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The Department of Mineral Resources

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REF: MP 30/5/1/2/2/431 MR – 03/2019

31 August 2020

**EXXARO BELFAST COAL MINE SUBMISSION OF THE SOCIAL AND LABOUR PLAN FOR 2018 - 2023**

Please find attached Exxaro Belfast Coal Mine submission of the Social and Labour Plan for 2018 - 2023. Your acknowledgement of receipt regarding the attached document will be highly appreciated.

Regards

**Acknowledgement of receipt of the Belfast Coal Mine Social and Labour Plan:**

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# BELFAST COAL - SOCIAL AND LABOUR PLAN (2018-2023)

## “A DIGITAL AND CONNECTED MINE ”

***REF: MP 30/5/1/2/2/431 MR  
EXECUTED 2013/10/09***



**Submission Date: November 2019**



**mineral resources**

**Department:  
Mineral Resources  
REPUBLIC OF SOUTH AFRICA**

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## Acronyms

AET	Adult Basic Education and Training
BEE	Black Economic Empowerment
BMP	Basic Management Programme
BSc	Bachelor of Science
BU	Business Unit
CSA	Coal Supply Agreement
CTC	Colliery Training College
DBE	Department of Basic Education
DM	District Municipality
DMR	Department of Mineral Resources
DoL	Department of Labour
EE	Employment Equity
EEA2	Employment Equity Report for the DoL
ESOP	Employee Share Option Scheme (Mpower)
FET	Further Education and Training
FLM	First Line Management
GCC	Government Certificate of Competency
GET	General Education and Training
GDP	Gross Domestic Product
HET	Higher Education and Training
HDSA	Historically Disadvantaged South Africans
HR	Human Resource Practitioner
IDP	Individual Development Plan
JV	Joint Venture
LED	Local Economic Development
LM	Local Municipality



LRA	Labour Relations Act (Act No. 66 of 1995)
MoU	Memorandum of Understanding
MPRDA	Mineral and Petroleum Resources Development Act, 2002 (Act No. 28 of 2002)
MQA	Mining Qualifications Authority
mtpa	million tonnes per annum
NATED	National Technical Education (N-courses)
NGO	Non-Government Organisation
NSDS	National Skills Development Strategy
NQF	National Qualifications Framework
PGDS	Provincial Growth Development Strategy
PPE	Personal Protective Equipment
RDP	Reconstruction and Development Programme
SARS	South African Revenue Services
SEF	Small Enterprise Foundation
SETA	Sector Education Training Authority
SHE	Safety, Health and Environment
SHEQ	Safety, Health, Environment and Quality
SLP	Social and Labour Plan
SMME	Small Medium Micro Enterprise
Std	Standard
STI	Short Term Incentive
UIF	Unemployment Insurance Fund
VSP	Voluntary Severance Package
WSP	Workplace Skills Plans (WSP)

## **SECTION ONE**

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### **INTRODUCTION**

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

## 1. SECTION 1: PREAMBLE

### 1.1 GENERAL INFORMATION

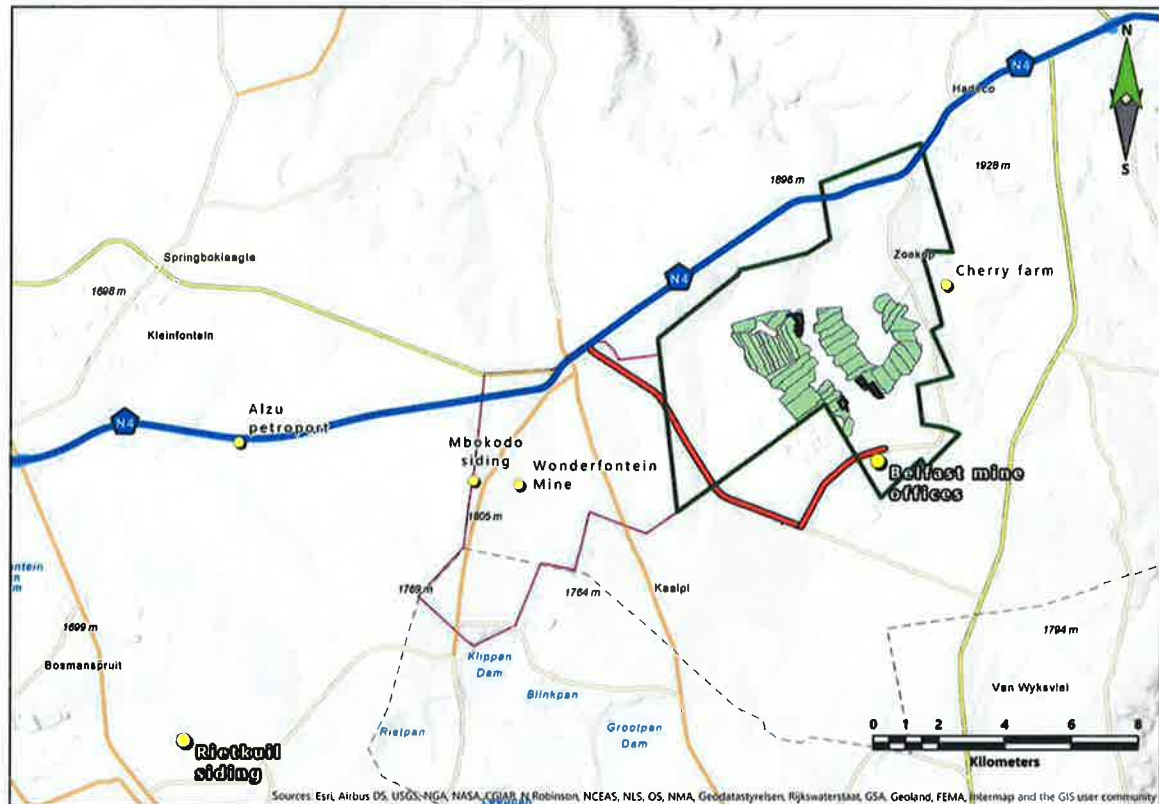
**Table 1: Details of applicant and mine**

Name of applicant	Exxaro Coal Mpumalanga (Pty) Ltd
Name of mine	Belfast Coal
Company registration number	1999/010289/07
Physical address	Farms Zoekop 426 JS, Leeuwbank 427 JS and Blyvooruitzicht 383 JT.
Postal address	P.O. Box 321, Belfast, 1100
Telephone number	0833249711
Fax number	N/a
Location of mine	Map attached
Commodity	Bituminous coal from the No. 2, No. 3 and to a small extent the No. 4 seams.
Life of mine	An estimated production of 17 years
Financial year end	December 31
Reporting year	01 January – 31 December
Responsible person	Lazarus Ramashilabele
Email address	Lazarus.Ramashilabele@exxaro.com

- The Belfast Coal Mine is the last good-quality A-grade, high-yield coal deposit in Mpumalanga. The new mine - which is located about 10 km south-west of Belfast, on the southern side of the N4 highway – is also the first of its kind in South Africa to have a “digital twin”.
- The “digital twin” is a complete digital replica of the mine which will allow management and the contracted company to connect to and manage it from anywhere and the maintenance teams will be connected to certain machinery to analyse and pick up problems early – resulting in increased safety and reduced downtime.
- In the context of the Emakhazeni Local Municipality (LM), the proposed mining activity is envisaged to become a ‘game changer’. The economy of Emakhazeni has been stagnating and a significant outmigration has been observed in the area, which is likely to be linked to the lack of employment opportunities. It is envisaged that the mine will employ +/-147 permanent employees and +/- 600 contractor employees.
- Also, important to note is that the Mpumalanga and Belfast areas have some of the country’s land with the highest agricultural potential. Given the scarcity of this resource within South Africa and the country’s need to be food secure, high potential land is a resource that must be protected. Exxaro has, therefore, committed to implement land rehabilitation practices at the Belfast Coal mine.

- It is intended for Belfast Coal to be the long-term future for Exxaro Resources as it is a large coal resource that will give the mine a life of 17 years. Belfast Coal will be commissioned in 2020 supplying coal to the export market. Full details of the applicant, Exxaro Coal Mpumalanga (Pty) Ltd and the Mine are provided in Table 1.
- The site of the Belfast Coal Project is approximately 20 km south of Belfast in Mpumalanga, adjacent to the N4. The prospecting rights area covers the farms of Zoekop 426 JS, Leeuwbank 427 JS and Blyvooruitzicht 383 JT.

## 1.2 LOCATION OF MINE



**Figure 1: A route map showing the Belfast Coal location and Lease Boundary**

## 1.3 GEOGRAPHIC ORIGIN OF EMPLOYEES

Geographic origin of employees will be provided once the workforce is fully recruited for available positions in the structure of the mine.

## **SECTION TWO**

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### **HUMAN RESOURCES DEVELOPMENT PROGRAMME**

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

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## **2. SECTION 2: HUMAN RESOURCE DEVELOPMENT PROGRAMME**

Belfast Coal's HRD will apply a policy which aims to develop and sustain core competencies and to maximise its human resource capital in order to meet its strategic objectives and improve its operational performance.

### **2.1 COMPLIANCE WITH SKILLS DEVELOPMENT LEGISLATION**

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

**Table 2: Skills development**

Name of SETA.	<i>Mining Qualification Authority (MQA)</i>
Registration number with the SETA.	L210736809
Confirmation of having appointed a Skills Development Facilitator.	<i>Clinton Sebastian</i>
Proof of submission of work place skills plan.	Belfast Coal Submitted in June 2012

### **2.2 SKILLS DEVELOPMENT PLAN**

#### **2.2.1 BACKGROUND INFORMATION**

The workforce will comprise of +/- 147 permanent employees and +/- 600 contractors by 2020. Mining at Belfast Coal will only start in full capacity during the first quarter of 2020.

The Skills Development Budget will be aligned to the 5% payroll as per Mining Charter.

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

Form Q number and educational levels of currently available recruited permanent and contractor workforce.

**Table 3: Form Q: Number and educational levels of the permanent workforce**

			Actuals											
			Male				Female				Total		Grand Total	Comments
Band	NQF level	Old system	A	C	I	W	A	C	I	W	Male	Female		
General Education and Training (GET)		No schooling	0	0	0	0	0	0	0	0	0	0	0	
		Grade 0 / Pre-school	0	0	0	0	0	0	0	0	0	0	0	
		Grade 1 / Sub A	0	0	0	0	0	0	0	0	0	0	0	
		Grade 2 / Sub B	0	0	0	0	0	0	0	0	0	0	0	
		Grade 3 / Std 1 /ABET 1	0	0	0	0	0	0	0	0	0	0	0	
		Grade 4 /Std 2	0	0	0	0	0	0	0	0	0	0	0	
		Grade 5 / Std 3 / ABET 2	0	0	0	0	0	0	0	0	0	0	0	
		Grade 6 / Std 4	0	0	0	0	0	0	0	0	0	0	0	
		Grade 7 / Std 5 / ABET 3	0	0	0	0	0	0	0	0	0	0	0	
		Grade 8 / Std 6	0	0	0	0	0	0	0	0	0	0	0	
Further Education & Training (FET)	1	Grade 9 / Std 7 / ABET 4	0	0	0	0	0	0	0	0	0	0	0	
	2	Grade 10 / Std 8 / N1	0	0	0	0	0	0	0	0	0	0	0	
	3	Grade 11/ Std 9 / N2	0	0	0	0	0	0	0	0	0	0	0	
	4	Grade 12 / Std 10 / N3	5	0	0	1	3	0	0	0	6	3	9	
Higher Education and Training (HET)	5	Diplomas / Certificates	11	1	0	3	3	0	0	1	15	4	19	
	6	National Certificates / Diploma / Advance Certificates / NATED4-6	2	0	0	1	6	0	0	0	3	6	9	
	7	BTech Degrees / Bachelor's Degrees	8	1	1	2	6	0	0	0	12	6	18	
	8	Honours / Postgraduate Diploma / Bachelors (480 Credits)	5	0	0	3	3	1	0	0	8	4	12	
	9	Master's degrees	2	0	0	1	1	0	0	0	3	1	4	
	10	Doctorates	0	0	0	0	0	0	0	0	0	0	0	
		Total	33	2	1	11	22	1	0	1	47	24	71	

**Table 4: Form Q: Number and educational levels of the contractor's workforce**

			Actuals											
			Male				Female				Total		Grand Total	Comments
Band	NQF level	Old system	A	C	I	W	A	C	I	W	Male	Female		
General Education and Training (GET)		No schooling	48	0	0	0	5	0	0	0	48	5	53	
		Grade 0 / Pre-school	0	0	0	0	0	0	0	0	0	0	0	
		Grade 1 / Sub A	0	0	0	0	0	0	0	0	0	0	0	
		Grade 2 / Sub B	0	0	0	0	0	0	0	0	0	0	0	
		Grade 3 / Std 1 /ABET 1	0	0	0	0	0	0	0	0	0	0	0	
		Grade 4 /Std 2	0	0	0	0	0	0	0	0	0	0	0	
		Grade 5 / Std 3 / ABET 2	0	0	0	0	0	0	0	0	0	0	0	
		Grade 6 / Std 4	0	0	0	0	0	0	0	0	0	0	0	
		Grade 7 / Std 5 / ABET 3	1	0	0	0	0	0	0	0	1	0	1	
		Grade 8 / Std 6	2	0	0	0	0	0	0	0	2	0	2	
	1	Grade 9 / Std 7 / ABET 4	1	0	0	0	0	0	0	0	1	0	1	
Further Education & Training (FET)	2	Grade 10 / Std 8 / N1	44	0	0	0	2	0	0	0	44	2	46	
	3	Grade 11/ Std 9 / N2	98	1	0	7	11	0	0	0	106	11	117	
	4	Grade 12 / Std 10 / N3	155	0	0	8	48	1	0	1	163	50	213	
Higher Education and Training (HET)	5	Diplomas / Certificates (N4-6) / National /	11	0	0	0	5	0	0	0	11	5	16	
	6	National Certificates / Diploma / Advance Certificates / NATED4-6	7	0	0	3	4	0	0	0	10	4	14	
	7	BTech Degrees / Bachelor's Degrees	5	0	0	1	2	0	0	0	6	2	8	
	8	Honours / Postgraduate Diploma / Bachelors (480 Credits)	3	0	0	0	0	0	0	0	3	0	3	
	9	Master's degrees	2	0	0	1	0	0	0	0	3	0	3	
	10	Doctorates	0	0	0	0	0	0	0	0	0	0	0	
		Total	377	1	0	20	77	1	0	1	398	79	477	



## 2.2.3 AET IMPLEMENTATION PLAN

AET classes will be provided by an accredited MQA training provide and learners will receive full compensation whilst in training.

Monthly meetings will be held with all AET students to determine needs and progress.

**Table 5: AET plan**

Area of training	Target and timelines					Total
	2019	2020	2021	2022	2023	
EMPLOYEES/CONTRACTORS						
Pre-AET	0	0	0	0	0	0
AET 1	0	0	0	0	0	0
AET 2	0	0	0	0	0	0
AET 3	0	0	0	0	0	0
AET 4	0	4	0	0	0	4
Total number	0	4	0	0	0	4
Budget (R)	R0	R 40 000	R0	R0	R0	R 40 000
COMMUNITY						
AET 1	0	0	10	10	10	30
AET 2	0	0	10	10	10	30
AET 3	4	0	10	10	10	34
AET 4	0	4	10	10	10	34
Total number	4	4	40	40	40	128
Budget (R)	R 40 000	R 40 000	R 400 000	R 410 000	R 420 000	R 1 310 000
AET TOTAL						
Total Intake	4	8	40	40	40	132
Total Budget (R)	R40 000	R 80 000	R 400 000	R 410 000	R 420 000	R 1 350 000

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

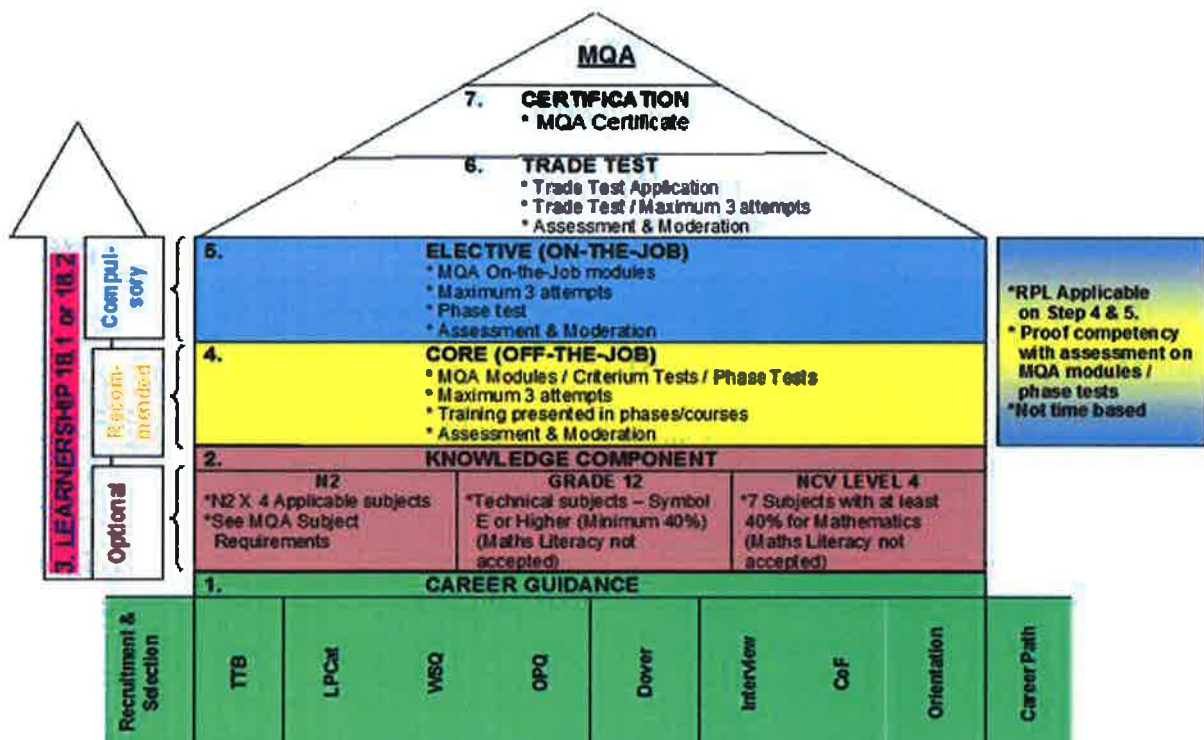
### 2.2.4.1 Learnerships (Mining, Engineering, Plant)

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

The budget for 18.2 learners (unemployed youth) will be guided by the minimum remuneration and conditions of the sectoral determination for learnerships, which

forms part of the Basic Conditions of Employment Act. The average period in training for these learners is 24 - 30 months.

Employees selected and approved towards learnerships (18.1) will receive the normal remuneration for the position to which they have been appointed while they are being trained.



**Figure 4: MQA seven step learnership development process**

#### 2.2.4.2 Mining learnership

The mining learnerships planned, are provided in the table below.

**Table 6: Mining learnerships**

Area of training	Target and timelines					Total budget
	2019	2020	2021	2022	2023	
EMPLOYEES						
Opencast Blasting	0	0	1	1	1	3
Budget (R)	0	0	R100 000	R100 000	R100 000	R300 000
COMMUNITY						
Opencast Blasting	1	1	4	4	4	14
Budget (R)	R120 000	R120 000	R480 000	R480 000	R500 000	R1 710 000
MINING LEARNERSHIPS TOTAL						
Total Intake	1	1	5	5	5	17
Total Budget (R)	R120 000	R120 000	R580 000	R590 000	R600 000	R2 010 000

### 2.2.4.3 Engineering learnerships

The engineering learnerships planned, are provided in the table below.

**Table 7: Engineering learnerships**

Area of training	Target and timelines					Total
	2019	2020	2021	2022	2023	
(Electrician, Fitter, Milwright, Diesel Mechanic)						
LEARNERSHIPS SECTION 18.1 (Employees Contractors)						
Intake	0	1	2	2	2	7
Budget (R)	0	R90 000	R180 000	R180 000	R150 000	R630 000
LEARNERSHIPS SECTION 18.2 (Community)						
Intake	1	3	3	3	2	12
Budget (R)	R200 000	R600 000	R600 000	R600 000	R400 000	R2 400 000
ENGINEERING LEARNERSHIPS TOTAL						
Total Intake	1	4	5	5	4	19
Total Budget (R)	R200 000	R690 000	R780 000	R780 000	R580 000	R3 030 000

### 2.2.4.4 Plant learnerships

The plant learnerships planned, are provided in the table below.

**Table 8: Plant learnerships**

Area of training	Target and timelines					Total
	2019	2020	2021	2022	2023	
(Basic Coal Preparation, Lump Ore and Advance Coal Preparation)						
LEARNERSHIPS SECTION 18.1 (Employees)						
Basic Coal Prep	1	1	0	0	0	2
Advanced Coal Prep	0	0	1	1	2	4
Budget (R)	R 15 000	R 25 000	R 80 000	R 85 000	R 160 000	R 365 000
LEARNERSHIPS SECTION 18.2 (Community)						
Basic Coal Prep	2	2	4	4	4	19
Budget (R)	R 250 000	R 260 000	R 520 000	R 530 000	R 540 000	R 2 100 000
LEARNERSHIPS TOTAL						
Total Intake	3	3	5	5	6	25
Total Budget (R)	R 265 000	R 275 000	R 600 000	R 615 000	R 700 000	R 2 465 000

### 2.2.4.5 Skills programmes (Other)

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

programmes are the Basic Safety and Health Representative programme, Blasting Assistant and Competent Person A.

**Table 9: Skills programmes**

Area of training	Target and timelines					Total
	2019	2020	2021	2022	2023	
EMPLOYEES and Contractors						
Competent Person A	0	1	1	1	1	4
Occ health and safety/ SHE REP	0	5	5	5	5	20
Blasting assistants	0	1	1	0	0	2
Total Intake	0	7	7	6	6	26
Budget (R)	R0	R25 000	R30 000	R30 000	R35 000	R110 000
COMMUNITY (Competent A, Blasting, Mobile Machinery, SHE REP, ETC)						
Total Intake - Community	2	14	24	24	24	88
Total Budget	R20 000	R340 000	R640 000	R645 000	R650 000	R2 295 000
Total Skills Programmes						
Total Intake	2	21	31	30	30	114
Total Budget (R)	R20 000	R365 000	R670 000	R675 000	R685 000	R2 405 000

#### 2.2.4.6 Managerial development

Belfast Coal's management skills development programme will aim to support and capacitate new and existing managers and supervisors, so they are able to meet their future responsibilities and to prepare themselves for the next level of management.

**Table 10: Managerial development for permanent employees**

Area of training	Target and timelines					Total
	2019	2020	2021	2022	2023	
Business Management Programme	-	5	5	5	5	20
First Line Management	-	5	5	5	5	20
Management Development Plan	-	4	4	4	4	16
Total Intake	-	13	13	13	13	56
Total Budget (R)	R0	R 270 000	R 300 000	R 330 000	R 350 000	R 1 250 000

Area of training	Target and timelines					Total
	2019	2020	2021	2022	2023	
Emotional intelligence	0	5	10	10	10	35
Conflict Management	0	5	10	10	10	35
Communicating effectively	0	5	10	10	10	35
Building self esteem	0	5	10	10	10	35
Delegating effectively	0	5	10	10	10	35
Change Leadership	0	5	10	10	10	35
Managing across generations	0	5	10	10	10	35
<b>Total Intake</b>	<b>0</b>	<b>35</b>	<b>70</b>	<b>70</b>	<b>70</b>	<b>245</b>
<b>Total Budget (R)</b>	<b>R 0</b>	<b>R 70 000</b>	<b>R 85 000</b>	<b>R 100 000</b>	<b>R 120 000</b>	<b>R 395 000</b>

#### **2.2.4.7 Plan for the provision of portable skills to employees**

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

**Table 11: Portable skills training**

Area of training	Targets and timelines					Total
	2019	2020	2021	2022	2023	
EMPLOYEES						
Total intake	0	5	5	5	5	20
Budget (R)	R0	R120 000	R120 000	R125 000	R125 000	R490 000
COMMUNITY						
Total intake	0	5	20	20	20	65
Budget (R)	R 0	R 200 000	R 580 000	R 600 000	R 640 000	R 2 020 000
TOTAL PORTABLE SKILLS TRAINING						
Total number	0	10	25	25	25	85
Budget (R)	R 0	R 320 000	R 700 000	R 725 000	R 765 000	R 2 510 000

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

Table 12: Form R: Hard-to-Fill vacancies

Occupational level	Planned		Actuals		Comments
	Job title of vacancy	Reason for being unable to fill the vacancy	Job title of vacancy	Reason for being unable to fill the vacancy	
Senior Management					
Professionally qualified and experienced specialists and mid-management			Chief Safety Officer Occupational Hygienist Rock Engineer	Coal mining experience and relevant experience	Positions currently filled
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents			Safety Officer	Coal mining experience and relevant experience	Position filled with limited experience and no coal experience
Semi-skilled and discretionary decision making			Excavator Operator Dozer Operator	Scarcity of semi skilled operators in our labour sending areas (eMakhazeni).	NA
Unskilled and defined decision making	NA		NA		NA

## 2.4 CAREER PROGRESSION (PATH) PLAN

Career progression paths for all disciplines will be developed when recruitment is fully completed.

### Career Progression Plan in Engineering: Artisan to Manager Engineering

POSITION	GRADING	CAREER PATH MANAGER ENGINEERING	TIME FRAME AND REQUIREMENTS	MENTOR / COACH
<b>Manager Engineering</b>				<b>D5</b>
	D Band	BTech/BSc/BEng Electrical / Mechanical/ Civil  Government Certificate of Competency (GCC) ECSA ECSA MEM/MPM/MBA	10years	Operations Manager Group Manager Engineering
<b>Assistant Manager Engineering/ Manager Projects</b>				<b>D 3</b>
	D Band	BTech/BSc/BEng Electrical / Mechanical/ Civil  Government Certificate of Competency (GCC) ECSA registration MEM/MPM	6-8years	Manager Engineering
<b>Senior Engineer Reliability</b>				<b>D3</b>
	D Band	BTech/BSc/BEng Electrical / Mechanical/ Civil  ECSA registration FLM Desirable	4-6 years	Manager engineering Manager Engineering Development
<b>Senior Advisor Instrumentation</b>				<b>D2</b>
	D Band	BTech/BSc/BEng) in Electrical FLM Desirable	3-5 years	Assistant Manager Engineer
<b>Technician Instrumentation</b>				<b>C4</b>
	C Band	National Diploma relevant discipline or Equivalent	3-5 years	Applicable Mentorship / Coaching Programme
<b>Foreman</b>				<b>C4</b>
	C Band	Trade Test - subject to MQA 7 step process N4 Technical	3-5years	Assistant Manager Engineering

		FLM		
<b>Artisan</b>				<b>J4</b>
	C Band	Trade Test - subject to MQA 7 step process Psychometric Assessment N2 x 4 subjects BMP	3 years	Foreman
Total period depends on the potential of the employee and positions availability. Normal recruitment process will be followed all the time for promotion opportunities, which entail medical certificate of fitness and psychometric assessment.				

### Career Progression Plan in Mining: Operator to Mining Manager

POSITION	GRADING	CAREER PATH MANAGER MINING	TIME FRAME AND REQUIREMENTS	MENTOR / COACH
<b>Manager Mining</b>				<b>D5</b>
	D Band	Mine Manager's Certificate of Competence (MMCC) BSc / BEng/ BTech Mining degree Requirement for registration as professional engineer Management qualification (MEM/MPM/ MBA)	10 years	Group Manager Mining
<b>Superintendent Mining</b>				<b>D4</b>
	D Band	Mine Manager's Certificate of Competence (MMCC) BSc / BEng/ BTech Mining degree Requirement for professional registration (ECSA) Management qualification (MEM/MPM)	6-8 years	Manager Mining Operations Manager
<b>Senior Engineer Mining</b>				<b>D3</b>
	D Band	Mining Engineering qualification (BTech/BSc/BEng) Requirement for professional registration Mine Manager's Certificate of Competence (MMCC)	4-6 years	Manager Mining Manager Mining Development
<b>Engineer Mining / Digital Value Chain Integrator</b>				<b>D2</b>
	D Band	BTech/BSc/BEng In Mining	3-5 years	Manager Mining Manager Mining Development
<b>Head Mining</b>				<b>D2</b>
	D Band	National Diploma Mining / BTech / BSc/ BEng FLM	5 years	Superintendent Mining Manager Mining
<b>Foreman</b>				<b>C4</b>
	C Band	Blasting Ticket N4 Technical FLM	3-5years	Superintendent Mining Head Mining
<b>Pitworker</b>				<b>P4</b>
	C Band	Grade 12 technical	3 years	Head Mining Foreman



		Primary Equipment Training Blasting Ticket BMP		
<b>Operator Gr I</b>				<b>P4</b>
	B band	Grade 12 technical Primary Equipment Training Blasting Assistant	2-3 years	Pitworker Foreman
Total period depends on the potential of the employee and positions availability. Normal recruitment process will be followed all the time for promotion opportunities, which entail medical certificate of fitness and psychometric assessment.				

**Career Progression Plan in Plant: Process Controller to Manager Plant**

POSITION	GRADING	CAREER PATH TO MANAGER PLANT	TIME FRAME AND REQUIREMENTS	MENTOR / COACH
<b>Manager Plant</b>				<b>D5</b>
	D Band	BSc / BEng/ BTech Metallurgy MDP MEM/MPM/MBA	10 years	Operations Manager Group Manager Process Engineering
<b>Senior Engineer Metallurgy</b>				<b>D3</b>
	D Band	BSc / BEng/ BTech Metallurgy ECSA registration	4- 6 years	Manager Plant
<b>Specialist Logistics/ Value Chain Lead Integrator</b>				<b>D1/D2</b>
	D Band	BTech Logistics BSc / BEng/ BTech Metallurgy	3-5 years	Manager Plant
<b>Foreman</b>				<b>CU</b>
	C Band	N4 Technical Advanced Coal Preparation Computer Literacy FLM	3 – 5 years	Senior Engineer Metallurgy
<b>Senior Process Controller</b>				<b>P3</b>
	C Band	Gr 12 Maths & Science Basic Coal Preparation Plant Equipment Training Computer Literacy BMP	3 years	Foreman
<b>Logistics Controller/ Process controller</b>				<b>P4</b>

	C Band	Gr 12 Maths & Science Basic Coal Preparation/ Certificate in Logistics Plant Equipment Training	2-3 years	Snr Process Controller Foreman/ Specialist logistics
Total period depends on the potential of the employee and positions availability. Normal recruitment process will be followed all the time for promotion opportunities, which entail medical certificate of fitness and psychometric assessment.				

### Career Progression Plan in MRM and Optimization

POSITION	GRADING	CAREER PATHS IN SUPPORT SERVICES	TIME FRAME AND REQUIREMENTS	MENTOR / COACH
Manager Mineral Resources & Optimization				D5
	D Band	BSc / BEng/ BTech or Equivalent MDP MEM/MPM	8 - 10years	Applicable Mentorship / Coaching Programme
Rock Engineer/Manager Surveying/ Resident Geologist				D3/D4
	D Band	BSc / BEng/ BTech relevant discipline ECSA registration / Mine Surveyor Government Ticket	4-6 years	Applicable Mentorship / Coaching Programme
BI Facilitator/ Mine Planner/ Geologist/ Digital Value Chain Integrator				D1/D2
	D Band	BSc / BEng/ BTech relevant discipline	3-5 years	Applicable Mentorship / Coaching Programme
Mine Surveyor				C4/C5
	C Band	National Diploma relevant discipline or Equivalent	3 -5 years	Applicable Mentorship / Coaching Programme
Total period depends on the potential of the employee and positions availability. Normal recruitment process will be followed all the time for promotion opportunities, which entail medical certificate of fitness and psychometric assessment.				

### Career progression from Officer People Analytics to Manager People Operations (Human Resources)

POSITION	GRADING	CAREER PATHS IN SUPPORT SERVICES	TIME FRAME AND REQUIREMENTS	MENTOR / COACH
<b>Manager People Operations (HR)</b>				<b>D4</b>
	D Band	Hons in HRM/ Industrial Psychology MDP MBA desirable	10 years	Applicable Mentorship / Coaching Programme
<b>Business Partner, People Ops/ Specialist ER</b>				<b>D1</b>
	D Band	Hons in HRM/ Industrial Psychology Trade/ETDP/ Assessor/ Moderator for HRD FLM MDP Desirable	3-5 years	Applicable Mentorship / Coaching Programme
<b>People Analytics Practitioner/Co-ordinator Learning</b>				<b>C5</b>
	C Band	National Diploma HR / HRD Trade/ETDP/ Assessor/ Moderator for HRD BMP FLM Desirable	3-5 years	Applicable Mentorship / Coaching Programme
<b>Senior Officer Learning</b>				<b>A3</b>
	C Band	HR Certificate BMP	3 years	Applicable Mentorship / Coaching Programme
<b>Officer Learning/ Officer People Ops (HR)</b>				<b>A4</b>
	C Band	HR Certificate BMP Desirable	2-3 years	Applicable Mentorship / Coaching Programme
<b>Total period depends on the potential of the employee and positions availability. Normal recruitment process will be followed all the time for promotion opportunities, which entail medical certificate of fitness and psychometric assessment.</b>				

### **Career progression in Finance to Manager Finance**

POSITION	GRADING	CAREER PATHS IN SUPPORT SERVICES	TIME FRAME AND REQUIREMENTS	MENTOR / COACH
<b>Manager Finance</b>				<b>D5</b>
	D Band	Hons in Financial Accounting MDP MBA desirable	10 years	Applicable Mentorship / Coaching Programme
<b>Head Management Accountant</b>				<b>D3</b>

	D Band	Hons in Financial Accounting MDP	6-8 years	Applicable Mentorship / Coaching Programme
<b>Senior Management Accountant / Senior Financial Accountant</b>				<b>D1</b>
	D Band	Hons in Financial Accounting FLM MDP Desirable	3-5 years	Applicable Mentorship / Coaching Programme
<b>Senior Assistant Financial Accountant</b>			<b>A3</b>	
	C Band	Finance Certificate BMP	3 years	Applicable Mentorship / Coaching Programme
Total period depends on the potential of the employee and positions availability. Normal recruitment process will be followed all the time for promotion opportunities, which entail medical certificate of fitness and psychometric assessment.				

### Career progression in Sustainability to Manager Sustainability

POSITION	GRADING	CAREER PATHS IN SUPPORT SERVICES	TIME FRAME AND REQUIREMENTS	MENTOR / COACH
<b>Manager Sustainability</b>				<b>D3</b>
	D Band	Hons in Safety/ Health/ Hygiene & Environment MDP MBA desirable	8 years	Applicable Mentorship / Coaching Programme
<b>Chief Safety Officer/ Specialist Environment/ Speccialist Occupational Hygiene</b>				<b>D1</b>
	D Band	BTech In Safety Management / Environment/ BSc Hygiene  FLM MDP Desirable	4-6 years	Applicable Mentorship / Coaching Programme
<b>Safety Officer / Practitioner Environment</b>				<b>C4</b>
	C Band	Applicable National Diploma BMP FLM Desirable	3 – 5 years	Applicable Mentorship / Coaching Programme
<b>Snr Officer, Sustain Digital Systems</b>				<b>A3</b>
	C Band	Grade12 Computer Literacy	1-2 years	Applicable Mentorship / Coaching Programme
Total period depends on the potential of the employee and positions availability. Normal recruitment process will be followed all the time for promotion opportunities, which entail medical certificate of fitness and psychometric assessment.				

### **2.4.1.1 Individual development plans**

Individual Development Plans (IDP) will be drafted for all employment categories at Belfast Coal. With regards to the bargaining category, the IDP will be formulated according to the competency gaps identified for the current and next higher-level jobs (where applicable) by means of the skills audit

For the management category, IDP discussions and needs assessments will form part of the bi-annual performance management cycle. Development will take place in one of the following disciplines, mining, engineering, plant or services.

## **2.5 MENTORSHIP AND COACHING PLAN**

### **2.5.1 MENTORSHIP/COACHING PLAN FOR EMPLOYEES**

A mentorship and coaching plan will be part of all employees' development. Line supervisors will form part of the mentorship/coaching Programme for employees.

## **2.6 BURSARY AND INTERNSHIP PLAN**

The need for specialist candidates is collated by Exxaro Resources, which administers bursaries at a centralised level. Bursaries are allocated in most of the engineering fields at university and universities of technology level. Qualified bursars are then placed at different mines according to the manpower needs of that specific mine.

Bursaries are centrally administered and organised and subjected to Exxaro corporate planning. Bursars will be recruited from communities around Belfast Coal.

### **2.6.1 BURSARY PLAN**

Belfast Coal will source candidates at local business unit level for TVET bursaries in the engineering fields. Qualified bursars will then be placed at mine according to the manpower needs of the mine to complete their training during and after their studies.

**Table 13: Bursary plan**

Area of training	Target and timelines					Total
	2019	2020	2021	2022	2023	
Engineering	5	3	3	3	3	17
Services	0	0	1	1	1	3
Total Intake	5	3	4	4	4	20
Total Budget (R)	R150 000	R150 000	R180 000	R200 000	R220 000	R900 000

### **2.6.2 INTERNSHIP PLAN**

Belfast Coal will provide skills development opportunities for non-employees in the form of internships.

**Table 14: Internship plan**

Area of training	Target and timelines					Total
	2019	2020	2021	2022	2023	
COMMUNITY						
Mining	1	1	2	2	2	8
Engineering	1	1	2	2	2	8
Plant	1	1	2	2	2	8
Services (HR / Finance / Stakeholder Affairs)	2	2	2	2	2	10
Total Intake	5	5	8	8	8	34
Budget (R)	R531 600	R550 000	R900 000	R950 000	R1 000 000	R3 931 600

## 2.7 EMPLOYMENT EQUITY PLAN

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

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

Belfast Coal's objectives will be to:

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

## **2.7.2 WOMEN IN MINING**

The aim will attract and recruit women in line with the approved Mining Charter targets and retain women in the mining industry and to encourage the active participation of women in the mine.

## 2.8 FORM S - EMPLOYMENT EQUITY FOR THE PERMANENT WORKFORCE

Table 15: Form S: Employment equity

	Actual as of 25 May 2019													Targets							
Occupational levels	Male				Female				Disability		Total	2019		2020		2021		2022		2023	
	A	C	I	W	A	C	I	W	M	F		HDSA	Females	HDSA	Females	HDSA	Females	HDSA	Females	HDSA	Females
Top management												0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Senior management												40%	0%	40%	0%	50%	17%	67%	17%	67%	17%
Professionally qualified and experienced specialists and mid-management												61%	25%	60%	25%	60%	25%	65%	29%	65%	29%
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents												70%	22%	70%	24%	70%	26%	73%	29%	73%	29%
Semi-skilled and discretionary decision making												97%	17%	97%	17%	97%	17%	96%	18%	96%	18%
Unskilled and defined decision making												100%	0%	100%	0%	0%	0%	0%	0%	0%	0%
TOTAL												86%	19%	86%	20%	86%	21%	87%	22%	87%	23%



## 2.8.1 HD SA IN MANAGEMENT

Table 16: HD SA in management

Element	Description	Measure	Compliance target	Progress achieved by				
				2019	2020	2021	2022	2023
Employment equity	Diversification of the workplace to reflect the country's demographics to attain competitiveness	Top management (Board) (Paterson F-Band)	N/A	N/A	N/A	N/A	N/A	N/A
		Senior management (Exco) (Paterson E-Band)	60%	40%	40%	50%	67%	67%
		Middle management (Paterson D-Band)	60%	61%	60%	60%	65%	65%
		Junior management (Paterson C-Band)	70%	70%	70%	70%	73%	73%
Employment equity		Core skills	N/A	N/A	N/A	N/A	N/A	N/A

## 2.8.2 EXECUTIVE MANAGEMENT (BOARD) MANAGEMENT STRUCTURE

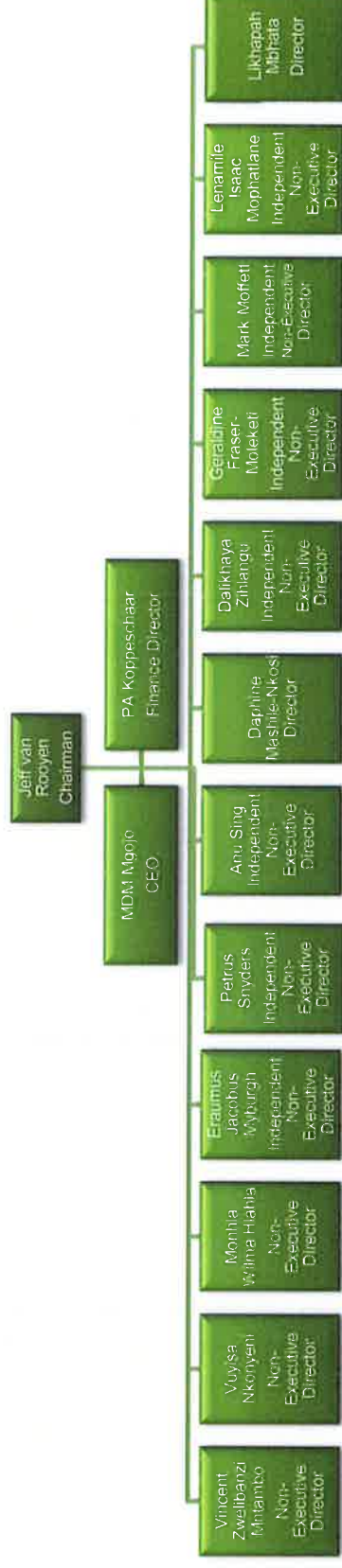


Figure 2: Executive management (Board) management structure

## 2.8.3 SENIOR MANAGEMENT (EXCO) MANAGEMENT STRUCTURE

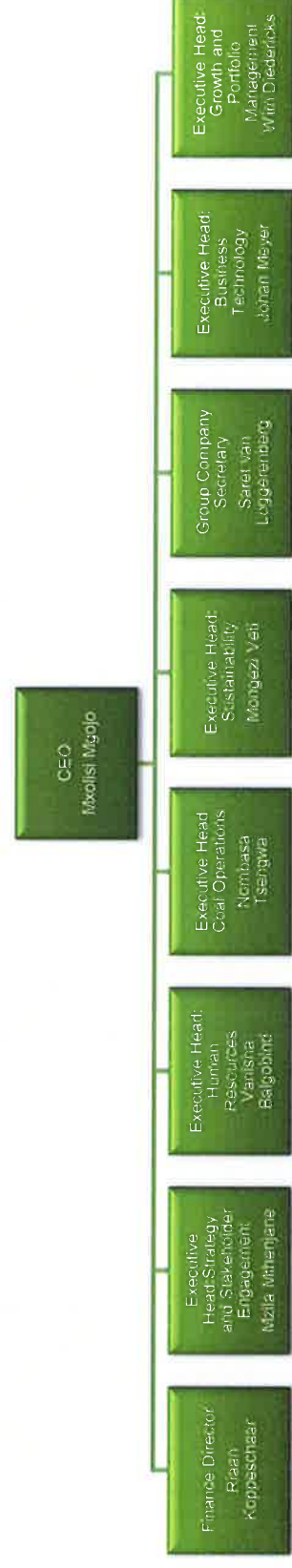
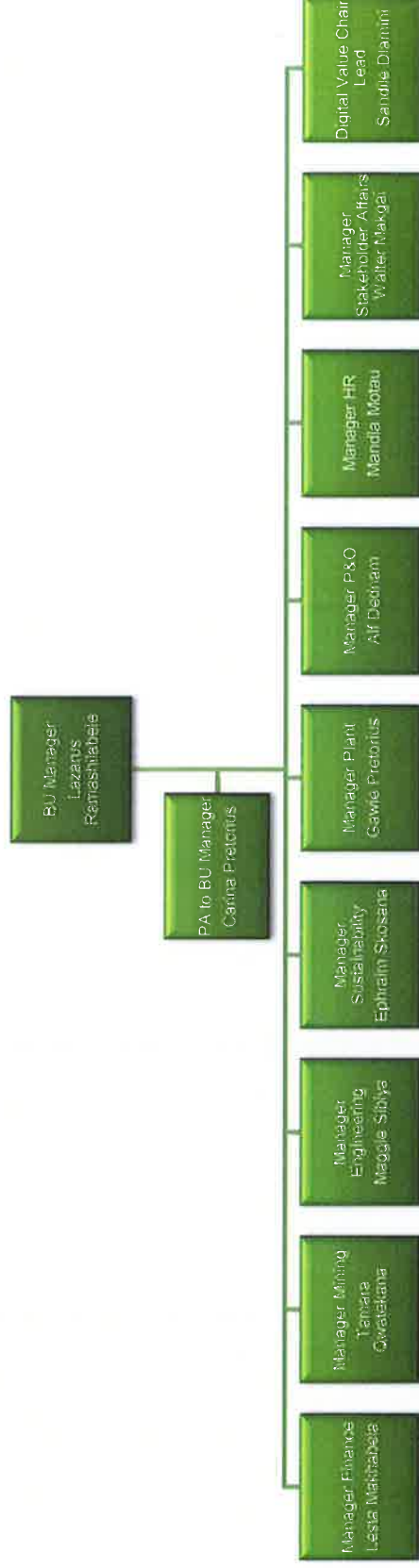


Figure 3: Senior management (Exco) management structure

## 2.8.4 FUTURE MIDDLE MANAGEMENT STRUCTURE



**Figure 4: Future middle management structure**

## **SECTION THREE**

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### **LOCAL ECONOMIC DEVELOPMENT PROGRAMME**

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

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

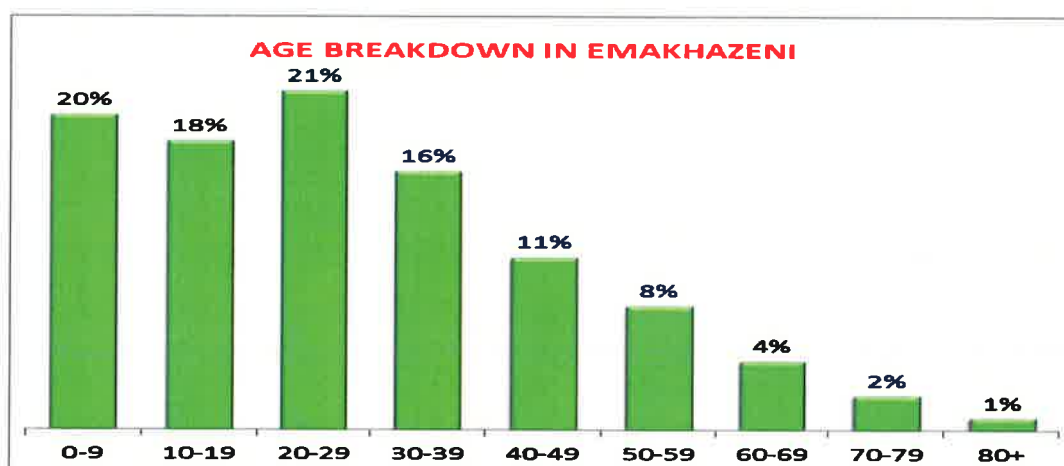
#### 3.1 SOCIAL AND ECONOMIC BACKGROUND INFORMATION

##### 3.1.1 EMAKHAZENI LOCAL MUNICIPALITY

The Emakhazeni Local Municipality is situated in the heart of Mpumalanga, covering a total of 4 745km<sup>2</sup> with a total population of about 48149 and eight Wards (Community survey, 2016). There are therefore 10.1 people per square kilometer. The Emakhazeni municipality is bordered by Mbombela Local Municipality on the east and Steve Tshwete Local Municipality on the west. It is one of the six municipalities that fall within the Nkangala District Municipality and was formed through the amalgamation of four former Transitional Local Councils (TLCs) namely Belfast, Dullstroom, Machadodorp and Waterval Boven.

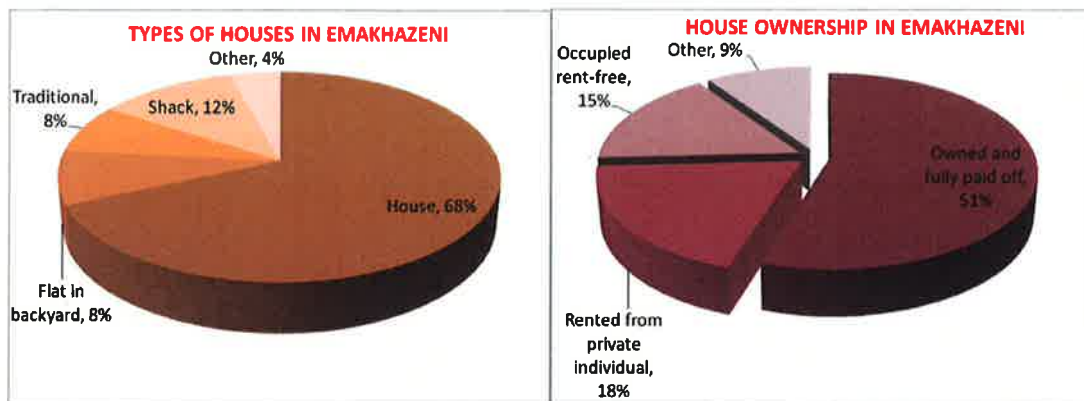
Of the 48 149 people in the municipality, 89% are black African, 10% are white, and coloureds make 1%. As illustrated below, most of the population (75%) is under 40 years old.

**Figure 1: Age breakdown in Emakhazeni** (Source: Community Survey, 2016)



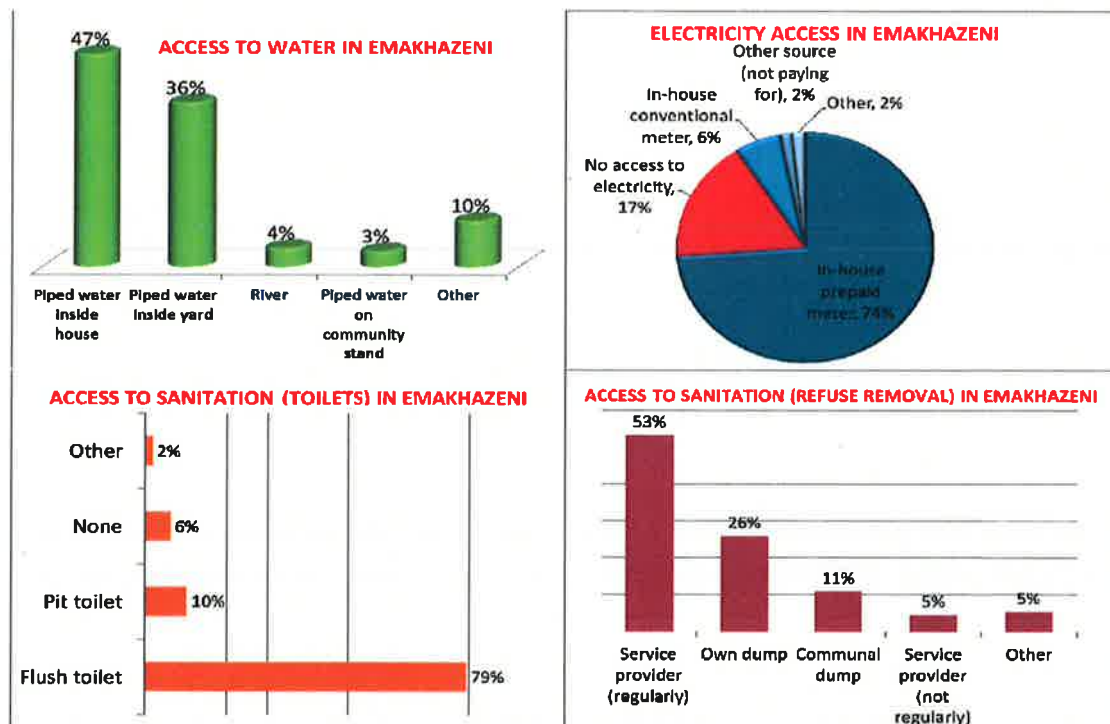
51% of the population is male. There are 14 634 households, which contributes less than 10 percent of the total households in Nkangala District (421 144). The male headed households form the majority (63%) when compared to female headed households (37%). One in every ten households (11.6%) are informal dwellings (shacks). This is about three-quarters of the rate of informal shacks in Nkangala. Houses make up 68% of the household dwellings, flats in backyards make 8% while 8% of the dwellings are traditional. About half of the population have fully paid off or own their houses. About two in every ten live in rented dwellings and 15% occupy rent free.

**Figure 2: Types of houses and ownership patterns** (Source: Community Survey, 2016)



Turning to access to basic services, the 2016 community survey points to almost universal access to piped water (83%), whether inside a house or inside a yard. 17.1% of the population in Emakhazeni have no access to electricity. Just over three quarters are able to access flush toilets, although 10% still use the notoriously unsafe pit latrines. Slightly over half of the population do have access to removal of refuse by a service provider. Generally, as illustrated below, the population is well served in terms of refuse removal.

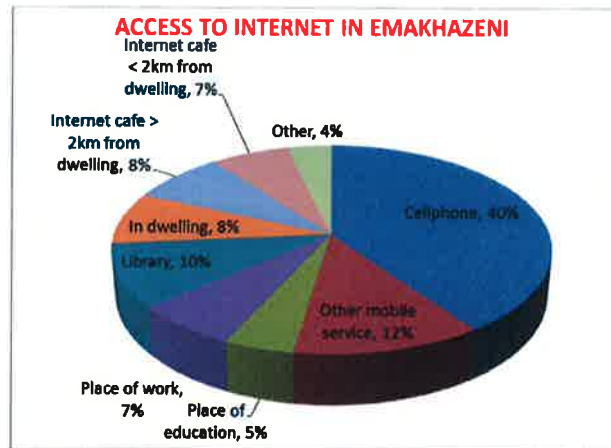
**Figure 3: Access to basic services** (Source: Community Survey, 2016)



Source: Community Survey (2016)

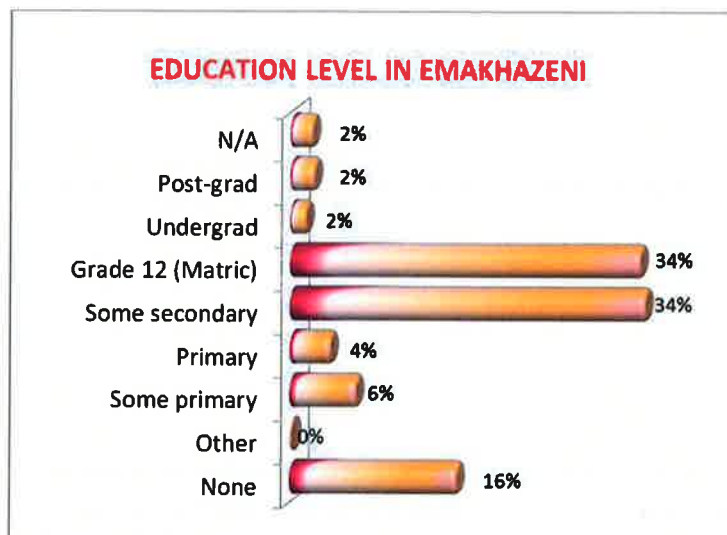
In terms of internet connectivity, 40% of the population claim to access the internet through cell phones, while 22% access the internet in places of work, places of education or libraries.

**Figure 4: Access to Internet** (Source: Community Survey, 2016)



Only 38% of the population has achieved matric and above (with 4% possessing tertiary education) while on the other side of the spectrum, 16% have no formal schooling. On the positive, 95.9% of the school aged children (0-17 years) are in school. This suggests that those without formal schooling are older generation.

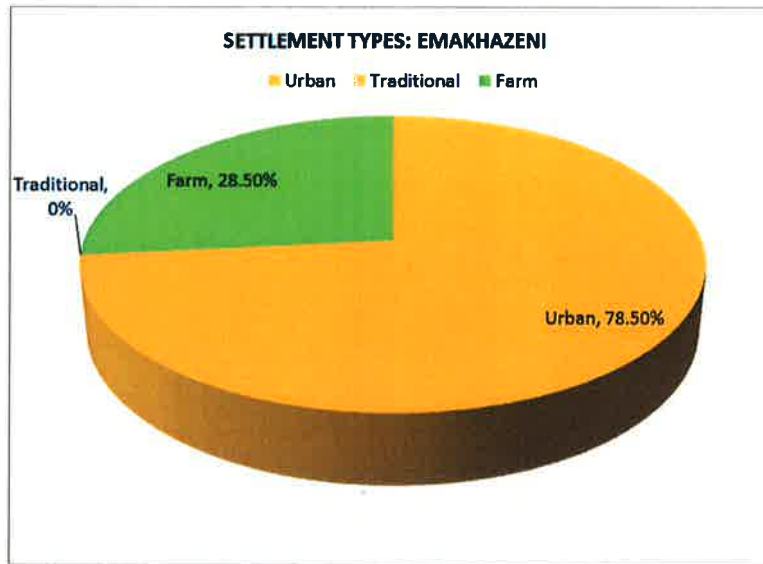
**Figure 5: Education Level** (Source: Community Survey, 2016)



Most of the population in Emakhazeni (78.5%) live in urban areas, with three in every ten (28.5%) living in farms.



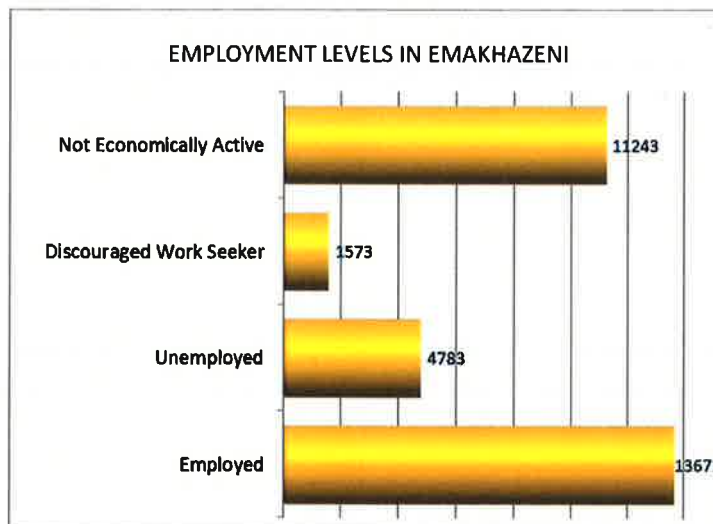
**Figure 6: Emakhazeni Settlement Types** (Source: Stats SA, 2011)



Farming is the dominant economic activity in the Emakhazeni area, occupying the largest part of the physical area. Small towns have developed throughout the area, which serve as service centers to the agricultural sector.

One in four (25.9%) of the 18 454 economically active (employed or unemployed but looking for work) people in the municipality are unemployed. Among the 9 694 economically active youth (15–35 years) in the area, 34.2% are unemployed. This is illustrated below.

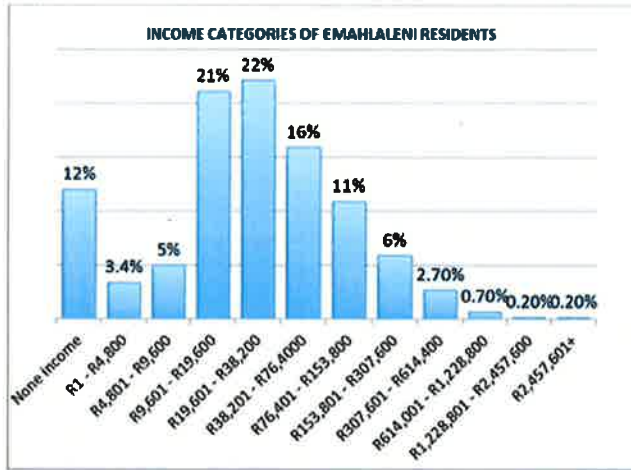
**Figure 7: Employment in Emakhazeni** (Source: Community Survey, 2016)



One in every ten residents in Emakhazeni claim not to have any income. Over half of the population is agglomerated around the middle-income band of R9,601 and R76,400, as seen below:



**Figure 8: Income categories in Emakhazeni (Source: Community Survey, 2016)**



### 3.2 KEY ECONOMIC ACTIVITIES

Leading sectors in terms of % contribution to Emakhazeni economy is mining (24.1%), trade (20.7%) and community services (11.9%). % and agriculture 6.7% to the district's relevant economic sectors. Mining has remained the biggest contributor in GDP in the municipality between. The table below shows the contribution of each sector to the municipal GDP.

Sector	Percentage
Agriculture	9.7
Mining	24.1
Manufacturing	9.1
Electricity/ utilities	0.4
Construction	5.6
Trade	20.7
Transport	6.4
Finance	3.9
Community services	11.9
Private households	8.1
Total	100

#### 3.2.1 NKANGALA DISTRICT MUNICIPALITY PRIMARY NEEDS

- Housing – 35% of residents stay in informal houses.
- Education – 25% of adults do not have formal education.
- Unemployment increases annually.
- Commercial farming has been identified as a need.
- Local entrepreneurs should be supported.

### **3.2.2 EMAKHAZENI LOCAL MUNICIPALITY PRIMARY NEEDS**

- The reconstruction of all four towns; increased infrastructure development.
- Creation of decent employment through investment in SMMEs.
- Improved education of the local people through skills development.
- Improved agricultural activities to ensure food security in the municipality.

**The above priority issues in the municipality are formulated in such a way that they address the following strategic objectives:**

- **Economic Development** (i.e. investment, job creation, business and tourism development and SMME development);
- **Infrastructure Development** (i.e. urban/rural infrastructure, housing and land reform);
- **Human Resource Development** (i.e. adequate education opportunities for all);
- **Social Infrastructure** (i.e. access to full social infrastructure);
- **Environmental Development** (i.e. protection of the environment and sustainable development);
- **Good Governance** (i.e. effective and efficient public sector management and service delivery).

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

The Belfast Coal Mine has necessitate the relocation of approximately 32 households and 75 graves situated on the farms Leeuwbank 427 JS Portions 7, 8 and 10, and Zoekop 426 JS Portions 1, 2 and 7. Exxaro will undertake the relocation process according to South African legal requirements and international best practice standards – notably Performance Standard 5 of the International Finance Corporation. In accordance with the standards, the affected households and next-of-kin of to-be-relocated graves will be involved in all decisions that affect them.

The outcomes of these negotiations will be documented in the Resettlement Action Plan and will also be included in a grave relocation permit application that will be submitted to the South African Heritage Resources Agency in accordance with the National Heritage Resources Act (Act 25 of 1999).

#### **3.3.1 OTHER SOCIO-ECONOMIC IMPACTS**

The impact of the mine is not restricted to wages; it also includes the amounts spent on its LED programme, on services, on procurement and its fiscal contributions.

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

The mine intends to play an active role in the relevant IDP or LED Forum. Consultations have been held with the local municipality regarding the mine's

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proposed projects and this Social and Labour Plan. These discussions are based on the current IDP. The mine intends to focus its LED efforts on Emakhazeni LM, which will enhance education and skills development, create jobs through enterprise development and develop infrastructure.

**Table 17: Identified projects**

Project	Specific	Type of need	Municipality
<b>Belfast Enterprise Development</b>	Business Incubation	Support small enterprises by means of continuous business acumen training, mentoring, business support and funding.	Emakhazeni
<b>Belfast Street Upgrade</b>	Infrastructure Development	The rehabilitation of Belfast Town (CBD) Internal Streets and the Associated Stormwater Management System	Emakhazeni

### 3.5 DEVELOPMENT PROJECTS

The following projects will be implemented:

- The Belfast Enterprise Development Centre- An incubation centre, which started in the previous SLP cycle shared between NBC and Belfast Mine.
- A community health programme (HIV / AIDS Programme) for the Mpumalanga (Belfast) region to the value of R500,000. This initiative will be supported by the Exxaro Volunteerism programme.

### 3.6 PROJECT PLANS

Refer to Annexure A.

### 3.7 MEASURES TO IMPROVE HOUSING AND LIVING CONDITIONS

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

The main strategy is to encourage home ownership amongst Exxaro employees. In pursuit of this goal, the following will be provided:

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

Challenges regarding home ownership in the Belfast area are twofold: first is the availability of low-cost housing for low income employees and affordability for employees, especially those who are already have financial commitments. These issues are indicative of the fact that employees are not in a position to become home owners.

Exxaro is currently finalizing a housing strategy aimed at creating opportunities for affordable home ownership for employees. This strategy will take into consideration current earnings of employees in terms of basic salaries and housing allowance, cost of housing, land availability, life of mine and affordability for the mine.

These factors will be used as input when finalizing the housing strategy for Belfast Coal and will determine the extent of assistance that the mine will provide to employees regarding home ownership. Belfast Coal does not foresee being involved in Company provision of housing stock as a means to promote home ownership, due to lack of affordability.

The Mine's strategy in this regard may be to facilitate a partnership with the local municipality (for the donation of service land) and the private developers in the area.

### **3.8 PROCUREMENT PLAN**

#### **3.8.1 TOTAL PROCUREMENT**

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

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

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

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

#### **3.8.2 PREFERENTIAL PROCUREMENT**

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

- where practical, give preference to BEE and local suppliers;
- nominate certain tenders for the exclusive participation of BEE and/or local suppliers;
- disclose procurement opportunities to BEE and local suppliers;
- ensure that BEE and local suppliers are an integral part of the evaluation criteria;
- identify goods and services available within the community where the mining operation takes place and, where feasible, give preference to suppliers of the local communities;

- Set relevant annual targets for Belfast Coal and measure progress against the set target.

### **3.8.3 PROCUMENT OPPORTUNITIES**

Refer to Annexure B for detail on procurement opportunities that were identified for 2018 to 2023.

### **3.8.4 MENTORING OF HDSA SMME SUPPLIERS**

To ensure the objective of increasing the number of HDSA SMME suppliers is met, capacity building initiatives will be undertaken, where required, that will allow small suppliers in the local area to become competitive and sustainable. Capacity building will take the form of business acumen training and business- and technical mentorship.

## **SECTION FOUR**

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### **MANAGEMENT OF DOWNSCALING AND RETRENCHMENT**

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

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## **4. SECTION 4: PROCESSES PERTAINING TO MANAGEMENT OF DOWNSCALING AND RETRENCHMENT**

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

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

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

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

A Future Forum will be established when the operations commence. It will include representatives from trade union, representatives from management and an independent, mutually agreed-on chair. The aim of the forum will be to ensure an enduring dialogue between the workforce and management regarding the mining operation and factors affecting the mine's viability and impact.

The duties of the forum will include regular consultations between employees, community representatives and management on matters affecting the mine, such as:

- Solutions to identified problems and challenges facing the mining operation, employees and the communities affected by the mine.
- Assistance in the development of appropriate redeployment strategies.
- The implementation of solutions agreed upon by the respective parties.

The forum will meet at least bi-annually or as regularly as its members decide. When the closure of the mine, or significant downscaling, is imminent, the forum will meet at least monthly.

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

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

- Critical consideration on external appointments unless no suitably qualified internal candidates, who comply with the inherent job requirements, are available. Consideration will be given to affected candidates;

- Strict vacancy management will be applied. Natural attrition will be used to create redeployment opportunities;
- Critical consideration of all new and/or renewal of contracts with independent contractors and fixed term employees will be applied. Where possible and practicable such arrangements will be cancelled subject to the stipulations of the contracts;
- Voluntary severance packages (VSP) will be offered to employees' subject to Exxaro's VSP Policy. Vacancies created in this way will be offered to affected employees; and
- Voluntary early retirement will be offered to employees along the same rules as contained in the VSP Policy. Vacancies created in this way will be offered to affected employees.

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

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

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

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

The Belfast mine has coal reserves that will keep the mine operational for at least the next 17 years. No job losses are therefore foreseen due to depletion of coal reserves. New legislation relating to the reduction in the use of fossil fuels and changing trade conditions may cause the premature closure of the mine. In the event of premature closure of the mine, Belfast Coal will implement the following measures:

##### **4.3.1 CONSULTATION**

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

- Belfast management,
- Exxaro management, represented by Corporate Communication and Corporate Industrial Relations,
- Representation from organised labour,
- Representatives from non-unionised employees, and

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- Representatives from the CCMA.

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

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

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

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

#### **4.3.2 REDEPLOYMENT**

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

##### **4.3.2.1 Severance packages**

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

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

##### **4.3.2.2 Post closure portable skills**

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

#### **4.3.2.3 Retrenchee support services**

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

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

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

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

#### **4.4.1 SELF-EMPLOYMENT TRAINING PROGRAMMES**

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

#### **4.4.2 RE-EMPLOYMENT PROGRAMMES**

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

#### **4.4.3 PORTABLE SKILLS PROGRAMMES**

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

## **SECTION FIVE**

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### **FINANCIAL PROVISION**

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

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## 5. SECTION 5: FINANCIAL PROVISION

Provision for the Social and Labour Plan 2019-2023 is indicated in the table below.

**Table 18: Financial provision**

Description		2019	2020	2021	2022	2023	Total budget
Item							
Human resource development		R 1 326 600	R 2 890 000	R 5 195 000	R 5 375 000	R 5 440 000	R 20 226 600
Local economic development		R 0	R 3 000 000	R 4 000 000	R 4 000 000	R 4 000 000	R 15 000 000
Management of downscaling and retrenchments (Provisional)		R 715 000	R 715 000	R 715 000	R 715 000	R 715 000	R 3 575 000
<b>Total (Annually)</b>		<b>R 2 041 600</b>	<b>R 6 605 000</b>	<b>R 9 910 000</b>	<b>R 10 090 000</b>	<b>R 10 155 000</b>	<b>R 38 801 600</b>
<b>TOTAL (5 Years)</b>							
<b>R 38 801 600</b>							

## **SECTION SIX**

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### **UNDERTAKING BY THE APPLICANT**

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

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## 6. SECTION 6: UNDERTAKING

The **Business Unit Manager, Belfast Coal Mine**, who is the person responsible for the Social and Labour Plan, and for communicating it to employees and who must be contacted for follow-ups, requests, reports, queries, enquiries, discussions, etc. at a time of such needs has made the following undertaking on behalf of **Belfast Coal**. The **General Manager, Mpumalanga Region** has approved the social and labour plan.

I, **Lazarus Ramashilabele**, the undersigned and duly authorised thereto by **Exxaro Coal (Pty) Ltd** undertake to adhere to the information, requirements, commitments and conditions as set out in the Social and Labour Plan.

Signed at Belfast on this 27<sup>th</sup> day of November 2018

Signed by: Mosimanegape  
Signed at: 2018-11-28 12:28:24  
Reason: I approve this document

*M Ramashilabele*

**Business Unit Manager  
Belfast Coal**

**Approved**

Signed at Pretoria on this 02 day of December 2019

Signed by: Bram van Stellen  
Signed at: 2019-12-02 21:32:27  
Reason: I approve this document

*Bram van Stellen*

**General Manager  
Mpumalanga Region**

# **ANNEXURE A: PROJECT PLAN**

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**Belfast Coal - Social and Labour Plan (2018-2023)**

Project Name	Belfast Enterprise Development Centre (BEDC)	Type	Enterprise and Supplier Development
<b>Background</b>	<p>The building was constructed as part of the North Block Complex and Belfast Coal 2013 - 2017 Social and Labour Plan commitments. It was then included in the 2018 – 2023 Belfast Coal Mine SLP due to the needs from local SMMEs and the local municipality. The project was officially handed over to the local municipality in May 2021.</p> <p>Belfast Coal Mine is requesting retrospective approval and recognition for the SLP Project and the budget associated with running the project from April 2019 – April 2021 (2 years).</p>		
<b>Geographical location of project</b>	District Municipality Nkangala DM	Local Municipality eMakhazeni LM	Village name Belfast Town
<b>Output</b>	<p><b>Key performance area:</b> Sustainable businesses in terms of growth in turnover, growth in number of employees and growth in net asset value.</p>	<p><b>Key performance indicator:</b> On completion of the 36-months incubation process, entrepreneurs will be equipped with the necessary skills to run sustainable businesses, be able to supply services to Belfast Coal and be able to attract business expansion funding.</p>	<p><b>Responsible entity (inclusive of all role players)</b> Exxaro Belfast Coal, eMakhazeni Local Municipality and Enterprise Development Service Provider (LEAP)</p>
<b>Budget (Excl. NBC contribution)</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
	R 2 827 510,55	R 2 106 430,70	R 1 025 818,40
<b>Classification of jobs</b>	<b>No of jobs to be created</b>	<b>Male adults</b>	<b>Female adults</b>
<b>Short-term</b>	25	8	9
<b>Medium-term</b>			
<b>Long-term</b>	6	0	2
		<b>Male youth</b>	<b>Female youth</b>
		4	4
		<b>Total</b>	<b>Total</b>
		25	25
		<p>Project completed and handed over to the Municipality with the following impact:</p> <ul style="list-style-type: none"> <li>Construction of the centre</li> <li>21 SMMEs benefited from the incubation programme with mentorship, coaching and business development training</li> </ul>	
		<b>2023</b>	<b>Total</b>
		R 0	R 5 959 759,65



									<ul style="list-style-type: none"> <li>• 8 Permanent jobs created during the implementation of the project</li> <li>• 77 new jobs created through the SMMEs</li> <li>• 313% Average turnover increase for the 21 SMMEs (Standing at R26.6 million)</li> <li>• Average 1.6 increase in business opportunities per SMME</li> </ul>
<p><b>Completion date: 30 April 2021</b></p> <p><b>Exit Strategy:</b></p> <p>The Belfast Enterprise Development Centre was handed over to the Emakhazeni Local Municipality as per Memorandum of Understanding signed in 2017. The Municipality provided the land where the centre is built and continues to manage the day to day running of the centre through the local economic development office. The Municipal Council has approved that the centre continues to operate as an enterprise and supplier development centre. The local economic development office is in engagements with other mining houses within the area, financial institutions, and other government agencies such as SEDA and NYDA for continuity and possible partnerships for the centre's sustainability.</p> <p>The centre currently operates from 8:00-16:00 with local SMMEs still accessing the walk-in centre for information, access to internet and other services provided by the centre.</p>									

Project Name	Belfast Street Upgrade		Type	Infrastructure																									
<b>Background</b>	Infrastructure plays a pivotal role and is labelled as the backbone to economic development of Belfast Town. Belfast Coal will rehabilitate the Belfast Town (CBD) Internal Streets and the associated Stormwater Management System, this will be done in two phases of which Phase 1 has commenced beginning 2021. The project entails construction of 1175 square meters paved road (80mm interlocking bricks) with 2m sidewalks on both side and 2.5m paved side parking. The roads are to be completed with road signs and road markings.																												
	<table><tr><th>NAME</th><th>Location</th><th>LENGTH</th><th>WIDTH</th></tr><tr><td>Mac Donald Street</td><td>Next to Bookshop</td><td>165 m</td><td>15m</td></tr><tr><td>Duggen Street</td><td>Next to HA Grove Hospital</td><td>250 m</td><td>13 m</td></tr><tr><td>Boult Street</td><td>Connecting to Dullstroom route</td><td>350 m</td><td>7.5m</td></tr><tr><td>Fitzgerald Street</td><td>Next to Pep and Saverite</td><td>250m</td><td>17m</td></tr><tr><td>Duggen Street</td><td>Towards extension 3</td><td>150m</td><td>7.5m</td></tr></table>					NAME	Location	LENGTH	WIDTH	Mac Donald Street	Next to Bookshop	165 m	15m	Duggen Street	Next to HA Grove Hospital	250 m	13 m	Boult Street	Connecting to Dullstroom route	350 m	7.5m	Fitzgerald Street	Next to Pep and Saverite	250m	17m	Duggen Street	Towards extension 3	150m	7.5m
	NAME	Location	LENGTH	WIDTH																									
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Fitzgerald Street	Next to Pep and Saverite	250m	17m																										
Duggen Street	Towards extension 3	150m	7.5m																										
<b>Geographical location of project</b>	District Municipality Nkangala DM	Local Municipality Emakhazeni LM	Village name Belfast Town	Project start date June 2020	Project end date December 2023																								
<b>Output</b>	Key performance area: Rehabilitation of the streets of Belfast Town	Key performance indicator: Rehabilitated streets in Belfast Town	Responsible entity (inclusive of all role players) Exxaro Belfast Coal, Emakhazeni Local Municipality, Professional Service Provider and Construction Contractor																										
<b>Budget</b>	2019	2020	2021	2022	Total																								
	R 0	R 1,300,000	R 6,700,000	R 7,000,000	R 15,000,000																								
<b>Classification of jobs</b>	No of jobs to be created	Male adults	Female adults	Male youth	Female youth	Comments																							
<b>Short-term</b>	100	30	20	35	15																								
<b>Medium-term</b>	10	2	1	4	3																								
<b>Long-term</b>	0	0	0	0	0																								
<b>Completion date</b> The project will be implemented in a phased approach per year to maximise local opportunities. Completion and handover to the Municipality will be in December 2023.																													
<b>Exit Strategy</b> Upon completion a handover ceremony will be held. The Municipality will then be responsible to maintain the streets after handover.																													

# ANNEXURE B: PROCUREMENT

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## Procurement Opportunities for Period 2019 to 2023

Forecast Procurement Opportunities for exclusive participation of BO/BWO/SMME/Local	Contract time frame	Est Job Opportunities
Waste Management (hazardous and domestic)	3years	5
Transportation of interns	3years	5
Cleaning services – Offices and Change Houses	3years	10
Management of Laundry facilities	3years	10
Deep cleaning of change houses	3years	10
Canteen and catering services	3years	15
Carwash Facility	3years	20
Coal transportation (30% contract value will be sub-contracted to local transport companies)	3years	30
Waste Management (hazardous and domestic)	3years	5
Mining contract (Options 1-3) <ul style="list-style-type: none"> <li>Loading and hauling of top soil, sub soil and all free diggable material as part of the pre-stripping phase of the mining process (30% contract value will be sub-contracted to local companies)</li> <li>Drilling and blasting, dozing or loading and hauling of hard over and interburden to final void stockpiles during the box cut phase and to final rehabilitation placement during steady state mining (30% contract value will be sub-contracted to local companies)</li> <li>Handling of discard material from the discard tip-bin, hauling it to the discard dump for placement in accordance to an approved dump design (30% contract value will be sub-contracted to local companies)</li> </ul>	3years	50
Loading and Maintenance (Siding Management)- 30% contract value will be sub-contracted to local companies	3years	20