0	0	0
		Grade 3/Std 1/ABET 1				0					0				0	0	0
		Grade 4/Std 2				0					0				0	0	0
		Grade 5/Std 3/ABET 2				0					0				0	0	0
		Grade 6/Std 4				0					0				0	0	0
		Grade 7/Std 5/ABET 3				0					0	1			1	1	1
		Grade 8/Std 6				0					0	1			1	1	1
	1	Grade 9/Std 7/ABET 4				0	1				1	3			3	4	4
Further Education and Training (FET)	2	Grade 10/Std 8/N1				0	1				1	1			1	2	2
	3	Grade 11/Std 9/N2				0	2				2	6	1		7	9	9
	4	Grade 12/Std 10/N3			7	7	16				16	22	1		23	39	46
Higher Education and Training (HET)	5	Higher Certificates/ Advanced National Certificate Vocational				0					0				0	0	0
	6	Diplomas/ Advanced Certificates				0					0				0	0	0
	7	Bachelor's degrees/ Advanced Diplomas				0	1				1				0	1	1
	8	Postgraduate Degrees (Honours)/ Professional Qualifications				0					0				0	0	0
	9	Master's Degrees				0					0				0	0	0
	10	Doctoral Degrees				0					0				0	0	0
Total			0	0	7	7	21	0	0	0	21	34	2	0	36	57	64

Table 9: Form Q: Functional Literacy and Numeracy as at 2025: City Deep Indirect Employees (Core Contractor)

Band	NQF Level	Old System	Non-Designated				Designated										Total
			Foreign Nationals		White Male	Non-Designated Sub-Total	Female				Sub-Total	Male			Sub-Total	Designated Sub-Total	
			Female	Male			African	Coloured	Indian	White		African	Coloured	Indian			
General Education and Training (GET)		No Schooling				0					0				0	0	0
		Grade 0/Pre				0					0				0	0	0
		Grade 1/Sub A				0					0				0	0	0
		Grade 2/Sub B				0					0				0	0	0
		Grade 3/Std 1/ABET 1				0					0	1			1	1	1
		Grade 4/Std 2				0					0				0	0	0
		Grade 5/Std 3/ABET 2				0					0	7			7	7	7
		Grade 6/Std 4				0					0	2			2	2	2
		Grade 7/Std 5/ABET 3				0					0	2			2	2	2
		Grade 8/Std 6				0					0				0	0	0
Further Education and Training (FET)	1	Grade 9/Std 7/ABET 4				0					0				0	0	0
	2	Grade 10/Std 8/N1				0					0	23			23	23	23
	3	Grade 11/Std 9/N2				0					0	17			17	17	17
	4	Grade 12/Std 10/N3			1	1	4				4	78			78	82	83
Higher Education and Training (HET)	5	Higher Certificates/ Advanced National Certificate Vocational				0					0	1			1	1	1
	6	Diplomas/Advanced Certificates				0	1				1	5			5	6	6
	7	Bachelor's degrees /Advanced Diplomas				0	1				1	3			3	4	4
	8	Postgraduate Degrees (Honours)/ Professional Qualifications				0					0				0	0	0
	9	Master's Degrees				0					0				0	0	0
	10	Doctoral Degrees				0					0				0	0	0
Total			0	0	1	1	6	0	0	0	6	139	0	0	139	145	146

2.4 Adult Education and Training (AET)

City Deep will assist in improving the foundations for Skills Development by increasing literacy rates through participation in AET.

2.4.1 AET Targets

The operation is committed to the development and transformation of its employees as well as the affected communities within which they operate. **Table 10** provides a five-year plan detailing target for AET for direct employees and the surrounding communities.

Table 10: AET: Direct Employees - 18.1 (City Deep)

AET Level	2023		2024		2025		2026		2027		Total	
	Target	Financial Commitment	Target	Financial Commitment	Target	Financial Commitment	Target	Financial Commitment	Target	Financial Commitment	Target	Financial Commitment
AET Level 2					1	R56 067					1	R56 067
AET Level 3	1	R56 067					1	R56 067			2	R112 134
AET Level 4			1	R56 067					1	R56 067	2	R112 134
TOTAL SLP PROVISION	1	R56 067	1	R56 067	1	R56 067	1	R56 067	1	R56 067	5	R280 335

Table 11: AET Targets: External – 18.2 (City Deep)

AET Level	2023		2024		2025		2026		2027		Total	
	Target	Financial Commitment	Target	Financial Commitment	Target	Financial Commitment	Target	Financial Commitment	Target	Financial Commitment	Target	Financial Commitment
AET Level 2	10	R200 000			20	R400 000					30	R600 000
AET Level 3			10	R200 000			30	R800 000			40	R1 000 000
AET Level 4					10	R200 000			30	R800 000	40	R1 000 000
TOTAL SLP PROVISION	10	R200 000	10	R200 000	30	R600 000	30	R800 000	30	R800 000	110	R2 600 000

2.5 Operational (Core Business) Skills Training

The purpose of core skills programme is to equip employees with the required skills and competencies to successfully implement their employment responsibilities. These Programmes are also designed to equip employees with the required capacity and skills to progress to higher levels of employment within City Deep.

2.5.1 Core Business Skills Training Targets

A detailed breakdown of the 5-year training Programme targets for City Deep direct employees and indirect employees is provided in **Table 12** and **Table 13** respectively. This excludes induction training done with all employees on an annual basis. The primary focus of the skills Programmes is on training individuals in skills required by the Mine, to enable employees' individual Career Progression and to ensure safe and productive operations.

2.5.2 Core Business Skills Action plan

City Deep will actively promote education and skills training opportunities among its employees as well as reassess and refine the Mine's Skills Development Programme. **Table 14** provides a set of action plans for this.

- Skills Development Programmes will be offered to employees at the on-site training centre with accredited external service providers where required.
- The currently available and required skills will be determined through a skills assessment. The training programme will then be refined to address any shortcomings.
- The Skills Development Programme will link with the Career Progression Plan, Mentorship Plan, Internship and Bursary Plan and Employment Equity Plan.

Table 12: Accredited Core Business Skills: Direct Employees - 18.1 (City Deep)

Programmes	Duration	2023		2024		2025		2026		2027		Total	
		Target	Financial Commitment	Target	Financial Commitment	Target	Financial Commitment	Target	Financial Commitment	Target	Financial Commitment	Target	Financial Commitment
GIBS MDP or WITS MAP	12 months					1	R100 000			1	R100 000	2	R200 000
MQA Skills Program: Chemical Handling and SHE Reps	6 days	25	R153 641	6	R73 215	5	R100 000					36	R326 856
Advanced Generic Management Program and Advanced Supervision Programs	10 weeks & 5 days	29	R64 120			4	R100 000	2	R100 000			35	R264 120
Operator Training and Licencing	5 days	46	R71 118	32	R85 773	40	R400 000	40	R440 000	40	R484 000	198	R1 480 891
TOTAL SLP PROVISION		100	R288 879	38	R158 988	50	R700 000	42	R 540 000	41	R584 000	275	R2 271 867

Table 13: Accredited Unit Standard Aligned Core Business Skills: External – 18.2 (Core Contractor)

Type/Area of Training	Duration	2023		2024		2025		2026		2027		TOTAL	
		Target	Financial Commitment	Target	Financial Commitment	Target	Financial Commitment	Target	Financial Commitment	Target	Financial Commitment	Target	Financial Commitment
Classify material	2 Days	0	R0	2	R2 900	2	R3 190	2	R3 509	2	R3 860	8	R13 459
Control feed rate by means of a feeder	2 Days	0	R0	2	R2 900	2	R3 190	2	R3 509	2	R3 860	8	R13 459
Control of Hazardous Energy Lock out / Tag out	1 Day	2	R3 622									2	R3 622
Control pH level	2 Days	0	R0	4	R7 200	4	R7 920	4	R8 712	4	R9 583	16	R33 415
Conveyor Belt	2 Days	1	R1 886									1	R1 886
Demonstrate knowledge related to various activities	3 Days	0	R0	2	R2 900	2	R3 190	2	R3 509	2	R3 860	8	R13 459
Deposit Tailings by means of cyclone method	2 Days	15	R26 250	3	R5 400							18	R31 650
Deposit Tailings onto tailings dam	2 Days	0	R0	6	R10 800	6	R11 880	6	R13 068	6	R14 375	24	R50 123
De-Sliming Screen	2 Days	3	R4 500									3	R4 500
Determine Relative density	2 Days			7	R12 600	1	R1 980	1	R2 178	1	R2 396	10	R19 154

De-Watering Screen	2 Days	2	R3 000									2	R3 000
First aid	2 Days	0	R0	1	R500	1	R550	1	R605	1	R666	4	R2 321
First aid 2	2 Days	0	R0	1	R1 500	1	R1 650	1	R1 815	1	R1 997	4	R6 962
Handle acid safely	2 Days	0	R0	5	R8 100	5	R8 910	5	R9 801	5	R10 782	20	R37 593
Handle inorganic Reagent	2 Days	0	R0	2	R3 600	2	R3 960	2	R4 356	2	R4 792	8	R16 708
Handle Nitric Acid Safely in a Met Plant	2 Days	2	R3 000									2	R3 000
Handle waste material	2 Days	4	R6 000	4	R5 250	4	R5 775	4	R6 353	4	R6 988	20	R30 366
Handle Waste Material in Met Plant	2 Days	2	R3 000		R611		R672		R739		R813	2	R5 835
Hazard Identification Risk Assessment (HIRA)	3 Weeks	10	R18 000	22	R39 600	26	R46 800	26	R51 480	26	R56 628	110	R212 508
High Pressure Monitoring (Functional)	2 Days					29	R52 200	29	R57 420	29	R63 162	87	R172 782
Hydraulic Reclamation / Track gun	2 Days		R0	72	R111 200	2	R3 960	2	R4 356	2	R4 792	78	R124 308
Mineral processing fundamentals	3 Days	0	R0	1	R1 500	1	R1 650	1	R1 815	1	R1 997	4	R6 962
Offload Organic Reagent in a Met Plant	2 Days	3	R4 500	3	R4 500	3	R4 950	3	R5 445	3	R5 990	15	R25 385
Operating Pump Station	2 Days					13	R23 400	13	R25 740	13	R28 314	39	R77 454
Perform dense medium separation	2 Days	0	R0	10	R18 000	10	R19 800	10	R21 780	10	R23 958	40	R83 538
Perform minor maintenance	2 Days	0	R0	3	R4 500	3	R4 950	3	R5 445	3	R5 990	12	R20 885
Perform Minor Mechanical Maintenance in a Met Plant	2 Days	2	R12 500									2	R12 500
Perform size separation	6 Weeks	6	R10 000	1	R1 100	1	R1 210	1	R1 331	1	R1 464	10	R15 105
ROMU Operation	2 Days					22	R39 600	22	R43 560	22	R47 916	66	R131 076
SHE Rep	3 Weeks	6	R15 000									6	R15 000
Slimes Reclamation	2 Days	3	R4 500									3	R4 500
Thicken Slurry in a Met Plant	2 Days	1	R1 500	1	R1 100	1	R1 210	1	R1 331	1	R1 464	5	R6 605
Transfer fluids by means of pumps	2 Days			23	R40 700	4	R7 150	4	R7 865	4	R8 651	35	R64 366
Transfer material by means of conveyor belt	2 Days	0	R0	3	R5 400	3	R5 940	3	R6 534	3	R7 187	12	R25 061
TOTAL		62	117258	178	291861	148	265687	148	292256	148	321485	684	R1 288 547

Table 14: Action Plan for Skills Programmes

ACTION	RESPONSIBLE PERSON
Conduct a Skills Audit to identify training needs aligned to the core business functions	Human Resources Manager
To verify and record all the qualifications of employees.	Human Resources Manager
Develop a comprehensive skills training plan with targets, budgets and timeframes (in line with commitments made in the SLP and the business plan)	Human Resources Manager
Compile findings and include them in the Workplace Skills Plan	Human Resources Manager
Provide training and education in accordance with specified guidelines, skills gaps and in line with HDP in management targets	Human Resources Manager

2.6 Learnerships

A Learnership is a registered and accredited learning programme that includes practical work experience, as well as theoretical studies, thereby integrating both workplace and institutional learning. Through a learnership programme, people are able work towards a qualification whilst employed. It provides both vertical and horizontal articulation within the qualifications framework and produces meaningful competencies for productive work. The structured learning part of the learnerships will include the unit standard categories required to make up a qualification, i.e. fundamental learning, core learning and specialisation. Work experience has to relate to the structured learning and prepare the learners for competence assessment.

City Deep undertakes to provide Learnership opportunities to both employees (18.1) as well as community core contractors. Placement of learners, particularly 18.2's will be determined by the existence of employment opportunities at the time of their completion.

2.6.1 Learnership Targets

The 5-year targets which indicate the new enrolments and roll-over per annum, as the learnerships run over 3 years are indicated in **Table 15, and Table 16.**

Table 15: QCTO Accredited Learnerships: External – 18.2 (City Deep)

Programmes	Duration	2023			2024			2025			2026			2027			Total		
		New	Cont.	Financial Commitment	New	Cont.	Financial Commitment	New	Cont.	Financial Commitment	New	Cont.	Financial Commitment	New	Cont.	Financial Commitment	New	Cont.	Financial Commitment
Minerals Processing	24 months										10		R1 500 000		10	R1 800 000	10	10	R3 300 000
Support Services	12 months										5		R300 000	5	5	R600 000	10	5	R900 000
Engineering	36 months	27	0	R1 250 989	14	28	R1 970 902	2	22	R1 095 008	0	23	R1 035 016	3	10	R615 066	25	104	R5 966 982
TOTAL BENEFICIARIES		27	0		14	28		2	22		15	23		8	25		45	119	
TOTAL SLP PROVISION		27		R1 250 989	42		R1 970 902	24		R1 095 008	38		R2 835 016	34		R3 015 066	164		R10 166 982

* Note: The 2027 intakes will be carried over into the new SLP commitment.

Table 16: QCTO Accredited Learnerships: Indirect Employees – 18.1 (Direct Employees)

Programmes	Duration	2023			2024			2025			2026			2027			Total		
		New	Cont.	Financial Commitment	New	Cont.	Financial Commitment	New	Cont.	Financial Commitment	New	Cont.	Financial Commitment	New	Cont.	Financial Commitment	New	Cont.	Financial Commitment
Engineering	36 months										2		R1 000 000	2	2	R1 140 000	4	2	R2 140 000
TOTAL BENEFICIARIES											2			4			6		
TOTAL SLP PROVISION											R 100 000			R1 140 000			R2 140 000		

2.6.2 Learnership Action plan

City Deep will continue to provide learnerships to equip employees with the necessary skills to improve efficiency in their work **Table 17** highlights the Action Plans City Deep will take into consideration. The following will be taken into consideration when refining the learnership programmes:

- Offering learnerships registered by the MQA in terms of the Skills Development Act. The company will enter into learnership agreements with Learners in accordance with Sections 16, 17 and 18;
- Enabling the Learner to assume higher levels of responsibility within the workplace and in this way, develop intellectual, interpersonal and communicative skills;
- Providing the Learner with appropriate training in the working environment; and
- Facilitating access to appropriate learning facilities through City Deep and independent training providers.

Table 17: Learnership Action Plan

ACTION	RESPONSIBLE PERSON
Evaluate the future skills needs of employees and the current workforce for potential candidates to be enrolled in Learnership Programmes.	HR Manager
Consultation with the Training Committee on the proposed Learnership Programme.	HR Manager
Provide the Learner with appropriate training in the working environment.	HR Manager
Provide appropriate facilities to the Learners and provide adequate Learner supervision.	HR Manager
Conduct on-the-job assessment of Learners and provide records of learning.	HR Manager

2.7 Career Progression Plan - Regulation 4b (b)(ii)

2.7.1 Introduction

The Career Progression Plan aims to illustrate a career path for employees, indicating possible routes to move or change from one role or position to another within a specific discipline. This will be achieved through defining competencies, such as skills and experience required by the various job categories. The operations training and development Programme thus becomes a mechanism for developing employees' capabilities to progress to either a different post within their same level or higher. The path of Career Progression could also be applied during selection and recruitment, training and development and talent management.

The objective of career pathing is to ensure that the selected employees advance into technical and managerial positions in line with the requirements of the Broad-Based Socio-Economic Empowerment Charter. In this regard, the following activities must be undertaken:

- City Deep employees need to be complemented with skills through job related short courses.
- The career pathing planning process must be regularly reviewed, and progress monitored on an annual basis.

2.7.2 Career Progression Targets

The Career Progression Programme is based on the needs of the Company. This plan will change according to the change in Company needs. City Deep will use its Career Progression Programme as a primary mechanism to empower its employees and meet the employment needs of the Company.

Table 18: Career Progression Targets

HRD Programme		Comment	2023	2024	2025	2026	2027	Total
1	Advanced Generic Management Program	Junior Leadership	0	0	1	2	1	4
2	Management Development Program	MDP	1	0	0	0	1	2
3	Engineering Learnership Programme	18,1	0	0	0	0	1	1
4	Internship (Graduate Development Programme)	Internal Internship (From Internal Bursary Pool)	0	0	0	1	0	1
5	Internship (In-Service)	Partnership with FET college	0	1	0	1	1	3
TOTAL SLP PROVISION			1	1	1	1	4	11

2.7.3 Career Progression Action plan

The Career Progression Programme is based on the needs of the Company. This plan will change according to the change in Company needs. City Deep will use its Career Progression Programme as a primary mechanism to empower its employees and meet the employment needs of the Company

City Deep will actively promote Career Progression and succession opportunities among its employees. City Deep will refine the current Career Progression Programme. The Career Progression Programme will be implemented by means of the following:

- Career pathways will be developed;
- City Deep will continue to implement a Career Progression policy, procedure and Programme, which recognises the mature state of the operation, is operation specific and contextually relevant to the employment levels, organogram, workforce, skills need, and Employment Equity needs of City Deep;
- The Career Progression Programme will be implemented for a five (5) year period and will be reassessed every five (5) years;

- Career progression should be used to improve the sustainability of the Company, business efficiency, employee development, productivity, employee satisfaction and labour stability;
- The Career Progression Programme will be linked to the Skills Development Programme, Learnership Programme, Internship and Bursary Programme, Mentorship Programme and Employment Equity Programme;
- These must be closely aligned and linked to scarce skills needs, job-related skills and employee development/progression at City Deep;
- Mechanisms are in place for individuals to progress from lower skilled working levels to higher skilled working levels and management levels should job opportunities arise and positions become vacant;
- The Career Progression Plan will ensure that the qualifications, aspirations, developmental needs, and potential capabilities of employees are accounted for in line with the needs and capabilities of the Mine; and
- City Deep will identify those employees who demonstrate potential, require further skills in their current position, as well as employees who need skills aimed at Career Progression to fill a future position.

2.8 Portable skills Programmes

2.8.1 Introduction

City Deep will continue offering skills training Programmes throughout the life of the Mine. Greater focus on portable skills will be necessary when there is a possibility of retrenchment, downscaling and a possible closure of the mine. The aim of the programme is to equip employees with alternative skills to utilise outside the mining environment.

2.8.2 Portable Skills Targets

The 5-year targets set for portable skills training at City Deep for direct employees and community members are reflected in **Table 19 and Table 20**. Additional courses will be considered as the need arise.

2.8.3 Portable Skills Action plan

See table **Table 21**.

Table 19: Portable Skills (Accredited): Direct Employees – 18.1 (City Deep)

Programmes	Duration	2023		2024		2025		2026		2027		Total	
		Target	Financial Commitment	Target	Financial Commitment	Target	Financial Commitment	Target	Financial Commitment	Target	Financial Commitment	Target	Financial Commitment
Artificial Intelligence	3 months							10	R150 000	10	R150 000	20	R300 000
Driver's Licence	4 weeks			1	R16 029							1	R16 029
Carpentry/ Plumbing or Agriculture (Skills Programs)	6 weeks	20	R1 000 000	20	R1 000 000	20	R1 000 000	20	R1 000 000	20	R1 000 000	100	R5 000 000
TOTAL SLP PROVISION		20	R1 000 000	21	R1 016 029	20	R1 000 000	30	R1 150 000	30	R1 150 000	121	R5 316 029

Table 20: Portable Skills (Accredited): External – 18.2 (City Deep)

Type/Area of Training	Duration	2023		2024		2025		2026		2027		5 Year Totals	
		Target	Financial Commitment	Target	Financial Commitment	Target	Financial Commitment	Target	Financial Commitment	Target	Financial Commitment	Target	Financial Commitment
Artificial Intelligence	3 months	0	R0	0	R0	0	R0	30	R700 000	30	R800 000	60	R1 500 000
Innovations Hub (Data Analysis, Graphic Design, Cyber Security, Cloud Computing, New Venture Creation) – delegates to select one speciality	3 months per course	12	R700 000	12	R700 000	12	R700 000	12	R700 000	12	R700 000	60	R3 500 000
Plumbing	6 weeks	1	R100 000	1	R100 000	2	R200 000	2	R200 000	2	R200 000	8	R800 000
Carpentry	6 weeks	1	R100 000	1	R100 000	1	R100 000	2	R200 000	2	R200 000	7	R700 000
TOTAL		14	900000	14	900000	15	1000000	46	1800000	46	1900000	135	R6 500 000

Table 21: Portable Skills Training Programme Action Plan

ACTION	RESPONSIBLE PERSON
Determine suitable economic opportunities/sectors outside of mining, through consultation with relevant stakeholders and review of the municipality's Integrated Development Plan	HR Manager

ACTION	RESPONSIBLE PERSON
Conduct a survey to determine which portable skills are in demand by Mine employees	HR Manager
Compile a detailed portable skills training Programme	HR Manager
Evaluate and appoint suitable training Service Providers as required	HR Manager

2.9 Hard-to-fill vacancies

Hard-to-fill vacancies represent both currently filled and vacant positions that are difficult to satisfy due to the limited availability of relating skills. This may represent future challenges for City Deep to remain compliant in terms of its Employment Equity obligations in accordance with the Mining Charter.

Table 22: Hard-to-fill Vacancies as per Annexure II of the MPRDA regulations

Occupational level	Job title of vacancy	Main reason for inability to fill when vacant
Top Management	None	N/A
Senior Management	None	N/A
Skilled technical and academically qualified workers, junior management, supervisors	None	N/A
Semi-skilled and discretionary decision making	None	N/A
Unskilled and defined decision-making	None	N/A

2.10 Mentorship Plan - Regulation 46 (b) (iii)

2.10.1 Introduction

Mentorship is a key process and tool in the support of people development, Employment Equity, HRD planning, and performance management. It is a formal relationship between a mentor and a mentee and is established to enhance the mentee's career by building skills and knowledge. This is a continuous process and ensures that the mentee's potential is unlocked, which benefits everyone, including the mine.

Internal mentorship refers to “in-house” mentorship whereby lower-level employees are paired with higher level employees in order for a transfer of skills to take place.

External mentorship refers to the coaching of outside BEE companies who have an interest in being involved in mining.

City Deep's Mentorship Plan will represent a carefully planned and professional intervention to facilitate a larger initiative to support employee and Skills Development within the Operation. City Deep currently has a mentorship programme in place that focuses on transferring of skills within the company.

2.10.2 Mentorship Targets

- The Mentorship Plan focuses on mentoring the identified employees to progress into earmarked positions should they become available or to ensure competency in a specific skill;
- The Mentorship Plan is linked to Skills Training, Learnerships, Career Progression, Internships, and Employment Equity; and
- The Mentorship Plan is based on both the aspirations of the employee and business requirements of the company.

Table 23 provides a summary of the mentorship targets for City Deep for the next 5 years.

Table 23: City Deep Mentorship Targets

Employee Categories	2023	2 024	2025	2 026	2027	Total
	Target	Target	Target	Target	Target	Target
Metallurgy	1	1	2	5	4	13
Engineering	1	1	1	1	1	5
Finance, HR, Environment	1	1	1	1	1	5
TOTAL SLP PROVISION	3	3	4	7	6	23

***The City Deep mentorship programme focuses developing individuals to advance into higher positions. These individuals, however, will stay on the program until such positions become available.**

2.10.3 Mentorship Action Plan

City Deep promotes mentorship opportunities among its employees in the Company's talent pool.

- The Mentorship Programme focuses on mentoring and coaching employees into more specialised positions. This will be aligned with the skills and Employment Equity requirements of City Deep.
- The Mentorship Programme is linked to the Skills Development Programme, Learnership Programme, Career Progression Programme, Internships and Bursary Programme, and Employment Equity Programme.
- An action plan for the implementation of the mentorship Programme is provided in Table 24 and will be updated annually.
- With regards to internal mentorship of employees, City Deep has implemented the following mechanisms:
 - Establish mentoring implementation structures within City Deep;
 - Identify mentors / mentees;
 - Match mentors with suitable mentees;
 - Set relationship goals and plans for learning Programmes; and
 - Implement and monitor mentee's progress and evaluate.

- The mentorship plan has been implemented through the following steps:
 - Transferring skills to the identified employees;
 - Mentoring and coaching employees with regards to learnership opportunities;
 - Ensuring that mentors are sufficiently capacitated for their role;
 - Ensuring that mentees are matched with suitable mentors in terms of personality type etc; and
 - Providing accelerated individualised development Programmes for those employees identified as having potential and aspiration.

Table 24: Mentorship Action Plan

ACTION	RESPONSIBLE PERSON
Continue to implement the Mentorship programme each year according to the mentor/mentee agreements	HR Manager
Annually review the current talent pool and assign mentors to new candidates	HR Manager
Identify new potential mentors and arrange the necessary training for them	HR Manager
Annual assessment and revision of the implementation Programme.	HR Manager

2.11 Internship and Bursary Plan – Regulation 46 (b) (iv)

2.11.1 Introduction

City Deep is aware of the need not only to assist its own employees with development opportunities, but also those members of the local community to access tertiary education (bursaries) and experiential work (internships). The bursary and internship plan help to develop individuals, thus supplying the operation with its required skills. Apart from business related qualifications, City Deep is also aware of the need to develop qualified individuals from other sectors of the economy, whose communities have been affected by the Mine.

City Deep will continue implementing an internship and bursary Programme, which has become feasible through the creation of more diversified, semi-skilled and skilled positions at the Mine. City Deep has a well-documented financial study loan and assistance programme for employees to further themselves in their current professions: metallurgy, engineering, human resources, finance, technical services and environment as well as creating future opportunities for broader exposure to all disciplines within the organisation. City Deep's approach to bursaries can be seen in the company's bursary policy.

2.11.2 Bursary Targets

Table 25 to Table 28 provides City Deep's bursary and internship targets for 2023 – 2027. The Internship and Bursary Programme will be linked to the Employment Equity Programmes.

2.11.3 Action plan

The future bursaries will be awarded according to and based on professional qualifications required within the business. The number of opportunities offered will be subject to the financial situation and employment need of the Company. Internships will be offered to students who have completed their academic studies at higher education institutions. This applies to both bursary holders as well as individuals who did not receive City Deep bursaries.

City Deep will implement the following strategic actions with regard to its internships and bursaries:

- Allowing individuals to work as apprentices to skilled people on the Mine;
- Promoting accelerated and equitable access to bursary and internship opportunities;
- Integrating the intern or bursar as an operating member of the Company should suitable vacancies exist;
- Providing internship and bursary supervisors to function as educators and overseers of the Programmes;
- Involving interns in diverse responsibilities and exposing them to a broad range of challenges;
- Providing continuous evaluation of each internship and bursary;
- Exposing interns and bursars to the network of industry professionals;
- Providing a bursary scheme to cater for Learners who wish to pursue undergraduate or postgraduate studies in mining related sectors;
- Appropriately advertising internship/bursary opportunities within City Deep, as well as the necessary selection criteria thereof;
- Identifying selected Learners at pre-tertiary level in order to nurture potential at an early stage. These Learners will be provided with bursaries which are relevant to the current and future market needs of the mining sector and the Company; and
- Providing bursaries which cover fees for registration, tuition, accommodation, and learning materials.
- This plan will be designed for a five (5) year period and will be updated at the end of each period. An action plan has been developed for the compilation of an Internships and Bursaries Plan, as indicated in **Table 29**.

Table 25: Bursary: Direct Employees – 18.1 (City Deep)

Programmes	2023			2024			2 025			2026			2027			Total		
	New	Cont.	Financial Commitment	New	Cont.	Financial Commitment	New	Cont.	Financial Commitment	New	Cont.	Financial Commitment	New	Cont.	Financial Commitment	New	Cont.	Financial Commitment
Other	1	0	R30 000	1	0	R30 000	1	0	R30 000	1	0	R30 000	1	0	R30 000	5	0	R150 000
TOTAL SLP PROVISION	1		R30 000	1		R30 000	1		R30 000	1		R30 000	1		R30 000	5		R150 000

Table 26: Bursary: External – 18.2 (City Deep)

Programmes	2023			2024			2025			2026			2027			Total		
	New	Cont.	Financial Commitment	New	Cont.	Financial Commitment	New	Cont.	Financial Commitment	New	Cont.	Financial Commitment	New	Cont.	Financial Commitment	New	Cont.	Financial Commitment
Mining				1		R141 218		1	R150 000	4	1	R1 000 000		5	R1 000 000	5	7	R2 291 218
Engineering	1		R190 826		1	R59 254		1	R100 000	3	1	R900 000		3	R550 000	3	7	R1 800 080
Other	2		R249 885		2	R202 048		1	R100 000	10	1	R2 200 000		10	R2 000 000	10	16	R4 751 933
TOTAL BENEFICIARIES	3			1	3			3		17	3			18		18	30	
TOTAL SLP PROVISION	3		R440 711	4		R402 520	3		R350 000	20		R4 150 000	18		R3 550 000	48		R8 843 231

Table 27: Internships: External – 18.2 (City Deep)

Programmes	2023			2024			2025			2 026			2027			Total		
	New	Cont.	Financial Commitment	New	Cont.	Financial Commitment	New	Cont.	Financial Commitment	New	Cont.	Financial Commitment	New	Cont.	Financial Commitment	New	Cont.	Financial Commitment
Environmental Science Graduate										1		R400 000	1		R400 000	2	0	R800 000
Metallurgical Graduate	1		R400 000	1		R400 000	2		R800 000	1	2	R1 200 000	1	1	R800 000	6	3	R3 600 000
Other										1		R400 000	1		R400 000	2	0	R800 000
TOTAL BENEFICIARIES	1			1			2			3	2		3	1		10	3	
TOTAL SLP PROVISION	1		R400 000	1		R400 000	2		R800 000	5		R2 000 000	4		R1 600 000	13		R5 200 000

Table 28: Internships: Indirect Employees – 18.1 (Core Contractors)

Programmes	2023			2 024			2025			2 026			2027			Total		
	New	Cont.	Financial Commitment	New	Cont.	Financial Commitment	New	Cont.	Financial Commitment	New	Cont.	Financial Commitment	New	Cont.	Financial Commitment	New	Cont.	Financial Commitment
Graduate Programme							2		R104 400	2		R114 840	2		R126 324	6	0	R345 564
TOTAL BENEFICIARIES	0	0		0	0	0	2	0	R0	2	0		2	0		6	0	
TOTAL SLP PROVISION	0		R0	0		R0	2		R104 400	2		R114 840	2		R126 324	6		R345 564

Table 29: Internships and Bursaries Action Plan

ACTION	RESPONSIBLE PERSON
Determine business needs in terms of internship and bursary requirements for the future.	HR Manager
Upgrade the implementation Programme for internships and bursaries.	HR Manager
Develop and implement an awareness Programme with employees and local communities for internship and bursary opportunities.	HR Manager
Annual assessment and revision of the implementation Programme	HR Manager

2.12 Human Resources Development Summary Commitments - Targets

Table 30: Total HRD Headcount Targets (2023 - 2027)

Description	2023	2024	2025	2026	2027	Total
	Target	Target	Target	Target	Target	Target
AET: Direct Employees - 18.1 (City Deep)	1	1	1	1	1	5
AET: Indirect Employees (Internal 18.1) by Core Contractor #2	10	10	30	30	30	110
Core Business Skills: Direct Employees - 18.1 (City Deep)	100	38	50	42	41	271
Core Business Skills: External – 18.2 (Core Contractor)	62	178	148	148	148	684
Learnerships: External – 18.2 (City Deep)	27	42	24	38	33	164
QTCO Accredited Learnerships: Employees – 18.1 (Direct Employees)	0	0	0	2	4	6
Career Progression Targets	1	1	1	4	4	11
Portable Skills: Direct Employees – 18.1 (City Deep)	20	21	20	30	30	121
Portable Skills: External – 18.2 (City Deep)	14	14	15	46	46	135
Mentorships	3	3	4	7	6	23
Bursary: Direct Employees – 18.1 (City Deep)	1	1	1	1	1	5
Bursary: External – 18.2 (City Deep)	3	4	3	20	18	48
Internships: External – 18.2 (City Deep)	1	1	2	5	4	13
Internships: Indirect Employees – 18.1 (Core Contractors)	0	0	2	2	2	6
TOTAL	243	314	301	376	368	1602

2.13 Human Resources Development Summary Commitments – Financial Provision

Table 31: Total HRD Financial Provisions (2023 - 2027)

Description	2023	2024	2025	2026	2027	Total
	Target	Target	Target	Target	Target	Target
AET: Direct Employees - 18.1 (City Deep)	R56 067	R56 067	R56 067	R56 067	R56 067	R280 335
AET: Indirect Employees (Internal 18.1) by Core Contractor #2	R200 000	R200 000	R600 000	R800 000	R800 000	R2 600 000
Core Business Skills: Direct Employees - 18.1 (City Deep)	R288 879	R158 988	R700 000	R540 000	R584 000	R2 271 867
Core Business Skills: External – 18.2 (Core Contractor)	R117 258	R291 861	R265 687	R292 256	R321 485	R1 288 547
Learnerships: External – 18.2 (City Deep)	R1 250 989	R1 970 902	R1 095 008	R2 835 016	R3 015 066	R10 166 981
QTCO Accredited Learnerships: Employees – 18.1 (Direct Employees)	R0	R0	R0	R1 000 000	R1 140 000	R2 140 000
Portable Skills: Direct Employees – 18.1 (City Deep)	R1 000 000	R1 016 029	R1 000 000	R1 150 000	R1 150 000	R5 316 029
Portable Skills: External – 18.2 (City Deep)	R900 000	R900 000	R1 000 000	R1 800 000	R1 900 000	R6 500 000
Bursary: Direct Employees – 18.1 (City Deep)	R30 000	R30 000	R30 000	R30 000	R30 000	R150 000
Bursary: External – 18.2 (City Deep)	R440 711	R402 520	R350 000	R4 100 000	R3 550 000	R8 843 231
Internships: External – 18.2 (City Deep)	R400 000	R400 000	R800 000	R2 000 000	R1 600 000	R5 200 000
Internships: Indirect Employees – 18.1 (Core Contractors)	R0	R0	R104 400	R114 840	R126 324	R345 564
TOTAL	R4 683 904	R5 426 367	R6 001 162	R14 718 179	R14 272 942	R45 102 554

2.14 Employment Equity Plan – Regulation 46 (b) (v)

2.14.1 Introduction

All of Ergo Mining's operations fully subscribe to the principles of the Mining Charter and strive to achieve more than the minimum requirements. The Company believes that Employment Equity is an integral part of building an effective and representative workforce to ensure equality among its employees. Particular effort will be directed to identify those HDPs with talent and to then provide accelerated training and development initiatives to assist their progression.

2.14.2 Employment Equity Baseline

Ergo Mining currently reports on a consolidated basis, which includes its various operations. Transformation within DRDGOLD is guided by the South African Constitution and the MPRDA, which promotes equity and fairness, dignity, transparency and accountability. Importantly, the Constitution not only defines formal equality, but also permits the implementation of affirmative action.

Employment Equity progress is reported on an annual basis to the DoL and the Employment Equity Plan will continue to be drafted in accordance with the requirements of the Employment Equity Act and will be published and submitted to the DoL on an annual basis. The objective of this Plan is to ensure the maintenance of equity throughout its operation and to develop strategies to promote affirmative action amongst designated groups.

The Employment Equity statistics for City Deep's permanent employees are contained in **Form S** in **Table 32** and **Table 34** display current percentages of HDPs and HDP Females at the Group level.

Ergo Mining's EE Plan does and will continue to:

- Achieve the EE targets as set out in Mining Charter 2018;
- Use HRD programmes in a targeted manner to ensure greater representation of HDPs, women, youth, and people with disabilities at all levels of the organisation;
- Ensure fair and non-discriminatory practices which respect the rights and dignity of all employees irrespective of colour, race, gender and disability;
- Identify and remove potentially discriminating practices;
- Ensure that staff at all levels are suitably qualified or have the potential to meet the intrinsic requirements of the job; and
- Ensure that women are targeted for learnerships, bursaries, internships, career progression and, in particular, during the recruitment process women representation will be taken into consideration.

Table 32 below illustrates on how City Deep will improve on the current EE statistics over the next five years.

Table 32: City Deep Form S Employment Equity Statistics as at 31 December 2022

Levels	Female				Male				Foreign National		Grand Total	% Total HDP	% Female
	African	Coloured	Indian	White	African	Coloured	Indian	White	Male	Female			
Board											0	0%	0%
Executive Management (Paterson F)											0	0%	0%
Senior Management (Paterson E)											0	0%	0%
Middle Management (Paterson D)	1										1	100%	100%
Junior Management (Paterson C)					11	1		7			19	63%	0%
Semi - Skilled (Paterson B)	5				16	1					22	100%	23%
Unskilled (Paterson A)	15				7						22	100%	68%
Grand Total											64	52%	27%
Core & Critical Skills	21				34	2		7			64	89%	33%
Support											0	0%	0%
Grand Total											64	45%	16%
Disability											64	0%	0%

Table 33: Core Contractor Form S Employment Equity Statistics as at 2025

Levels	Female				Male				Foreign National		Grand Total	% Total HDP	% Female
	African	Coloured	Indian	White	African	Coloured	Indian	White	Male	Female			
Board											0	0%	0%
Executive Management (Paterson F)											0	0%	0%
Senior Management (Paterson E)											0	0%	0%
Middle Management (Paterson D)					1						1	100%	0%
Junior Management (Paterson C)	1				6			1			8	88%	13%
Skilled Technical/qualified (Paterson C)	1				0						1	100%	100%
Semi - Skilled (Paterson B)	3				41						44	100%	7%
Unskilled (Paterson A)	2				89						91	100%	2%
Grand Total											145	61%	15%
Core & Critical Skills	6				135			1			142	99%	4%
Support	1				2						3	100%	33%
Grand Total											145	100%	19%
Disability											145	0%	0%

2.14.3 Employment Equity Targets

Table 34: City Deep Employment Equity Targets for the 5-year SLP period

Board and Executive Management are not reported at the Mining Right Level. Only Senior Management and below are reported at a Mining Right Level.

Levels	2023/24		2024/25		2025/26		2026/27		2027/28	
	HDP Target	Female Target	HDP Target	Female Target	HDP Target	Female Target	HDP Target	Female Target	HDP Target	Female Target
Board										
Executive Management										
Senior Management	50%	25%	50%	25%	50%	25%	50%	25%	50%	25%
Middle Management	60%	25%	60%	25%	60%	25%	60%	25%	60%	25%
Junior Management	80%	30%	80%	30%	80%	30%	80%	30%	80%	30%
Core & critical Skills	60%	10%	60%	10%	60%	10%	60%	10%	60%	10%
Disability	1.5%		1.5%		1.5%		1.5%		1.5%	

2.14.4 Employment Equity Action plan

City Deep will continue to maintain EE targets at a level not lower than those prescribed by the existing Mining Charter at any time.

Table 35: Strategic Action Plan for the Implementation of EE at City Deep Mining (Pty) Ltd

ACTION	RESPONSIBLE PERSON
Establish the EE Plan and report on progress on meeting commitments to the Department of Mineral Resources (DMPR)	HR Manager
Communicate the details of the Mine's EE Report to all Mine employees. A copy of the report will also be made available to employees for copying and consultation.	HR Manager
Ensure visible support and commitment of managers to the EE process.	HR Manager
Develop fast-tracking procedure for HDPs.	HR Manager
Allocate specific mentors and coaches to HDP individuals exhibiting potential and aspiration for management positions.	HR Manager

2.14.4.1 The Participation of Historically Disadvantaged Persons

The following is relevant to the participation of HDPs:

- City Deep will continue to strive towards ensuring that targets as prescribed in the prevailing Mining Charter at the time, in each level of management is composed of HDPs. However, the Company will develop their own employees to fill these quotas where possible. To achieve this the Company will adhere to the following:

- Selecting, training and empowering candidates at lower levels from within the organisation to progress, where possible, into position that may arise. This would be the preferred first option;
- Recruiting candidates from outside of the Company, only as a last resort, after every effort has been made by City Deep to implement above step without success.
- This mechanism will result in “true” empowerment of individuals and contribute more to transformation of the mining industry than “poaching” would.
- City Deep will implement the following action plan in **Table 36** to create opportunities for the participation of HDPs on a managerial level, which will be updated annually.

Table 36: Participation of HDPs in Management Action Plan

ACTION	RESPONSIBLE PERSON
Determine Employment Equity needs and aggregate positions in management in terms of the requirements of the MPRDA.	HR Manager
Assess the internal City Deep Talent Pool of employees for potential HDP candidates that can fill higher level positions should vacancies occur (based on competence and commitment, in line with the Career Progression and Skills Development Plans).	HR Manager
Implement a formal career planning system for HDP employees at City Deep.	HR Manager

City Deep will implement the following mechanisms to encourage the participation of HDPs in higher skills and managerial levels:

- Using the Employment Equity report to accurately determine the existing racial and gender mix at the Mine;
- Assess the findings of the Employment Equity Reports regarding the participation of HDPs;
- Providing preference to HDPs for skilled and management positions, should they meet the job requirements;
- Using recruitment strategies for importing suitably qualified HDPs only as a last resort;
- Use Succession planning, career development, and performance management systems to facilitate the development of HDPs into management positions;
- Job opportunities within the Operation will be communicated;
- Continue sensitising and educating employees with regard to issues involving gender, race, and diversity in order to promote a non-discriminatory culture;
- Allocation of specific mentors and coaches to HDP individuals in the talent pool exhibiting potential and aspiration for higher skilled and management positions. In this way they will be sufficiently trained to become more likely candidates for promotion.

2.14.4.2 Participation of HDP Females

The following is relevant to the participation of women in mining:

- In order to address the historical issues of South Africa (which resulted in the majority of South Africans, especially women, being excluded from participating in the mainstream economy), City Deep will aim to represent women in positions that were traditionally considered “male only” on the Mine.
- With reference to the employee empowerment Programme, City Deep does not favour a policy of recruiting externally but will rather develop its internal labour resources as far as possible.
- In compliance with the spirit of the MPRDA, City Deep will continue to strive to increase the participation of black women in managerial, professional and core mining related positions:
- An **Action Plan** to increase the participation of Female HDP’s is provided in **Table 37**.
- Progress against these plans will be reported annually in accordance with the requirements of the Department of Labour and the DMPR.
- The above-mentioned Tables will be updated annually.

Table 37: Action Plan for the Participation of Female HDP’s

ACTION	RESPONSIBLE PERSON
Discussion and brainstorming of the issues, problems and compliance gaps in terms of Female HDP’s at the woman’s forum. Discussion of issues relating to: • Devising measures to address the potential issues/obstacles preventing the successful integration and retention of women; • Devising measures to change the physical mining environment and adapting the technical equipment to be women-friendly; and • Implementing awareness Programmes to sensitize the perceptions of men towards women.	HR Manager
Ongoing monitoring of the women in mining implementation Programme in line with the Employment Equity Plan.	HR Manager

SECTION 3

LOCAL ECONOMIC DEVELOPMENT PROGRAMME:

MPRDA REGULATION 46 (C)

3 LOCAL ECONOMIC DEVELOPMENT

3.1 Process Followed for the Identification and Selection of LED Programmes

A robust process with key input outcomes were considered in the identification, selection and development of the City Deep LED programmes, namely:

- Socio-Economic Baseline Analysis (**Section 3.2 below**)
- Broad-Based Consultation Process and Analysis thereof (**Section 3.3 below**)
- Alignment with Municipal Development Plans and Priorities (**Section 3.4 below**)
- City Deep LED Goals, Principles and Design Criteria (**Section 0 below**)

3.2 Socio-Economic Baseline Analysis

3.2.1 Background Information

As one of the key inputs into the design of the Local Economic Development programmes, a desktop Socio-Economic Baseline Study was conducted in order for City Deep to understand the baseline statistics within South Africa, within the Gauteng province, within the affected District, Local and Metropolitan Municipalities, as well as its broader communities.

The section below contains the high-level findings of this baseline study, which is more detailed in **Annexure 1** to this document.

Ergo Mining holds various Mining Rights in the Gauteng Province. Ergo Mining conducts tailings reclamation operations on the Witwatersrand, located within the City of Ekurhuleni Metropolitan Municipality (CoE) and the City of Johannesburg Metropolitan Municipality (CoJ).

GP185MR (City Deep) is situated within the City Deep area, located to the southeast of Johannesburg's central business district, in the Gauteng Province of South Africa.

The Figure below highlights the geographic context of all Ergo Mining's operations, GP185MR is depicted in dark blue.

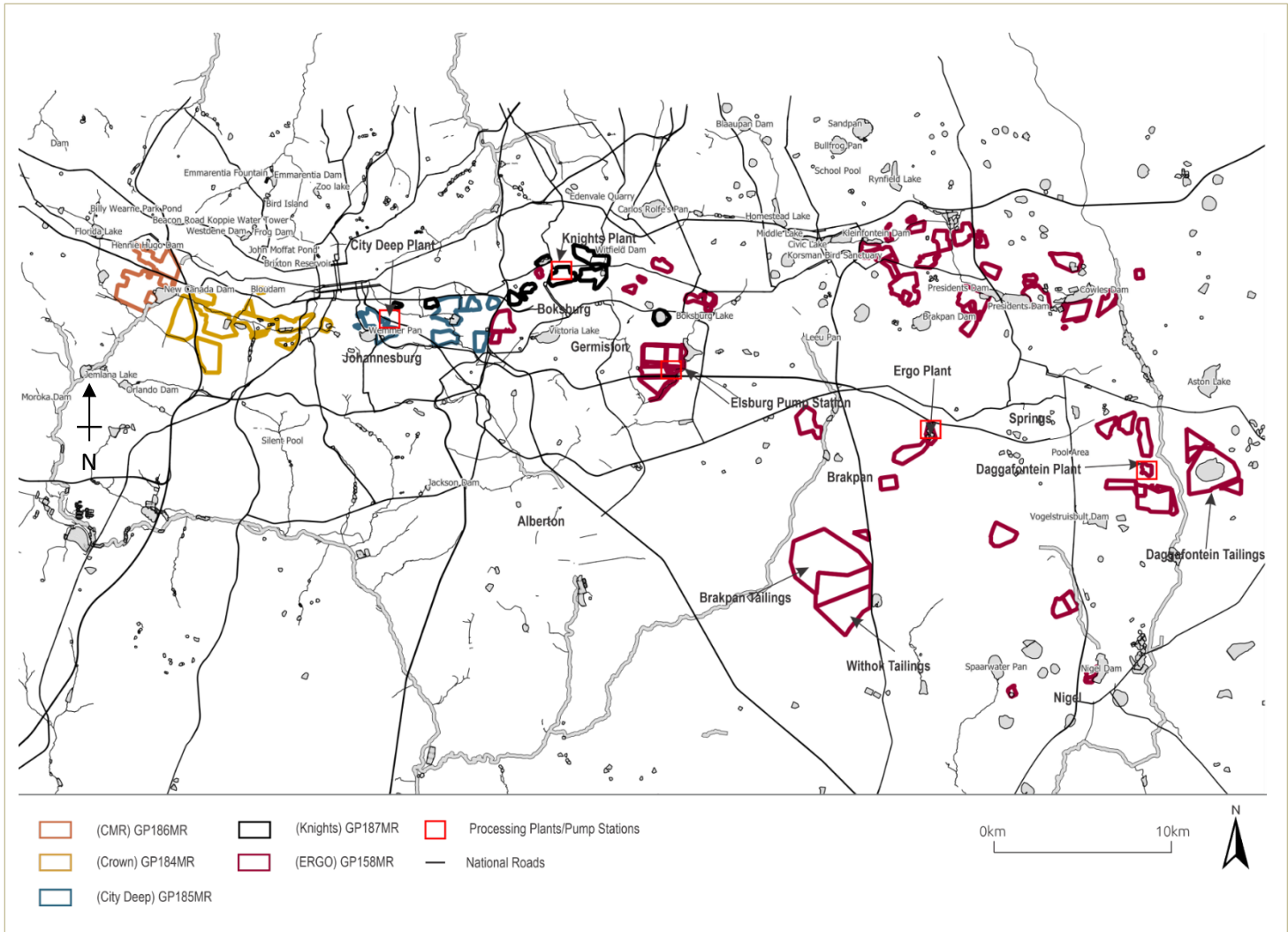


Figure 3: Location of ERGO's Mining Rights across City of Johannesburg from the West to City of Ekurhuleni on the East.

3.2.2 Relevant Findings of the SEBS:

Geographically, Gauteng is the smallest of South Africa's nine administrative provinces; it accounts for only 1.5% (18 176 km²) of the country's land area. Administratively, Gauteng is subdivided into five district municipalities: City of Johannesburg (CoJ) Metropolitan Municipality, City of Tshwane (CoT) Metropolitan Municipality, City of Ekurhuleni Metropolitan Municipality (CoE), Sedibeng District Municipality (SDM), and West Rand District Municipality (WRDM).

The table below summarises the key baseline indicators, comparing National, Provincial and Metropolitan Municipalities relevant to City Deep footprint.

Table 38: Socio-economic Baseline Indicators

Key Indicator		SA	Gauteng	CoJ MM
1. Demographics				
1.1 Gross Population		55 653 654	13 399 724	4 949 346
		100%	24%	9%
1.2 Population by gender	1.2.1 Female	51%	49,6%	49,9%
	1.2.2 Male	49%	50,4%	50,1%
	1.2.3 Other	0%	0%	0%
2. Social				
2.1 Households headed by	2.1.1 Females	38,9%	35,9%	37,7%
	2.1.2 Children	0,23%	0,11%	0,10%
2.2 Highest level of education	2.2.1 None	8,7%	3,9%	5,7%
	2.2.2 Primary	13,2%	9%	8,9%
	2.2.3 Some secondary	33,1%	30,2%	30,7%
	2.2.4 Matric	32,6%	37,7%	38,2%
	2.2.5 Post-secondary certificate or diploma	5%	5,6%	6%
	2.2.6 Undergraduate degree	4%	6,5%	6,4%
	2.2.7 Post graduate degree	1,7%	2,2%	2,6%
	2.2.8 Doctorate	0,2%	0,2%	0,3%
3. Economic				
3.1 Main economic drivers		Hospitality (28%)	¹ Community Services (22,9%)	² Finance (28,1%)
		Tertiary Services (25%)	Mining (17,7%)	Community Service (24,7%)
		Mining (22%)	Trade (16,8%)	Trade (14,7%)

¹ Gauteng Province Socio-Economic Review and Outlook (SERO) 2021

² City of Johannesburg (2020)

Key Indicator		SA	Gauteng	CoJ MM
		Agriculture (18%)	Financial Services (11,1%)	(Manufacturing 11%)
3.2	Annual economic growth (last 10 years)	5%	1,9%	³ 1,72%
3.3	Contribution to GDP	100%	⁴ 35,6%	14%
3.4	Average incomes	30 000	57 500	57 500
4. Housing and Living Conditions				
4.1	Households living in			
	4.1.1 Formal housing	87.2%	82,3	82
	4.1.2 Owned housing	69.4%	55%	51,7
4.2	Households with access to			
	4.2.1 Electricity	86.3%	93%	93,6
	4.2.2 Piped water in the house	45.3%	63.5%	64.8%
	4.2.3 Piped water within the plot	34.3%	28.2%	29.4%
	4.2.4 Reticulated flush toilet	65.7%	86%	90.2%
	4.2.5 Formal waste removal services	85.1%	85%	87%
	4.2.6 The Internet	15,4%	12%	15%

Source: Community Survey 2016

³ City of Johannesburg GAU (202)

⁴ [Gauteng increase contribution to South Africa's and Africa's gross domestic product | South African Government \(www.gov.za\)](http://www.gov.za)

3.2.3 The Impact of Mining

Mining impacts local communities both positively and negatively. **Table 39** provides an overview of the impact of associated with all Ergo Mining's operations on the local economy and immediate communities, as well as at a macro-economic level. Positive impacts, especially if they are long lasting or sustainable, are desirable.

Table 39: Ergo Mining's Impacts relating to Local Economic Development

Issue	Impact	
	Positive	Negative
1. Microeconomic contribution	- Indirect business activities e.g., lodges, food industry, etc. - Increased local spending - Local circulation of income	- Perceived discrimination of locals - Hostility towards the mine - Deepening socio-economic inequalities within the communities
2. Macroeconomic contribution	- Contribution to the provincial and national Gross Domestic Product - Economic development and growth - Stimulation of business activities outside of the area of operation - Investment attraction and retention - Contribution to the fiscus - Contribution to the socio-economic objectives of government	Resentment of and hostility towards outsiders (including people from other districts and provinces)
3. In-migration	- Development of new and upmarket housing stock for the high-income groups - High demand and rentals for rental stock - High competition for jobs, housing, and basic services	- Housing poverty and poor living conditions for low-earning and indigent residents - Increase in informal housing stock (both new settlements and backyard structures) - Poverty and desperation - Perceived exclusionary practices, e.g., unemployment of those with qualifications and exclusions of companies that do not participate in corrupt activities - Social/community unrest - Cultural disintegration and social ills, such as prostitution, crime, substance abuse, etc.
4. Procurement	Building of capacity of local businesses (SMMES)	- Perceived and allegations of corruption - Establishment and contestations for recognitions and relevance amongst business forums - Demand for ring-fenced procurement to local businesses
5. Social investment and benefit sharing	Building of local assets especially social and economic infrastructure	- Perceived discrimination of locals - Hostility towards the mine - Deepening socio-economic inequalities within the communities
6. Environmental quality and health	- Growing awareness of the need to conserve ecological and other forms of the environment - Implementation of different measures that are part of the Environmental Management Plans	Environmental contamination, that is, dust, water contamination.
7. Safety	Employment as a result of the growth of the security sector	- Insecurity and fear (lack of personal, community and business security) - High cost of doing business

3.3 Broad-Based Engagement Process

3.3.1 Process Undertaken and Consultations Held

The Broad-Based Black Economic Empowerment Charter for the Mining Industry (Mining Charter 2018) stipulates that Mines, “in consultation with relevant municipalities, mine communities, traditional authorities and affected stakeholders, identify developmental priorities of mine communities”, for inclusion into the Social and Labour Plan.

The process of engagement that has been undertaken for the development of this SLP was aimed to be as broad in reach, and as inclusive, as possible in order to accommodate concerns, suggestions/inputs and needs of the affected and interested communities and stakeholders representing them.

Note: Detailed attendance registers and meeting outcomes can be found in the Portfolio of Evidence.

All Ergo Mining’s operations undertook the following consultations in compliance with the MCIII requirement. Below is the methodology/approach/process flow used to undertake the process.

- **Classification and Clustering of External Stakeholders:** City Deep clustered its external stakeholders according to groups;
 - a) Municipal cluster (CoJ and CoE); their responsibility was to provide the overall Local Economic Development strategy of the area.
 - b) Community Leaders cluster (Ward Governance, Ward Councillors, and Social Partners); their role was to assist with mobilising broad-based stakeholders, and to input into the local economic development priorities of represented constituents.
 - c) Broad-Based Community cluster (Communities); their role was to input into the local economic development priorities of represented constituents.
- **Public Notice:** City Deep advertised notice on local newspaper of both CoJ and CoE for Broad-Based consultations on the new generation SLP 2023-2027.
- **Invitation Letters:** City Deep disseminated meeting invitation letters to both CoJ and CoE municipalities, Social partners, and community stakeholders to inform them of the SLP consultation. City Deep used its existing External stakeholder database.
- **Facilitation of meetings:** City Deep presented the SLP overview and process followed. external stakeholders were offered the opportunity to then input on the new SLP LED programme.
- **Meeting outcomes:** External stakeholders’ inputs and suggestions were recorded on minutes of the meetings.
- **Portfolio of evidence:** Stakeholder database, Meeting registers, meeting invitations, meeting agenda, meeting minutes, meeting presentation are found in the Portfolio of evidence.

Note: All meeting correspondences and meeting outcomes can be found in the Portfolio of Evidence.

Table 40 below shows a summary of all meetings held with City Deep internal and external stakeholders.

Table 40: Broad-based Engagements held with respect to the City Deep Complex

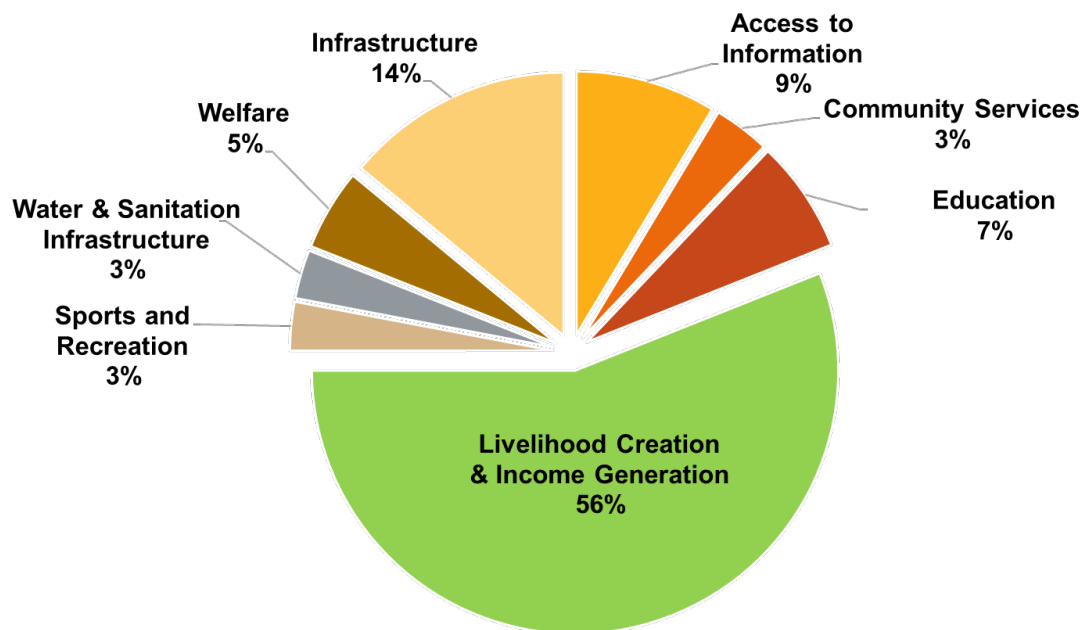
Stakeholder Grouping	Stakeholder	Community /Area	Dates (YYYY/MM/DD)
City of Johannesburg Metropolitan Municipality (External Stakeholders)	City of Johannesburg Metropolitan Municipality (External Stakeholders)	Region (City of Johannesburg)	2024/09/26
	City of Johannesburg Office of Economic Development	Region (City of Johannesburg)	2023/11/22
	CoJ Economic Development and Regional CRUMs	Region (City of Johannesburg)	2022/09/23
	CoJ Region B- Ward 68 Councillor	Riverlea, Riverlea Ext. 1 , Riverlea Ext. 2, Riverlea Ext. 5, Riverlea Ext.9, Riverlea Ext. 10	2023/02/14
	CoJ Region D - Regional Director	Diepkloof, Orlando, Noordgesig	2022/10/26
Community Beneficiaries (Focus Groups)	Diepkloof Zones 6 community beneficiaries	Diepkloof Zones 6	2023/02/09
	Naledi Community Beneficiaries	Naledi	2023/02/09
Sector Departments (Provincial and Local Sector Departments)	Department of Agriculture	Region (City of Johannesburg)	2023/10/18
		Provincial	2024/01/24
	Department of Economic Development – The Innovation Hub	Provincial	2023/11/03
			2024/01/19
			2024/01/24
	Department Of Education	Provincial	2023/11/29
			2024/11/20
			2024/11/26
	Department of Mineral Resources and Energy	Provincial	2023/11/16
		Provincial	2025/02/24
	Gauteng Department of Education	Provincial	2023/09/28
			2023/10/23
			2023/11/07
			2023/11/29
			2024/01/02
	Gauteng Department of Social Development (GDSD)	Provincial	2025/04/30
	GDE ERGO Partners	Provincial	2024/08/26
	GDSD - Substance Abuse Prevention, Treatment and Rehabilitation	Provincial	2024/09/04
			2025/03/24
			2025/05/14
	MEC Gauteng Department: Social Development	Provincial	2024/03/12

Social Partners & Community Structures	JMEEF, Meadowlands Community Structures	Meadowlands	2022/11/24
	Johannesburg Mining Environmental & Economic Forum (JMEEF)	Meadowlands	2022/11/03
	Pennyville Community Structures & Riverlea Structures	Pennyville, Riverlea	2022/11/28
	Pennyville Forum	Noordgesig, Noordgesig Ext, Pennyville phase 3, Mlamlankunzi, Part of Orlando East, Diepkloof Zones 3	2022/11/11
	Region D - Diepkloof Community Structures (Ward 26 & 27)	Diepkloof	2022/11/25
	Region D - Orlando Community Structures (Ward 28 & 29)	Orlando	2022/11/28
	Region D Communities (Diepkloof, Orlando, Noordgesig)	Diepkloof, Orlando, Noordgesig	2023/02/17
	Region D Ward Councillors (Ward 26, 27, 28 & 29)	Diepkloof Zones 6, part of Zones 5, Zones 2 & Zones 1, Diepkloof Ext phase 1,2,3, part of Zones 4 & Zones 5, Zones 1 & part of Zones 2	2022/11/07
	Riverlea Community Structures	Riverlea	2022/11/23
	Riverlea Secondary School		2025/01/23
	SANCO: CoJ	Region (City of Johannesburg)	2023/12/04

3.3.2 Outcomes of Broad-Based Consultations Held

City Deep employed a scientific approach to analyse the data obtained during the Broad-Based Consultation process. Inputs were categorised into themes and summarised.

The themes identified through the broad-based engagement process are contained in the graph below:



3.4 Alignment with Municipal Development Plans and Priorities

3.4.1 Acknowledging the Role of Municipalities in Local Economic Development

Local economic development and better municipal service delivery are vital in the fight against poverty. Municipalities are constitutionally mandated to drive and manage local development. The Municipal Systems Act 32 of 2000 (Act 32 of 2000) requires municipal planning to be developmentally oriented, and that municipalities undertake an integrated development planning process to produce IDPs to (i) achieve the objectives of local government as set out in Section 152 of the Constitution; and (ii) give effect to its developmental duties as required by Section 153 of the Constitution. The Constitution in Section 151 states that developmental local government should make provision for a democratic and accountable government for communities. It also encourages municipalities to ensure the provision of services to communities in a sustainable manner to promote social and economic development. Local government must promote a safe and healthy environment and encourage community involvement in matters of local government. Section 153 of the Constitution further states that “each municipality should structure and manage its administration, budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of those communities”.

Municipalities have various instruments which are meant to assist them in the discharge of their mandate. These include integrated development plans (IDP), spatial development frameworks (SDF), local economic development (LED) strategies, and local by-laws and regulations. Ideally, the IDP must highlight the municipality's alignment to and contribution towards national and provincial planning frameworks and directives, regional, continental, and international development priorities.

The strategic posture of IDPs, which is the pre-eminent tool for guiding overall development management for the metro is reviewed underneath.

3.4.1.1 City of Johannesburg Metropolitan Municipality

The City of Johannesburg is a category A Metropolitan Municipality which is the biggest of the three Metros of the Gauteng Province and is one of the eight in South Africa. Johannesburg is one of the most advanced commercial cities in Africa, and the mainstay of the South African and regional economy. The urban conglomerate takes the lion's share in terms of population size: it accounts for approximately 36% of Gauteng's population and 9% of South Africa's population. With a 14.9% share of contribution to the national Gross Domestic Product (2018), it can be said that Johannesburg is the engine room to South Africa's economy.

The City of Johannesburg is faced with a plethora of challenges, which are as follows:

1. Growing inability of the city to adequately service informal settlements with adequate water, sanitation, and hygiene services.
2. Dilapidated infrastructure which is not in keeping with the metro's burgeoning population and economic growth. The Apartheid urban structure is a major driver of inequality and poverty in the metro. Most of the urban poor do not only live in deplorable conditions, but they are also far removed from their places of work, leading in part to the sprouting of informal settlements not far off, and even in close proximity, to what ideally should be "blue chip" land use zones.
3. Growing concerns about food insecurity.
4. Increasing crime rates, particularly in the last decade with kidnappings, abductions and digital crime becoming a menace.
5. Relatively low literacy level:
 - 30,7% of the population has some secondary education with no Matric
 - Only a small percentage, that is 6% of the population has some (non-degree level) tertiary education
 - Almost 6% of the population has no formal education
6. Unemployment: Unemployment rate (official) increased from 28,8% in the 1st quarter of 2018 to 32,7% in the 1st quarter of 2020.
7. Severe pressure is put on municipal resources due to demands for services to a poverty-stricken population. Approximately 8% people of the metro's population had zero income in 2016. Economic dependence on the state welfare system is high; almost 1 in 10 of community members are unable to pay for basic services.
8. Heightened vulnerability of women and children in Johannesburg's households because of Covid-19.

The COVID pandemic compounded the above challenges and further highlighted the interrelationship between the economy and livelihoods. Most households could not cope up within the first month of the lockdown, putting a spotlight on socio-economic resilience of most of the city's population.

Therefore, it became apparent that the city needs to prioritise fostering resilience at the individual, institutional, and community levels. **"Rebuilding a resilient Joburg"** is the rallying strategic thrust which aptly defines its "2040 Paradigm" as per the Figure below.

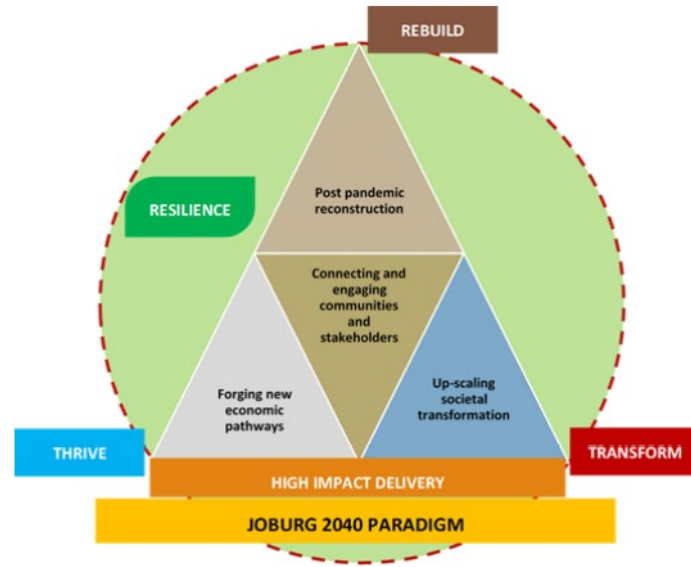


Figure 4: Johannesburg 2040 Paradigm

Source: City of Johannesburg Integrated Development Plan; 2021-26

The Figure's depiction of the city's development paradigm encapsulates Johannesburg's strategic posture, which consists of four interlinked themes:

1. Post-pandemic reconstruction (focus on infrastructure, health, food and safety);
2. Forging new economic pathways (4IR, conducive environment, employment creation, support to enterprises);
3. Up-scaling societal transformation (addressing poverty, inequality, access, housing, transport); and
4. Connecting and engaging communities and stakeholders.

Informed by the cited development paradigm, the City of Johannesburg has formulated the following strategic objectives:

- Strategic Objective 1: A city that gets the basics right
- Strategic Objective 2: A safe and secure city
- Strategic Objective 3: A caring city
- Strategic Objective 4: A business-friendly city
- Strategic Objective 5: An inclusive city
- Strategic Objective 6: A well-run city
- Strategic Objective 7: A smart city

3.5 City Deep LED Principles and Design Criteria

The following design criteria and principles have guided the identification and selection of LED programmes for the City Deep SLP:

- **Implement in partnerships:** As evidenced in the socio-economic baseline assessment (See Annexure 1) City Deep mining communities are exposed to the various socio-economic challenges. The combination of social, economic, and environmental vulnerabilities creates a situation where local institutions do not have the resources to respond effectively to threats, nor the capacity to act preemptively to reduce those vulnerabilities. **These complex challenges can only be dealt with through a partnership approach, embedded in meaningful participation and empowerment of local communities in both Johannesburg and Ekurhuleni.** City Deep, in partnership with other mines, local government, and civic society, can help to alleviate poverty and build a solid base for sustainable communities by strategically investing in relation to, and across, the thematic areas identified. The analysis has confirmed that skills, entrepreneurship, and social cohesion are key drivers of growth, and are essential for effective local economic development.
- **Programmes that impact the masses** due to the widespread and large number of communities that would need to be reached by City Deep's LED initiatives, where small projects that do not reach broadly won't achieve the desired impact.
- **Analysis of the practical application of the mine's previous SLP**, taking into account successes and lessons learned on business building in economically depressed periods and areas.
- **Scalability of interventions** to support business building from micro-enterprises into a small enterprise and laying the foundations for further enterprise growth.
- **Close alignment with the Integrated Development Plans (IDP)** of the City of Johannesburg Integrated Development Plan; 2021-2026.
- Priority needs identified during the **Broad-Based Stakeholder Consultation process**.

3.6 Regulation 46 (c) (iii) Infrastructure and Poverty Eradication Projects

Table 41: Project Plan for Project 1 - Riverlea Secondary School Renovations and Upgrade

Project Name	Riverlea Secondary School Renovations and Upgrade	Classification of Project/ Type of Project	Infrastructure
Project Background	<u>Identified need:</u>		
	Riverlea Secondary School Overview and Infrastructure Challenges Riverlea Secondary School serves as the primary secondary educational institution for learners from Soweto, Riverlea, Ennerdale, Fleurhof and adjacent communities in Johannesburg. The school currently enrolls 720 learners within a facility designed to accommodate nearly 1,000 learners, but deteriorated infrastructure prevents full capacity utilization. Critical facilities including classrooms, the administrative block, ablution facilities, assembly hall, and security perimeter require comprehensive rehabilitation, with several classrooms deemed unsafe for educational use. This has resulted in classroom shortages necessitating rotating schedules and repurposing of administrative spaces for instruction. A recent fire incident and compromised perimeter security have further exacerbated these challenges through additional facility damage and ongoing vandalism. The planned Department of Education infrastructure upgrade was suspended due to budgetary constraints, with no definitive timeline for future implementation.		
	Educational Excellence and Environmental Context Despite substantial infrastructure limitations, the school demonstrates remarkable academic performance under dedicated leadership, with matriculation pass rates increasing from 80% to 87% in the previous year and projections indicating potential achievement of 90% for 2025. The school operates within an environment affected by legacy mining activities, specifically gold tailings dumps contributing to environmental pollution and health concerns. DRDGOLD Ergo Mining has been conducting comprehensive reclamation operations in this region for three decades, continuing environmental rehabilitation under Crown Mines and CMR mining rights.		
	<u>Motivation for project based on:</u> 1. Multiple Meetings with the relevant Department of Education district authorities have identified the urgent need for assistance to improve accessibility and quality of education related to IT and Fourth Industrial Revolution skills. 2. Alignment with City of Johannesburg strategic objective to create an enabling environment for inclusive (economic) growth and job creation and key priority in the Municipal Ten-Point Plan. City of Johannesburg aims to deliver an enabling environment for its young people to actively participate as drivers of change. The		

evolution towards a Smart City must therefore create future industries, businesses, and opportunities for young people to find employment and career paths within the technology, innovation and other 4th Industrial sectors.

3. Strategic LED Investment Opportunity: The school and community is situated amidst large gold tailings dumps left behind from a century of mining in this region and causes environmental pollution and dust. Ergo Mining has been undertaking reclamation operations of these dumps and valleys over the last 30 years and will continue cleaning up and reclamation these dumps under the Crown Mines, City Deep and CMR mining rights. Ergo Mining sees this as a legacy project to refurbish the Riverlea Secondary School and improve the access, quality and infrastructure of the education environment in order to provide the best education to the feeder communities of the school. Given that the school is located in the centre of its mining reclamation operations in this region, there is no better opportunity for the Company to provide beneficial social and economic impact to the surrounding communities than this project, which will provide an excellent educational environment for generations of youth to come. It is the aim that this refurbishment project will lead to generations of youth having the best foundation education to further their educational careers at University and become the best professionals and leaders in various fields within the economy.

Identified Need:

The following critical needs were identified through site visits by engineering and architectural specialists and confirmed by school and Gauteng Department of Education stakeholders

- Structural damage resulting from multiple fire incidents
- Vandalism affecting numerous buildings
- Reduction in classroom capacity (loss of ±10 rooms)
- Deterioration of internal building finishes and services
- Compromised site security due to damaged perimeter fencing
- Aging water and sewer reticulation
- Non-compliance with safety and operational requirements

Geographical Location of Project	District Municipality		City of Johannesburg						
	Local Municipality		City of Johannesburg						
	Village/ Community Name		Riverlea						
Targeted Beneficiaries	Current and future learners (estimated over 10 years) based on Riverlea Secondary having 720 learners in 2025 = an estimation of 7 200 - 10 000 beneficiaries over 10 years.					Responsible Entity (Inclusive of all roles)		Ergo Mining and Department of Education (relevant district department)	
Classification of Jobs:	Male Adults	Female Adults	Male Youths	Female Youths	Total No. of Jobs Created	Project Start Date	April 2026	Project end Date	Construction by Dec 2027 Final inspections and Handover by March 2028
Short Term	10	10	5	5	30				
Medium Term					0	Total 5-Year Budget Commitment			
Long Term					0	R5 million (Five Million Rand) contribution from the City Deep Mining Right towards a R15 million (Fifteen Million Rand) project budget, co-funded from other Mining Rights in the same region, held by Ergo Mining.			
Timeline and Annual Implementation Activities									
YEAR		QUARTER 1		QUARTER 2		QUARTER 3		QUARTER 4	
2023		N/A		N/A		N/A		N/A	
2024		N/A		N/A		N/A		N/A	
2025		N/A		N/A		N/A		Awaiting final DMPR approval	
2026		Awaiting final DMPR approval		Conclude engagements with the Riverlea High School executive, the SGB, the Ward Councillor, and the Gauteng Department of Education.		Finalise Memorandums of Agreement, Endorsements, and related Approval Processes by December 2026.		Undertake detailed engineering and architectural assessment of the refurbishment of the school, compile bill of quantities, and compile a scope of work by middle by December 2026 Appoint main contractor by December 2026.	

2027	Undertake the construction and refurbishment of the school from January 2027 – October 2027 (10 months).	1) Final monitoring, evaluation and snags in Dec 2027 – Jan 2028. 2) Formal ceremony of the refurbishment of the Riverlea High School in March 2028 with the Department of Mineral and Petroleum Resources, the Department of Education, the Riverlea Ward Councillor, the Community and other dignitaries.
Completion Date and Exit Strategy		
Handover of the Riverlea High School to the School executive staff, the SGB, and the Gauteng Department of Education for good upkeep and maintenance of the refurbished facilities in March 2028. Clear requirement for maintenance and upkeep of the facility will be captured into the Memorandum of Understanding between Ergo Mining and Gauteng Department of Education.		



Figure 5: View 1 - Riverlea Secondary School Site Layout



Figure 6: View 2 - Architectural Design for Riverlea Secondary School



Figure 7: View 3 - Architectural Design for Riverlea Secondary School

3.7 Summary of LED Programmes

Table 42: Summary of LED Programmes

Project Number	Project Name	Description	Beneficiaries	Total LED Budget	Implementation Year
PROJECT 1	Riverlea Secondary School Renovations and Upgrade	Ergo Mining, in partnership with the Gauteng Education Department and local stakeholders, will refurbish Riverlea High School's classrooms, ablutions, perimeter fencing, administration offices, and fire-damaged hall, with construction planned to begin in January 2026, improving education quality and creating local business and job opportunities for the surrounding community.	Current and future learners - estimated 7 200 - 10 000 beneficiaries over 10 years.	R 5 000 000	2025 - 2026
			Total LED budget	R 5 000 000	

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

In line with the implementation of City Deep's Housing and Living Conditions Plan, the following initiatives are currently being implemented and will be reported on annually.

- During 2016, all Ergo Mining's operations, in consultation with organised labour, agreed upon setting aside R12,000,000 to establish an employee home ownership scheme. This scheme allows first time homeowners who qualify for a bond through a recognised bank to qualify for a R75 000 purchase price discounted home loan from the Company. Since inception, 18 applicants have received bond approval and purchased new homes.
- All Ergo Mining's operations' employees receive a Living Out Allowance of R3000 per month.
- Housing Steering Committee has been reinitiated to address engage labour to assist employees to access sustainable and affordable housing.
- At the request and in Consultation with organised labour during 2018 all Ergo Mining's operations have implemented an IEMAS pension-fund backed home loan scheme.

3.9 Health Care and Nutrition

Regulation 46 (c) (v) requires that mines put measures in place to ensure that employees have adequate access to a well-balanced diet and meals. City Deep does not provide an explicit nutrition programme for its employees in that it does not have hostels, single quarters, or controlled catering environments for its staff. Regulation 46 (c) (v) requires that mines put measures in place to ensure that employees have adequate access to a well-balanced diet and meals. City Deep does not provide any meals for its employees as it does not have hostels, single quarters, or controlled catering environments for its staff. As an empowerment initiative however, canteens have been established where employees are able to purchase meals.

3.10 Procurement, Enterprise and Supplier Development – Regulation 46 (c) (vi)

3.10.1 Introduction

The Broad-Based Black Economic Empowerment Charter for the Mining Industry (“Mining Charter”) was amended and released by the Department of Mineral and Petroleum Resources (DMPR) in September 2018. The Mining Charter 2018 requires that mining companies submit a new five-year Procurement plan, indicating annual targets which progressively increase towards complying with the new procurement targets of the Mining Charter 2018.

According to the Mining Charter, Local Procurement, Supplier Development and Enterprise Development are one of the key instruments to achieve both competitiveness and transformation in the mining industry.

3.10.2 Procurement Baseline

The table below reflects the baseline for Procurement as at 31st December 2022.

Table 43: City Deep Procurement Baseline (Form T) as at 31 December 2022

Mining Goods	Expenditure	Target	Achieved	Weighting	Score
Historically Disadvantaged Persons Owned and Controlled Company	R158 525 959	21%	22%	5,0%	5,0%
Women and Youth Owned and Controlled	R83 205 789	5%	11%	5,0%	5,0%
BEE Compliant Company	R310 576 190	44%	42%	5,0%	4,8%
Total BEE Expenditure	R552 307 938	70%	75%	15,0%	14,8%
Total mining goods expenditure	R732 223 184				
Services	Expenditure	Target	Achieved	Weighting	Score
Historically Disadvantaged Persons Owned and Controlled Company	R108 206 065	50%	24%	5,0%	2,4%
Women Owned and Controlled	R44 391 608	15%	10%	5,0%	3,3%
Youth Owned and Controlled	R2 330 209	5%	1%	5,0%	0,5%
BEE Compliant Company	R93 776 297	10%	21%	5,0%	5,0%
Total BEE Expenditure	R248 704 180	80%	55%	20,0%	11,2%
Total services expenditure	R453 559 168				
Samples	R9 580 259	100%	100%	2,5%	2,5%
Research and Development in South Africa	R40 196	100%	100%	2,5%	2,5%
Total procurement	R1 235 055 824			40,0%	31,0%

3.10.3 Procurement Targets

The following targets are committed to by City Deep for the 5-year SLP cycle. These targets have been based on both the baseline for City Deep procurement and the Mining Charter requirements.

Table 44: City Deep Five-Year Targets for Procurement

MEASURE	2023	2024	2025	2026	2027
Mining Goods	66%	67%	68%	69%	70%
HDP owned & controlled companies	19%	19,5%	20%	20,5%	21%
Woman &/or Youth owned & controlled companies	5%	5%	5%	5%	5%
BEE compliant companies	42%	42,50%	43%	43,50%	44%
Services	48%	56%	64%	72%	80%
HDP owned & controlled companies	22%	29%	36%	43%	50%
Woman owned & controlled companies	15%	15%	15%	15%	15%
Youth owned & controlled companies	1%	2%	3%	4%	5%
BEE compliant companies	10%	10%	10%	10%	10%
Research and Development	100%	100%	100%	100%	100%
South African based research & development entities.	100%	100%	100%	100%	100%
Sample Analysis	100%	100%	100%	100%	100%
South African based facilities or companies.	100%	100%	100%	100%	100%

3.10.4 Procurement Implementation Plan

Table 45: Procurement Implementation Plan

ACTION	RESPONSIBLE PERSON
Develop and implement a strategy, policy and procedure for the tracking and reporting of procurement against set targets	Procurement Manager
Implement enterprise and supplier development for the achievement of procurement targets	Procurement Manager
Ensure that procurement compliance requirements are communicated to core contractors through the on-boarding process	Procurement Manager
Capacity building of information owners and core contractors on procurement compliance requirements	Procurement Manager

City Deep will be implementing various initiatives as part of its effort to complying with the procurement targets that have been committed to. These initiatives are listed below:

1. Identify and ring-fence a percentage of specific services and goods, which will be phased in over a period of 3 years, given that new entrants need to be identified and onboarded.

2. A detailed strategy will be implemented for non-compliant companies that may encompass the following measures following a spend analysis:
 - Have concrete and measurable plans in place for the suppliers to reach an acceptable level of compliance
 - Identify non-core spend that can be allocated to alternative, compliant suppliers
 - Encourage use of compliant sub-contractors to enable skill transfer
3. Continue to rely on the validity and credibility of officially issued BEE certificates by approved verification agencies. In addition to this, a small number of verifications will be performed on certain high spend compliant suppliers.

3.10.5 Enterprise and Supplier Development Programme

Enterprise and supplier development is done through the implementation of the following:

- Communicate development opportunities, orientation to the process of selecting suppliers for development and to capacitate regarding procurement target and criteria
- Establishing a procedure for the evaluation of suppliers and enterprises for the identification of potential development
- Ensure that the required Enterprise/ Supplier development contracts are in place

Interventions planned to be implemented by **City Deep** within this 5-year SLP period include the following:

- Identification of a suitable business development organisation that can provide the necessary training, networking opportunities and financial education and assistance to the SMMEs as part of the envisioned ESD program.
- Actively engaging with our host communities and have established communication channels

City Deep is committed to providing opportunities for local businesses to participate in the Enterprise and Supplier Development value chain. Participation by local community businesses is one way of contributing to the economic development of communities around our mining operations.

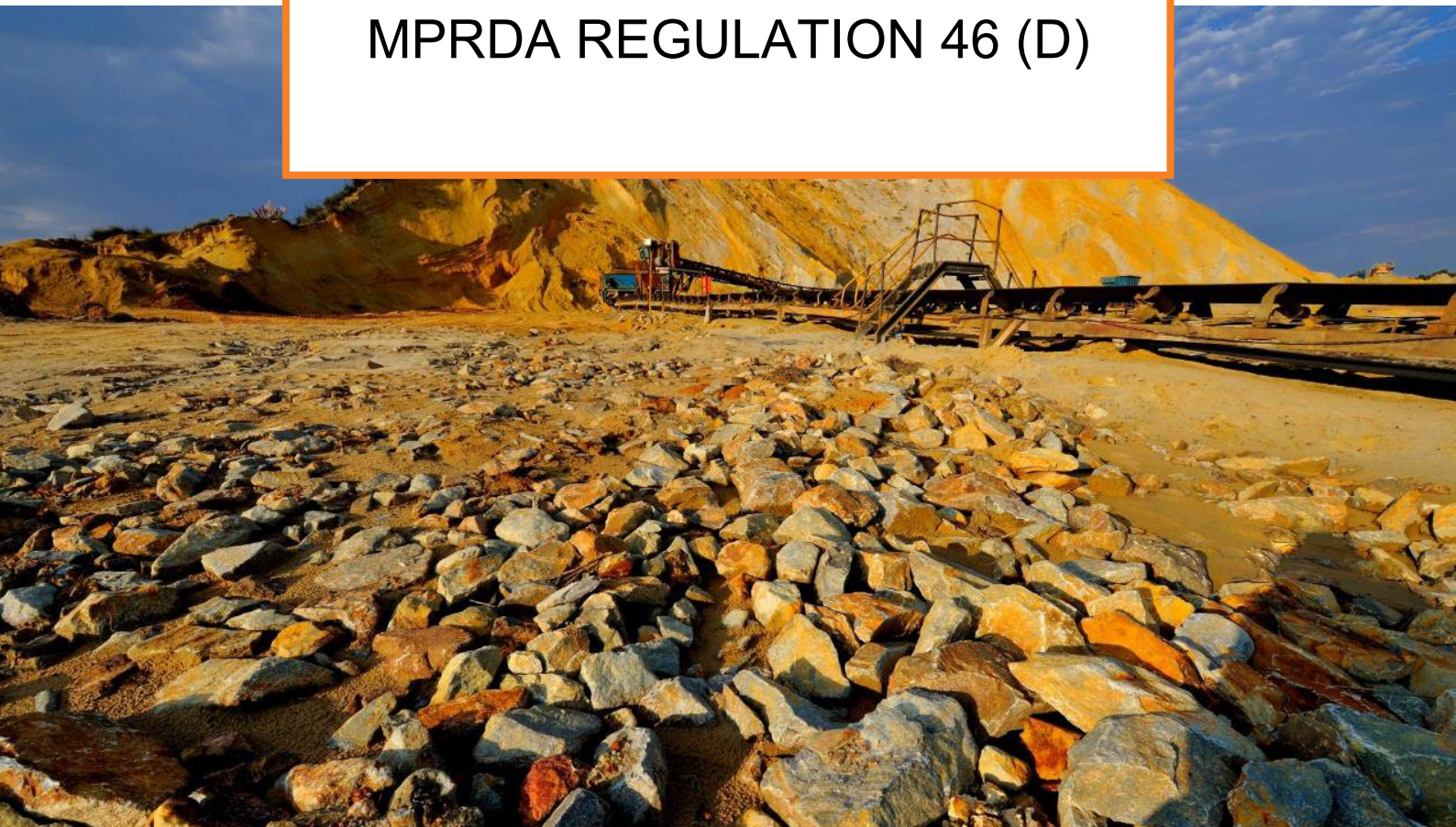
Through supporting and developing SME Enterprises owned by our host communities, City Deep aims to positively impact the successful transformation of the South African society, through:

- Providing local SMEs an opportunity to participate in our procurement activities
- Produce sustainable local SMEs through Enterprise and Supplier Development
- Create job opportunities through procurement
- Support local SMEs to become sustainable beyond our mining activities

SECTION 4

PROGRAMME FOR MANAGING DOWNSCALING AND RETRENCHMENT:

MPRDA REGULATION 46 (D)



4 PROGRAMME FOR MANAGING DOWNSCALING AND RETRENCHMENT – REGULATION 46 (D)

Downscaling and retrenchment at City Deep has been and will continue to be in full consultation with recognised organised labour. The sections which follow represent a detailed downscaling and retrenchment plan for the operation. City Deep will follow the procedures for downscaling and retrenchment as set out by the DoL and the Labour Relations Act.

The calculation of the figures described below is based on the downscaling and retrenchment policy, which allows for employees to be paid out four weeks for the first year of service and thereafter two weeks for each completed year thereafter the employee has worked for City Deep. This amount is available at any given time to ensure that sufficient provision in the event of unforeseen closure or downscaling.

All Ergo Mining's operations have an established Future Forum that has a constitution signed by all parties. The forum meets regularly and involves representatives from City Deep's management and employees and serves to promote ongoing consultation between employees and management.

All contractors and service providers for the company are required to comply with the commitments and procedures outlined in this section. The following activities are in the process of being undertaken with regards to downscaling and retrenchment.

4.1 Establishing a Future Forum - Regulation 46 (d) (i)

The establishment of a Future Forum (FF) is required under Regulation 46 (d) (i) of the MPRDA. A FF is a labour management body that will focus on the implementation and monitoring of the SLP. The purpose is to provide a formal vehicle, where all affected parties can discuss challenges and possible solutions to problems facing the Mine that may have the potential of leading to possible retrenchments in the future.

Ergo Mining established a consolidated (representing all the Ergo Mining's Operations) Future Forum in 2014 with the National Union of Mineworkers and the United Association of South Africa and more recently with the Recognition of AMCU have established their participation in this forum. The core functions of the Future Forum are summarized as follow:

- promote on-going discussions between the union(s) and Ergo Mining regarding the future of the Company;
- proactively identify problems, challenges and possible solutions with regards to productivity and employment;
- identify production and employment turn-around strategies; and
- implement strategies agreed between the parties.

4.2 Mechanisms to Save Jobs and Alternatives to Avoid Decline in Employment - Regulation 46 (d) (ii and iii)

The company has developed and will implement turnaround strategies and mechanisms to save jobs, prevent unemployment and avoid downscaling through:

- Consulting with the DoL, the DMPR, and surrounding mining companies to assess any potential opportunities to mitigate the effects of retrenchment or closure;
- Liaising with the Productivity South Africa to identify other economic sectors or ventures where employees could be absorbed;
- The established Social Plan Technical Support Facility will be called upon to assist with reaching solutions to issues relating to downscaling and retrenchment, and
- Absorbing employees into the sustainable LED projects being implemented by the mine, as described in previous sections.

When City Deep approaches a downscaling phase, or is considering likely large-scale retrenchments, notification will be given to the following government authorities as stated in **Table 46**.

Table 46: Notification Process for Downscaling and Closure

Notification to the Chairperson of the Minerals and Mining Development Board	Notification to the Minister of Labour
Where the operation foresees a physical depletion of the mineral being mined and/or becomes marginal where the profit/revenue ratio is less than 10%	Where the operation contemplates or intends large scale retrenchments (10% or more OR cumulatively more than 500 people of the workforce, whichever is less)
Where the operation contemplates or intends large scale retrenchments (10% or more OR cumulatively more than 500 people of the workforce, whichever is less) in a period of one year	

In addition to these authorities, the following additional interested parties will also be notified:

- The Future Forum for the operation
- The DoL's Rapid Response Team
- The DoL's Labour Centres
- The DTI's projects aimed at the development of SMMEs
- Any community liaison structures established by the company
- Tertiary institutions
- Funding organisations
- Local recruitment agencies and any relevant employer organisations

The purpose of such broad notification is to call upon these interested parties to provide support and assistance through early involvement in downscaling.

4.3 Regulation 46 (d) (iv) Socio Economic Impact of the Downscaling and Closure.

Where retrenchments are unavoidable, City Deep will follow the procedures for downscaling and retrenchment as set out by the DoL and Labour Relations Act.

The following plan will be implemented to manage the downscaling and retrenchment process:

- Managing unavoidable retrenchments humanely, i.e. through the formulation of an appropriate retrenchment proposal in consultation with the relevant parties;
- Establishing strong lines of communication with affected employees to ensure proper understanding of the process. Accurate, updated and consistent information with regard to retrenchments or downscaling will be issued to employees on a regular basis;
- Providing affected employees with standardised information relating to the severance packages, retirement funds, and other support mechanisms and services that will be available to them;
- Managing employee morale to prevent adverse spin-off effects within the operation;
- Providing employees with assistance regarding the receipt of retrenchment packages and other employee benefits such as UIF, etc.;
- Calling on the assistance of the established Retrenchment Response Team (RRT), which will liaise with the Future Forum on issues relating to downscaling; and,
- Consulting the DoL's Labour Centres to provide:
 - Financial counselling;
 - Psychological counselling;
 - Entrepreneurial development and training; and
 - Job search coaching

4.4 Mechanisms to Ameliorate Social and Economic Impact on Individual Regions and Economies where Retrenchment or Closure is certain.

City Deep will assist affected employees in finding alternative forms of employment or sustainable livelihoods. This will be done where employees cannot be integrated or redeployed to other plants, and where they are not of retirement age. This phase is managed jointly by the company in partnership with the Department of Provincial and Local Government. The focus of this phase will be re-skilling of the workforce (through the HRD Programme) which will equip them for alternative employment after the closure of the mine.

City Deep has formulated an integrated HRD Programme (**Section 2**), which will be implemented throughout the remaining life of the operation, and will attempt to enable employees to access alternative livelihood

opportunities after closure. These programmes will be linked to the IDP, i.e. the paths of development identified for the Ekurhuleni and Johannesburg Metropolitan Municipalities.

The following action plan will be implemented during this phase:

- Establishing a retrenched employee database including information regarding existing skills, experience, and expertise. This database will be used to identify potential employment opportunities within or outside of the company;
- Identifying appropriate people from the retrenched pool to be considered for potential SMME opportunities within the company and the DTI;
- Appropriately train and re-skill retrenchees in order to find alternative employment within the company, or in the open job market;
- Educating affected employees with regard to sustainable means by which to utilise their retrenchment packages. This will include education on investment opportunities that may be available;
- Implementing a Job Advice Centre to counsel retrenchees and assist them in locating alternative employment or income generating opportunities, once retrenchment has taken place and
- Establishing a “job-help” facility to assist employees in seeking alternative employment after decommissioning, e.g. through formulating employee CVs, interaction with potential employers and other opportunities, training in interview techniques, etc.

City Deep is not actively planning for its closure at present. It is also acknowledged that when this becomes necessary the unions, which are the recognised representatives of employees, will be consulted at all necessary instances during the phase of the SLP.

4.5 Implementing mechanism for the SLP

4.5.1 Communication Process

City Deep will continue to implement a consistent SLP communication process, which strives for active participation of: employees, affected communities, Government authorities, and other stakeholders. Consultation with key stakeholders will take place by means of consultative forums and committees. All Ergo Mining’s operations will establish and implement the following forums:

- **Future Forum.** A Future Forum (Section 4.1) was established for all Ergo Mining’s operations and provides an opportunity for managers, unions, and employees to meet and discuss issues related to the SLP. The Forum attempts to formulate solutions to challenges and issues that arise from time to time.
- **Local Economic Development Forum.** City Deep will interact with the LED Forum for the City of Johannesburg and Ekurhuleni once this has been fully established.

- **Monthly Forum.** This forum involves management, employee representatives and unions and discusses issues related to health and safety, financials and business issues and housing.
- **Employment Equity (EE) Forum.** The EE Forum for all Ergo Mining's operations involves representatives from management and employees. Key issues revolve around the implementation of HRD programmes (skills development etc.) and also progress towards meeting HDP and targets for females within the workforce.
- **Career Development Forum.** A career development forum has been established. In this forum, managers meet to discuss progress with regard to individual career paths and the achievement of HDP targets.

The operation of these forums ensures that the workforce is kept fully informed of all changes at the operation and will ensure that the proper mechanisms are available for the implementation of the SLP.

4.6 Responsibility and Accountability

The Managing Director of Ergo Mining will be held *accountable* to the DMPR for the implementation of the City Deep Social and Labour Plan, while the Human Resources Manager of Ergo Mining will be held responsible and will report to the Managing Director for the undertaking of operation-specific programmes and initiatives.

4.7 Financial Provision for Downscaling and Retrenchments

Ergo Mining has an ABSA account in which it made an initial cash provision of R13 000 000 for any possible downscaling and retrenchments at any of their Mining Right operations. With interest accruing this amount now stands at R17 100 000 (as at end December 2022).

The portion allocated to the City Deep operation has been calculated based on the employee numbers, and totals to R2 940 000 over the 5 years. **No further contributions will therefore be required annually, since the full amount is immediately accessible.**

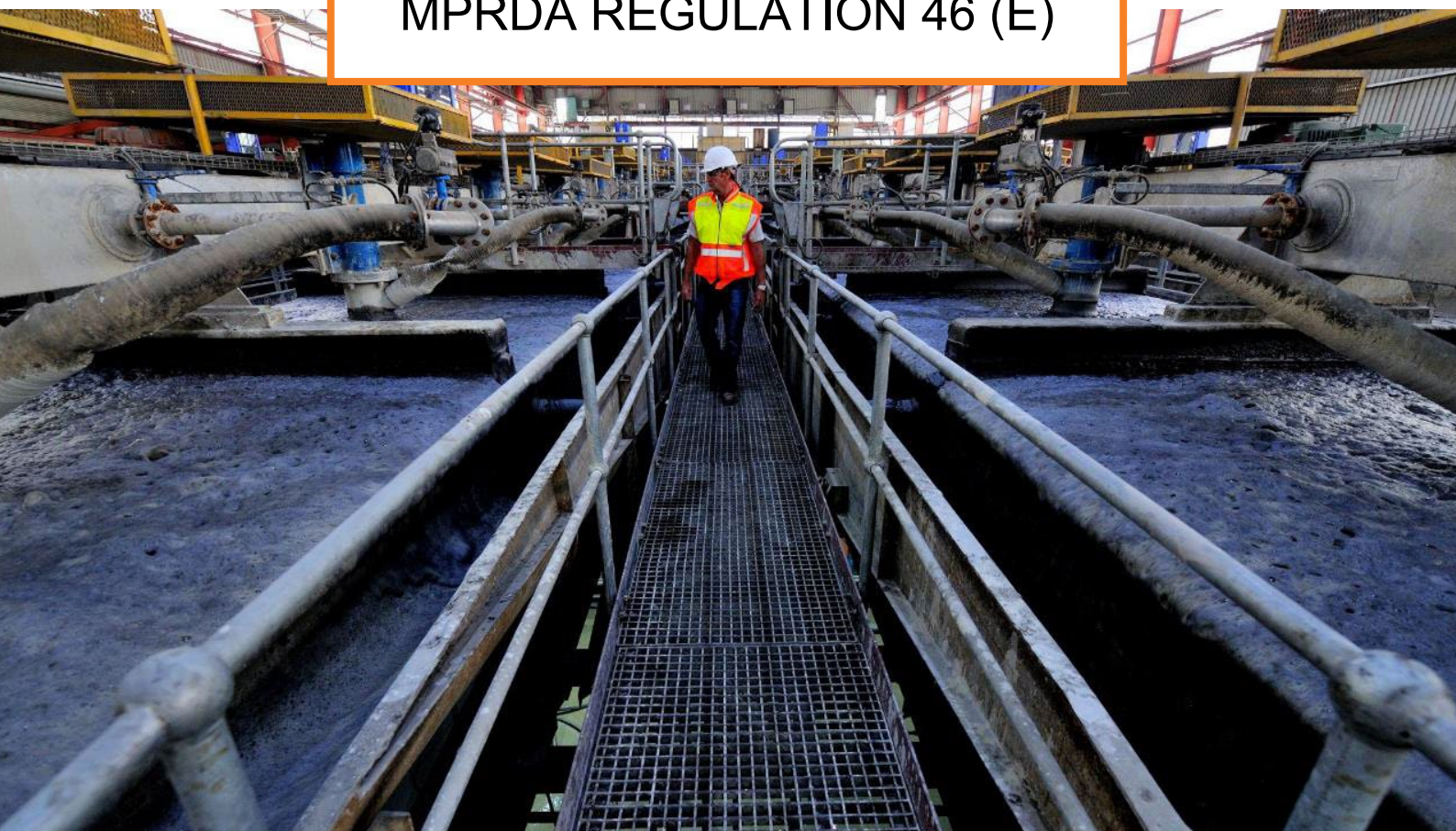
Table 47: City Deep Downscaling & Retrenchments Financial Provision

Downscaling And Retrenchments	2023	2024	2025	2026	2027	TOTAL
						R2 940 000

SECTION 5

FINANCIAL PROVISION FOR IMPLEMENTING THE SOCIAL AND LABOUR PLAN

MPRDA REGULATION 46 (E)



5 FINANCIAL PROVISION FOR IMPLEMENTING THE SLP (REGULATION 46 (E))

Section 23(1)(e) of the MPRDA state that “The Minister must grant a Mining Right if the applicant has provided financially and otherwise for the prescribed social and labour plan.” City Deep has made financial provision for each component of the SLP as described.

The table below presents a summary of the financial commitment by City Deep to each element of the SLP for the five (5) year period.

Table 48: City Deep SLP Financial Provision Summary for the total SLP

SLP Programmes	5 Year Financial Provision
Human Resource Development	R45 102 554
Local Economic Development	R5 000 000
Management of Downscaling	R2 940 000*
Total SLP Provision	R53 042 552

* Commitment for Management of Downscaling and Retrenchment has already been provided for.