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ANNEX A

Assessment of Performance against Anglo American Policies and Procedures

EXECUTIVE SUMMARY

OBJECTIVES AND APPROACH TO THE SEAT PROCESS

The objectives of the SEAT process in relation to MPM are as follows:

- to identify the key social and economic impacts and issues that need to be managed;
- to assess existing community initiatives, provide feedback on their success and suitability, and identify where improvements might be made;
- to be a useful resource in developing a Community Engagement Plan;
- to provide an analytical framework to assist MPM to assess their overall sustainability, especially in balancing the extraction of natural resources with an enhancement of social and human capital;
- to ensure that “best practice” is captured and shared within Anglo;
- to provide a planning tool for managing the Operation’s social and economic impacts, including social investment and mine closure;
- to gather and collate data for corporate social reporting purposes, as well as development of indicators that are relevant to local conditions; and
- to support implementation of Anglo’s Sustainable Development Plan Guidelines and Mine Closure Toolbox.

In order to achieve the above-mentioned objectives, a range of stakeholders were consulted. Their issues and concerns are reflected in this report. Other sources of data included internal MPM reports, consultants’ reports, municipal documentation and 2001 Census data.

OVERVIEW OF THE OPERATION AND THE NEIGHBOURING COMMUNITIES

Mogalakwena Platinum Mine (MPM) is located near the town of Mokopane within the Mogalakwena Local Municipality (the local Municipality). Mogalakwena is one of the six local municipalities which form part of the Waterberg District, situated in the Western quadrant of the Limpopo Province, South Africa. Limpopo is rich in minerals such as copper, asbestos, coal, iron-ore, platinum, chrome, diamonds and phosphates. The economy of the south-western region of the province is based predominantly on mining. The Operation was established in 1993 and has a planned life span of approximately 100 years.

The Mining Charter defines each Operation’s zone of influence as a 50km radius surrounding the Operation. However, MPM have identified the areas that are most directly affected by their activities in which to focus their interventions. Currently they have identified an area that ranges between 15km and 35km around the Operation and includes 39 villages, all of which fall within the local Municipality.

It is estimated that the total population of the local Municipality is approximately 614,041. The local Municipality is still predominantly rural, with 70 percent of the population living in rural areas and only 30 percent in the urban centres. The area surrounding the Operation is not only administered by the local Municipality but is governed by the local traditional authorities who have been given surface rights to the land. The two traditional authorities, with which MPM interacts, are the Mokopane Tribal Authority and the Mapela Tribal Authority.

The population is predominantly black/ African, at 91 percent, while 8 percent of the local Municipality is White and the remaining 1 percent is coloured/ Asian. The annual population growth rate is estimated at 3.25 percent, which is similar to the average provincial growth rate. There are far more women than men living in the local Municipality,

with 53 percent of the population being female and 47 percent male. The population of the local Municipality is young with 72 percent of the population falling below the age of 35 and only 7 percent above 65 years of age. Approximately Fifty-four percent of the population fall within the economically active age group.

One of the main social problems facing many local municipalities in the area is poverty, with between 45 percent and 70 percent of the economically active population unemployed. The greater part of the population relies on social grants from pensioners and children's grants as there are many child-headed households. MMP is the only significant employer within the 50km radius and as such, a major wealth generator. The Operation's labour force resides in villages adjacent to MPM. The Operation employs 93.4 percent from within the 50km radius, 4.9 percent from within the province and 1.7 percent from outside Limpopo Province.

SOCIAL MANAGEMENT MECHANISMS

MPM has put in place a range of mechanisms to manage the Operation's social and economic impacts and stakeholder relations. The Operation places a lot of importance on their Corporate Social Investment (CSI) programme and attempt to conduct all activities in the most socially responsible manner. The various aspects of this programme include:

- A dedicated Community Engagement and Development (CED) Department – There are three key components to the CED Department at MPM. They are Community Engagement, Community Safety Health and Welfare and the Schools' projects. These components focus on delivering services where the communities are most in need. Projects are co-ordinated by Anglo Platinum's CED Department and implemented by mine-based CED coordinators. The programmes focus primarily on the host communities and are aligned with the Integrated Development Plan (IDP) of the Mogalakwena Local Municipality.
- Local economic development – MPM's Local Economic Development (LED) Policy aims to ensure that the company's efforts and expenditure in social investment are effectively co-ordinated and managed. The LED programme focuses on sustainable development as a means to underpin economic empowerment. MPM participates in the IDP process at various levels of government to ensure that the Operation's selection and sponsorship of LED initiatives is linked to the government's development priorities as well as to create a positive reputation for MPM as a socially aligned operator. Between 2007 and 2011, MPM will contribute R46.8 million towards infrastructure provisions and poverty eradication within the mine community (MPM SLP, 2006).
- Corporate Social Investment (CSI) – forms one component of the broad array of activities of the CED Department. These projects are run in conjunction with a range of other activities and interventions in the mine community. For 2009, MPM spent approximately R32 million on CED projects.
- Stakeholder engagement – MPM has put in place a number of forums comprising representatives from stakeholder groups and from the Operation. These forums meet on a regular basis as a means of encouraging open communication. Examples of these engagement forums are: the Minerals Committee, Traditional Councils, Contractors Meetings, participation in the IDP process, Project Steering Committee, Department of Education, Department of Health, engagement with the Mokopane Chamber of Business as well as the Employment Equity Committee.
- Anglo Platinum recognises the importance of proper management and resolution of community issues. Thus Anglo Platinum's grievance procedure has the following objectives:
 - to ensure that community issues are recorded and timeously addressed;
 - to ensure that the relevant stakeholders are regularly informed as to the status of the issue; and
 - to establish a mechanism to escalate issues which are not addressed timeously or in a satisfactory manner.

PERFORMANCE AGAINST ANGLO CORPORATE POLICIES

MPM conducted a self-assessment of their social and economic performance against Anglo's 'Good Citizenship' Business Principles, the Safety, Health and Environment (SHE) Policy, and associated Management Principles. The assessment found that MPM has implemented actions according to all the Anglo American Corporate Policy Requirements and in most cases are regularly reviewing their performance. Overall, it was concluded that the Operation is performing well in relation to their corporate requirements.

GA PILA AND MOTLHOTLO RESETTLEMENT OVERVIEW

Between 2001 and 2003 the community at Ga Pila village was moved from Vaalkop farm to Sterkwater farm. The relocation was required due to the village's proximity to mining operations, and resultant safety concerns including dangers associated with fly-rock from blasting in the nearby Sandsloot pit.

The communities of Ga Puka and Ga Sekhaolelo, which together form the area known as Motlhotlo, were required to relocate due to the North Expansion Project. In 2007, the Ga Puka and Ga Sekhaolelo communities began moving from Overysel and Zwartfontein farms to Rooibokfontein and Armoede respectively.

In 2008, ERM was appointed by Anglo Platinum (Corporate Affairs) to conduct an "Action Review" of the resettlement process undertaken at Ga Pila and Motlhotlo near the Mogalakwena Section Mine (formerly known as Potgietersrust Platinum Mine). The aim of the "Action Review" was to have an independent body assess the processes against international best practice standards in order to highlight the strengths and weaknesses in Anglo Platinum's performance.

The final report is structured around 'looking back' at the resettlement process itself and on 'looking forward' to ways in which to derive appropriate development benefits to improve community livelihoods and quality of life in the affected settlements. The looking forward element of the report is the product of feeding back the findings of the review both to Anglo Platinum and to those affected by the resettlement and developing, through facilitated workshop sessions, key actions to move the affected communities towards sustainable livelihoods in a post resettlement context.

POSITIVE AND NEGATIVE SOCIO-ECONOMIC IMPACTS

This section discusses the positive and negative socio-economic impacts of MPM. The SEAT team consulted a broad range of stakeholders in order to assess their key areas of concern. The issues raised relate to mine activities as well as to broader social and economic matters in the area. A clear finding is that the stakeholders felt that given the Operation's dominance in the area, MPM has a social responsibility to assist their stakeholders.

Some of the issues raised during consultation were:

- **Employment and Procurement** – many stakeholders acknowledged the fact that MPM is the main source of employment in the area, while other stakeholders stated that there is a lack of local employment at the Operation. Other issues centred around the type of employment offered by MPM; that it is usually short-term employment and menial. MPM promotes the use of suppliers at its Operation although many of its suppliers are situated in Johannesburg and not in proximity to the Operation itself.

- **Education and Training** – MPM offers training opportunities to its employees. MPM also offers opportunities to people outside the Operation, for example, through the ABET programme which enable members of the community to access further education opportunities. Women in the host communities have been offered the opportunity to attend own-time classes. Those excelling will be afforded the opportunity to apply for entry positions with MPM.
- **Health, Safety and Environment** – HIV/AIDS has a significant impact on the mining sector and in MPM's host communities. As such, MPM have implemented an intensive HIV/AIDS education strategy. In terms of health and safety Contractors operating at MPM are not penalised for poor performance in terms of health and safety (H&S). Their H&S incidents are measured and ultimately impact on the performance bonuses received by MPM's permanent employees. In terms of safety stakeholders expressed concerns regarding the **inconsistent standards** applied by the security at MPM. Sometimes people are let in without signing any paper work and other times they are required to sign in and register all equipment. The concern is that these security measures could lead to a security breach at the Operation. Stakeholders also raised a number of issues with regards to environmental impacts, for example, community members mentioned that there is a waste rock dump that has diminished the flow of Pholoshi River, resulting in a shortage of water for animals in the area.
- **Client Relations** – issues discussed here centred around the fact that contractors found it a privilege to work with MPM. Other contractors or suppliers discussed issues such as late payments and the impacts this could have on their businesses. The decline in business from MPM also raised concern amongst contractors.
- **Business Development** – Anglo Zimele beneficiaries spoke about the opportunities they have received from Anglo Zimele, however issues were raised about the lack of knowledge beneficiaries have regarding the tendering process as well as the impacts of late payments from MPM.
- **Corporate Social Investment (CSI)** – whilst MPM is involved in a number of community upliftment projects (e.g. the Bulk Water Supply Project, the N11 Partnership project, various infrastructure upgrade projects etc.) community members expressed disappointment that not enough is being done for them.
- **'One Anglo Concept'** – Although stakeholders expressed a sense of understanding at the centralisation of processes through Anglo Platinum, it was stated that many processes take too long. For example, the payment of contractors and suppliers get delayed.
- **Communication** – Although MPM had a number of engagement forums in place during consultation a common issue raised across all stakeholder groups was a lack of communication. Most stakeholders expressed a need for communication to be improved between MPM and themselves.
- **Conflict within Communities** – A number of stakeholders believe that MPM has unintentionally divided the communities, primarily as a result of the resettlement process; there are even family members who no longer speak to each other. This division has resulted in constant conflict as communities support different factions with different agendas.

MANAGEMENT RESPONSES TO ISSUES RAISED

MPM's management team identified an array of management measures that are in place to address the issues raised by stakeholders. The management team formulated additional management measures where necessary, in order to ensure that the Operation's impacts are appropriately managed and mitigated. A detailed management and monitoring plan has been drafted, which gives details of the following in relation to each of the specific impacts:

- management objective;
- activities to address each aspect;
- person or team responsible;
- targets in terms of timing; and
- monitoring measures.

Examples of management responses to issues raised are as follows:

- **Employment** – Management aims to dispel the perception that MPM hires people from outside the area. Management aims to ensure that MPM continues to source labour locally. With regards to short-term, menial labour, MPM aims to provide quality employment to local people as well as to maximise permanent employment opportunities for local people.
- **Security** – Management aims to enforce the application of rules, regulations and policies relating to MPM.
- **'One Anglo' Concept** – MPM and the Head Office should approach communities in one voice.
- **CSI – CED initiatives** should be communicated effectively.
- **Communication** – Management aims to improve communication between Senior Managers and their staff as well as to ensure that employees have access to communication and feedback should be provided to stakeholders on relevant issues.
- **Conflict within communities** – Management aims to ensure improved relationships with host communities.
- **Environmental Impacts** – Management aims to ensure that waste rock dumps are not blocking the flow of water in the river.

MOVING FORWARD

MPM has decided to focus on the following priority areas for development:

- **Relocation of host communities:** MPM aims to ensure that it manages post relocation challenges effectively.
- **Stakeholder management:** MPM plan to revive the “Khomani Development Forum” which consists of Traditional Leadership representatives, government representatives, NGO's and Labour representatives in order to improve communication between various stakeholder groups.
- **Economic benefit and community support:** MPM plans to establish a Business Linkage Centre (BLC) in partnership with the local Municipality LED Department, LIBSA, MPM Procurement Department and Anglo Zimele in order to create business opportunities with MPM. MPM will provide also adequate training to community members, e.g. ABET, learnerships as well as portable skills, to assist them to meet job entry requirements. MPM will also continue to run Maths and Science Programmes in Schools in order to support the Department of Education.
- **Internal alignment:** MPM will form partnerships with various departments such as Human Resources (HR), Human Resource Development (HRD), Procurement, Engineering, Protection Services and Platinum Health where roles and responsibilities will be clarified in the effort to improve delivery of projects and programmes.
- **Community safety, health and welfare:** In order to improve the focus of the Wellness Program throughout the workplace and community, MPM will provide extensive information, education and communication on HIV/AIDS and related diseases to employees as well as community members.
- **Employment Equity and Transformation:** MPM will implement management training for employees who have potential and will continue to provide management and leadership development programmes to staff.
- **Environmental Impacts:** MPM will consult with stakeholders regarding Mine Closure Plans as well as rehabilitation plans. MPM will also provide feedback to stakeholders regarding the high levels of Nitrate found in the water.

Management will continue to monitor progress in social performance at MPM, both internally and externally. In particular, management will develop performance indicators that are easy to track and monitor over time.

INTRODUCTION

INTRODUCTION

BACKGROUND

Mogalakwena Platinum Mine (MPM) is currently undertaking its second Socio-Economic Assessment (SEAT) at the Operation. Environmental Resources Management (ERM) was appointed by MPM to assist them with this process. The SEAT process aims to identify, assess and respond to the positive and negative socio-economic impacts of MPM on the surrounding communities.

The information presented in this report is an outcome of the application of the Socio-Economic Assessment Toolbox (SEAT) to MPM near Mokopane in the Limpopo Province. SEAT was designed to assist Anglo American Group companies to identify and manage their social and economic impacts, both positive and negative.

STRUCTURE OF THIS REPORT

This document reports on the results of the SEAT assessment and is structured as follows:

- *Section 2* sets out the approach and objectives of the SEAT process, explaining how information was collected and assessed, and describes the study area and key stakeholders;
- *Section 3* provides an overview of the MPM Operation, including existing social management mechanisms, community social investment (CSI) projects, compliance with Anglo American Corporate Policy requirements and existing closure plans;
- *Section 4* provides a profile of the neighbouring communities impacted by MPM;
- *Section 5* provides an overview of the Ga Pila and Motlhotlo resettlement;
- *Section 6* identifies key issues raised by stakeholders, both positive and negative;
- *Section 7* provides management responses to the issues raised by the stakeholders;
- *Section 8* outlines the main areas for prioritisation and the plan for moving forward; and
- *Section 9* provides a glossary of the key terms used and relevant contact details.

ACKNOWLEDGEMENTS

MPM would like to thank all stakeholders who participated in the consultation meetings and spoke frankly and openly with us. These groups of respondents are:

- MPM suppliers;
- MPM labour representatives and employees;
- Ga Masenya village;
- Ga Molekana village;
- Ga Tshaba village;
- Traditional leadership – Mapela and Mokopane Tribal Councils;
- NGOs – Mokopane Community Need Forum;
- Health practitioners;
- Mogalakwena Local Municipality;
- Mokopane/Mapela Minerals Committee;
- Business Development Forum;
- Department of Education; and
- Employment Seekers Desk.

OBJECTIVES AND APPROACH

The approach used for this assessment was in line with the five key steps outlined in the SEAT process. These are set out in *Box 2.1*.

The five key steps of the SEAT process

Step 1:	Profile the Anglo American Operation;
Step 2:	Profile and engage with the community;
Step 3:	Identify and assess social and economic impacts and key local development issues, and assess existing management measures and social investments;
Step 4:	Improve the management of socio-economic impacts and issues during operation and closure;
Step 5:	Support community development;
Step 6:	Develop a management and monitoring plan; and
Step 7:	Prepare socio-economic report, feedback to community and assess

OBJECTIVES OF THE SEAT PROCESS

The objectives of the SEAT process in relation to MPM are as follows:

- to identify the key social and economic impacts and issues that need to be managed;
- to assess existing community initiatives, provide feedback on their success and suitability, and identify where improvements might be made;
- to be a useful resource in developing a Community Engagement Plan;
- to provide an analytical framework to assist MPM to assess our overall sustainability, especially in balancing the extraction of natural resources with an enhancement of social and human capital;
- to ensure that "best practice" is captured and shared within Anglo;
- to provide a planning tool for managing the Operation's social and economic impacts, including social investment and mine closure;
- to gather and collate data for corporate social reporting purposes, as well as development of indicators that are relevant to local conditions; and
- to support implementation of Anglo's Sustainable Development Plan Guidelines and Mine Closure Toolbox.

APPROACH, METHODS OF DATA COLLECTION AND KEY STAKEHOLDERS

In order to meet the objectives of the SEAT process, a number of methods were used for gathering information and formulating responses. Both qualitative and quantitative information was collected for the purposes of the SEAT assessment.

A range of stakeholders were consulted in order to collect data on their perceptions and attitudes about the Operation and its related activities. A list of the stakeholder groups consulted is provided in the following table. Data

was also gathered from numerous sources such as internal MPM reports, consultants' reports, municipal documentation and the 2001 South African census data.

Stakeholders Consulted

Internal Stakeholders	Number of Respondents
CED Department	4
Contract Employees	3
Permanent Employees (including labour representatives) ⁽¹⁾	6
Senior Employees ⁽²⁾	3
Suppliers	7
Anglo Zimele Beneficiaries	7
External Stakeholders	
Mogalakwena Local Municipality	6
Department of Education	3
Department of Health	7
NGO's	17
Business Development	4
Minerals Committee	9
Employment Seekers Desk	7
Mapela Traditional Council	16
Mokopane Traditional Council	36
Ga-Molekana Village Mapela	18
Ga-Tshaba Village	14
Ga-Masenya Village	11

Note: As SEAT is a confidential process the individuals and organisations who attended the meetings can not be revealed.

STAKEHOLDER CONSULTATION AND ISSUE IDENTIFICATION

Prior to stakeholder engagement the objectives for each stakeholder meeting were identified and a list of guiding questions compiled. A combination of one-to-one and focus group interviews were used. The approach to engagement varied depending on, amongst others, the nature of the stakeholders, the sensitivity of the issues likely to be raised and the geographic position of the stakeholders.

This SEAT Report addresses the issues and concerns raised by stakeholders and identified through a range of secondary data sources. These issues are described in *Section 6*. ERM was appointed to facilitate the consultation process as a means of ensuring objectivity and to enable stakeholders to raise sensitive issues. ERM facilitated the stakeholder workshops together with the local CED Coordinator from 12th to 15th October and from 9th November to 13th November 2009.

⁽¹⁾ 15 Employees were invited on two occasions

⁽²⁾ Five Employees were invited

In each workshop a set of open-ended guiding questions were used to prompt but not lead the discussions. The general guiding questions for the workshops are outlined in the following box..

General Guiding Questions for Stakeholder Engagement

What has been your interaction to date with MPM?
How can your relationship be improved?
What are the major needs in the communities surrounding MPM?
Are there any ways in which MPM has positively contributed to you?
Do you have any concerns regarding MPM? If so, what?
What do you see as the cause of this/these concern(s)?
How can the benefits be enhanced and the concerns be mitigated?

This style of questioning allowed stakeholders to raise and discuss issues openly without being constrained by a rigid format. In each workshop stakeholders discussed their relationship with MPM, and the benefits or positive impacts as a result of their relationship with the Operation. Stakeholders were also given an opportunity to discuss any weaknesses or negative impacts as a result of their relationship with the Operation.

Stakeholders were given the opportunity to suggest measures to enhance the benefits and positive impacts, and similarly the opportunity to suggest management measures for negative impacts or weaknesses. Outcomes from each workshop have been collated and described in *Section 6*.

MPM appointed ERM to undertake an action review of their resettlement process in late 2008. This review involved extensive consultation with the affected stakeholders from the resettled villages. Prior to the Anglo Platinum commissioned review, other studies were undertaken by external parties that also involved consultation. It was decided that consultations related to the SEAT process would not include the resettled populations in order to avoid further disruptions to the communities. The report is available from MPM or Anglo Platinum Head Office. A brief overview of the findings is provided in *Section 5*.

OVERVIEW OF THE MOGALAKWENA PLATINUM OPERATION

OVERVIEW OF THE MOGALAKWENA PLATINUM OPERATION

BASIC INFORMATION ON THE OPERATION

MPM is located near the town of Mokopane. The Operation was established in 1993 and has a planned life span of 100 years. Mining activities and exploration started as early as 1924, when Dr Hans Merensky located a platinum-bearing reef in both the Rustenburg and the Potgietersrust areas. This subsequently resulted in a “*platinum rush*” and a scramble for mineral prospecting options in both regions.

During September 1987, MPM (then Potgietersrus Platinum Mine) concluded an agreement with the Lebowa Government to exploit the reserves of the Bushveld Complex within Lebowa. In September 1990, a decision was made to develop a new platinum mine on the Platinum reef. The proposed venture would mine 425,000 tons of ore per month.

Waste stripping commenced during January 1992 and on 12th February 1991 the first blast in Sandsloot Open Pit area took place.

The original concentrator plant was erected to process at a capacity of 20,000 tons per month. The concentrator plant’s capacity was later increased to 225,000 tons. In 1998 a new C-section was added to the concentrator plant to expand capacity to 385,000 tons. Today, the main business goal of MPM is to mine and extract Platinum Group Metals (PGM) bearing concentrate from the platinum reef. There are currently five pits in operation, namely Sandsloot, Zwartfontein, Mogalakwena South, Mogalakwena Central and Mogalakwena North. The main products that MPM extracts include platinum, palladium, rhodium, gold, copper and nickel.

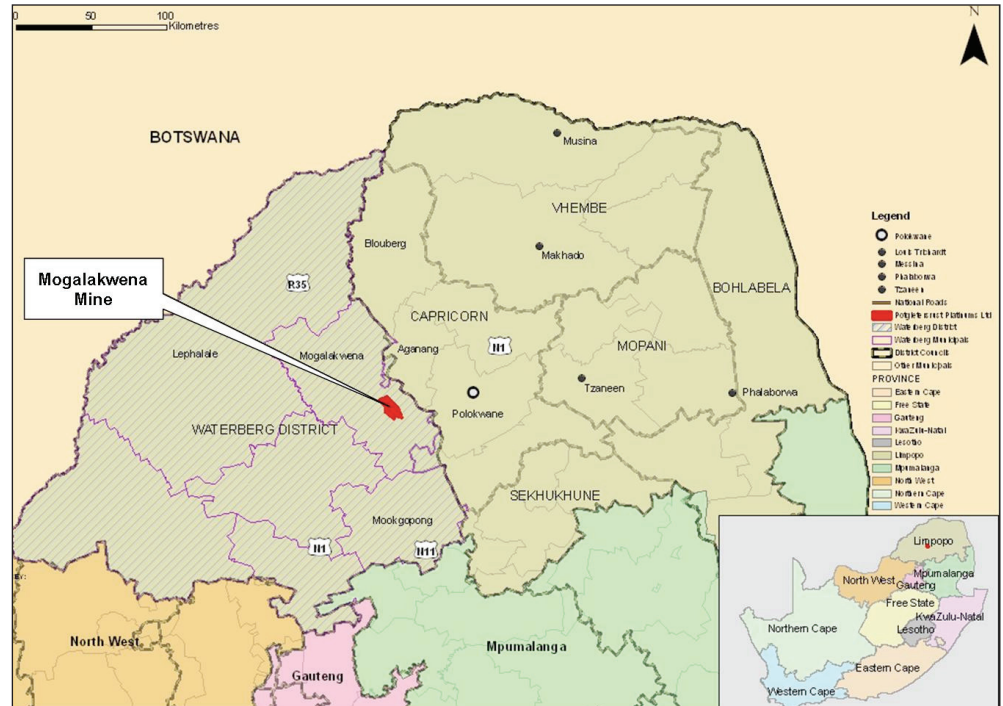
The second concentrator at MPM is a 600 ktpm plant which was commissioned in January 2008. It is the largest Ball Mill concentrator in the world and allows MPM to mill 1,000,000 ktpm.

MPM’s existing mining rights have not yet been notorially executed. The Department of Minerals and Energy (DME) has requested further information regarding MPM’s BEE requirements. The corporate finance department is currently working on this in order to ensure that they meet DME’s requirement in full.

LOCATION OF THE OPERATION

MPM is located in Limpopo Province, in the Waterberg District. Limpopo Province comprises of five district municipalities, namely: Mopani, Vhembe, Capricorn, Greater Sekhukhune, and Waterberg District Municipalities. Specifically, MPM falls within the Mogalakwena Local Municipality (the local Municipality), one of the six local municipalities which form part of the Waterberg District, situated in the western quadrant of the Limpopo Province. The local Municipality is bordered by Aganang to the East, Mookgopong to the South, Lephalale to the West and Blouberg to the North. The Locality Map illustrates the location of the MPM Operation.

Locality Map



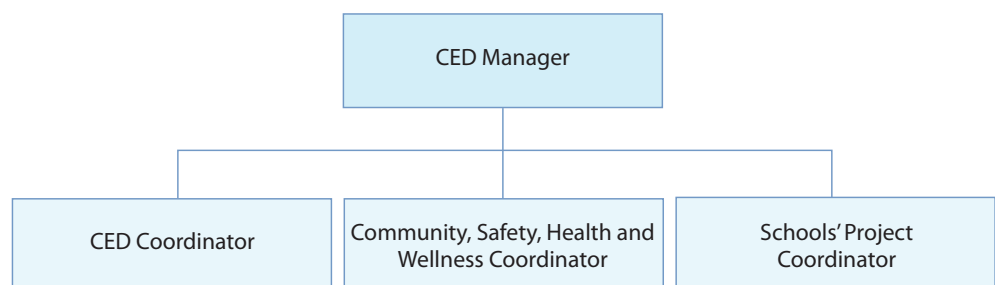
SOCIAL MANAGEMENT MECHANISMS

MPM’s daily routine and planned operational activities will have a range of positive and negative impacts on the local communities and the broader social and economic environment in which it operates. In order to manage these impacts in an effective manner, MPM have put in place a range of mechanisms. These focus on actively managing stakeholder relations as well as the social and economic impacts that may arise as a result of the operational activities. These social management mechanisms are described in more detail below.

COMMUNITY ENGAGEMENT AND DEVELOPMENT DEPARTMENT

Anglo Platinum’s commitment to community engagement and development is evidenced by the dedicated CED Department. The structure of the CED Department is illustrated below..

Structure of the CED Department



There are three key components to the CED Department at MPM. They are Community Engagement, Community Safety Health and Welfare and the Schools' projects.

The CED Action Plans for 2009 were prioritised as follows:

- **Priority No 1:** Economic Benefit and Community Support;
- **Priority No 2:** Host Community Settlements;
- **Priority No 3:** Community Safety, Health and Welfare;
- **Priority No 4:** Stakeholder Engagement;
- **Priority No 5:** Internal Alignment; and
- **Priority No 6:** Promotion of CED.

These components focus on delivering services where the communities are most in need. Projects are co-ordinated by Anglo Platinum's CED Department and implemented by mine-based CED coordinators. The programmes focus primarily on the host communities and are aligned with the Integrated Development Plan (IDP) of the local Municipality.

All divisions in the Operation work closely with the CED Department in an attempt to minimise negative impacts and enhance the positive impacts of the Operation. There is a continuous drive to improve performance and relations with stakeholders. The Departments that the CED Department work in collaboration with are outlined below.

- **Safety, Health and Environment (SHE)** – they work together with CED to address complaints regarding environmental matters, e.g. dust issues, noise pollution.
- **Human Resources (HR)** – they work together with CED to manage the Employment Seekers Desk and to ensure that labour is sourced from within the 50km radius of the Operation. The HRD Department is also responsible for prospective retiree's portable skills projects as well as schools projects and bursary schemes.
- **Other Departments include:**
 - Protection Services provide security to high profile people when MPM is hosting events. Protection Services also arranges traffic officers and liaises with the SAPS during events.
 - Procurement handles the tender process for proposed projects which MPM is running e.g. if MPM is planning to construct a clinic, the procurement department would find the appropriate service provider for the job.
 - The Clinic promotes wellness amongst employees the clinic provides counselling to staff as well as the administration of Anti-Retroviral Therapy (ART's).

LOCAL ECONOMIC DEVELOPMENT PROGRAMME

MPM's Local Economic Development (LED) Policy aims to ensure that the company's efforts and expenditure in social investment are effectively co-ordinated and managed. The LED programme focuses on sustainable development as a means to underpin economic empowerment. MPM participates in the IDP process at various levels of government to ensure that the Operation's selection and sponsorship of LED initiatives is linked to the government's development priorities as well as to create a positive reputation for MPM as a socially aligned operator. Between 2007 and 2011, MPM will contribute R46.8 million towards infrastructure provisions and poverty eradication within the mine community (MPM SLP, 2006). The commitment is to use MPM's revenue, expertise and business skills to:

- support socio-economic development in the mine community;
- develop meaningful and sustainable partnerships with the Mine community through the implementation of projects and via steering committees comprised of Anglo representatives, service providers as well as representatives from the IDP Department. An example of such a partnership is the Groenfontein Project whereby MPM have partnered with GENIS Consultants to grow vegetables in order to benefit the Sterkwater community in Mapela;

- support the development and empowerment of the human resources skills pool through interventions such as the schools project/bursaries, academies/learnerships; and
- contribute towards social stability in the Mine community.

CORPORATE SOCIAL INVESTMENT

CSI forms one component of the broad array of activities of the CED Department. These projects are run in conjunction with a range of other activities and interventions in the mine community. For 2009, MPM spent approximately R32 million on CED projects. The following table describes the CED Projects for 2009.

CED Projects, 2009

Name of CSI Initiative	Description	Cost
Construction of Ga-Madiba (Mokopane) – and Ga-Mabuela (Mapela) Clinics	Construction of two clinics.	R6,600,000
Provision of equipment and furniture	Provide Mosesetjane clinic maternity section; Sekgakgapeng Clinic, Day Care Centre; and Seritarita School with equipment and furniture to enhance delivery of services.	R6,600,000
Provision of equipment and furniture	Provide Ga-Madiba and Ga-Mabuela Clinics with equipment and furniture to enhance delivery of services.	R3,000,000
Bucket and Bowl Workshop, phase 11	Build a workshop which will be used to repair buckets and bowls from MPM – it is a BEE project to be run by the community.	R6,000,000
Provision of sanitation to schools and creches in Mokopane/Mapela	Build toilets at identified schools, five females and five males. Build wash basins and septic tanks that are covered with concrete.	R370,000
Support of Mokopane Business Linkage Centre (BLC)	LIBSA will be used as BLC to provide entrepreneur training, linking suppliers with tenders from the Operation, HDSA database.	R1,500,000
BEE Supplier Development Forum	BLC to provide training to local suppliers.	R291,000
Community Portable Skills	Provide community members and prospective retirees with skills they can use on their own e.g. plumbing, bricklaying, carpentry, welding, electrical training.	R800,000
Construction of classrooms, administration office and gym at the Centre of Hope	Provision of infrastructure at a centre for the disabled children in Mahwelereng township.	R1,700,000
Provision of equipment at the Centre of Hope	Provide Centre of Hope with equipment and furniture to enhance delivery of services.	R100,000
Support of Early Learning Centres, Maths Science & Technology Education Programmes	Implementation of Experico Programme. This involves training educators who will in turn teach learners to improve literacy and numeracy at Primary School level.	MPM benefits from Group allocation of funds
Groenfontein Veggies (Pty) Ltd	Grow vegetables, train communities in gardening methods and the workings of the pack house, and support in marketing of their produce.	R10,000,000

Name of CSI Initiative	Description	Cost
Support for Piet Potgieter High School (English medium)	No English medium school in Mokopane – support school for Anglo Platinum (AP) skills retention purposes.	R500,000
Support for Mokopane English Medium Primary School	No English medium school in Mokopane – support school for AP skills retention purposes.	R600,000
Tree planting	Plant trees to mitigate against the dust from the slimes dams and mine dumps.	R186,000
TOTAL	Plant trees to mitigate against the dust from the slimes dams and mine dumps.	R32,847,000

REGULAR ENGAGEMENT FORUMS

MPM has put in place a number of forums comprising representatives from stakeholder groups and from the Operation. These forums meet on a regular basis as a means of encouraging open communication. The regular engagement forums run by the CED Department are outlined below.

- **The Minerals Committee** was established in 2001 to create a forum through which the local communities and MPM can communicate. The committee comprises four members from each community, see page 23; they are elected by their communities at the “Kgoro” meetings. These members elect an executive committee which meets with MPM representatives once a month. The executive committee feeds back to the rest of the members once a month. The committee members then report at their respective Kgoros. In addition, when an urgent matter arises, either MPM or the committee can call *ad hoc* meetings.
- **The Traditional Councils** (Mapela and Mokopane) meet when necessary to discuss issues related to the communities that arise as a result of the Operation and its mining processes. The Traditional Council are also updated on the Operation’s initiatives and progress.
- **Contractors’ meetings** are held on a monthly basis to discuss MPM policies (e.g. health and safety compliance, SAP compliance) and requirements (e.g. employment of local people through the Employment Seekers’ Desk). This structure was established between MPM, Mapela Traditional Council and Employment Seekers in order to facilitate fair identification and employment of locals into the Operation. There is a Record of Understanding signed jointly to guide the activities of the Employment Seekers Desk.
- MPM participates on a quarterly basis in the **local IDP process**. This is to ensure that the Operation’s selection and sponsorship of LED initiatives is linked to the government’s development priorities. As far as possible, all MPM initiatives are relevant and situated within the context of defined government development objectives.
- A **Project Steering Committee** (PSC) is set up at the start of community projects run by MPM in partnership with the local Municipality. This committee is established via the IDP Department. The PSC is comprised of community representatives, IDP representatives, contractors, Anglo representatives and a Community Liaison Officer (CLO) as well as the relevant government department which will be responsible for the project (e.g. the Department of Education or the Department of Health). The respective PSC’s meet twice a month and their role is to oversee the progress of a project and to report on the progress to the community in which the project is being implemented.
- MPM meets with the **Department of Education** on a monthly basis. This meeting aims to discuss current projects as well as implementation plans, progress reports, and logistics; as well how MPM education programmes can be aligned to the curriculum. At this meeting, MPM also discusses the selection and assessment of learners and educators who are to participate in Anglo Platinum programmes (e.g. Radical Maths and Science Programme). The infrastructural needs of schools are also discussed.
- MPM meets with the **Department of Health** on a monthly basis. Meetings with the Department occur on a more frequent basis when clinics are being built in the area as the Department of Health is involved in the PSC. At these

meetings, various health programmes are discussed and partnerships are formed to deliver programmes and activities associated with TB month, World AIDS Day, amongst others.

- The General Manager of MPM meets with the **Mokopane Chamber of Business** to discuss how local businesses can contribute to the economic development of the local Municipality.
- MPM has an **Employment Equity Committee** which was established in compliance with the stipulations of the Employment Equity (EE) Act. It is chaired by the Mine Manager and comprises of representatives of unions/associations, management representatives, Human Resources Development staff, women in mining and all Heads of Departments (HOD's). Meetings are held once a month. The functions of the committee are to discuss the EE Plan and ensure that the Workplace Skills Development Plan (WSP) is aligned to the EE Plan. Training reports are also analysed and discussed to ensure that the WSP is implemented accordingly and EE targets are met. This forum is led by the HR Department.

COMPLAINTS AND GRIEVANCE PROCEDURE

Anglo Platinum recognises the importance of proper management and resolution of community issues. As such, the Policy on Community Engagement is underpinned by the following principles taken from the Anglo Platinum Group Procedure Community Engagement and Development (2009):

- "Any stakeholder with a concern or grievance relating to an act or omission by Anglo Platinum has the right to complain to the company and to receive a timeous and relevant response".
- "Failure to respond appropriately to community issues damages the company–community relationship. This can have many negative consequences for stakeholder engagement, including unfavourable media reports, lack of support for ongoing operations, and the loss of social licence to operate".

Thus Anglo Platinum has put together a procedure for the proper management and resolution of community issues. The objectives of this procedure are to:

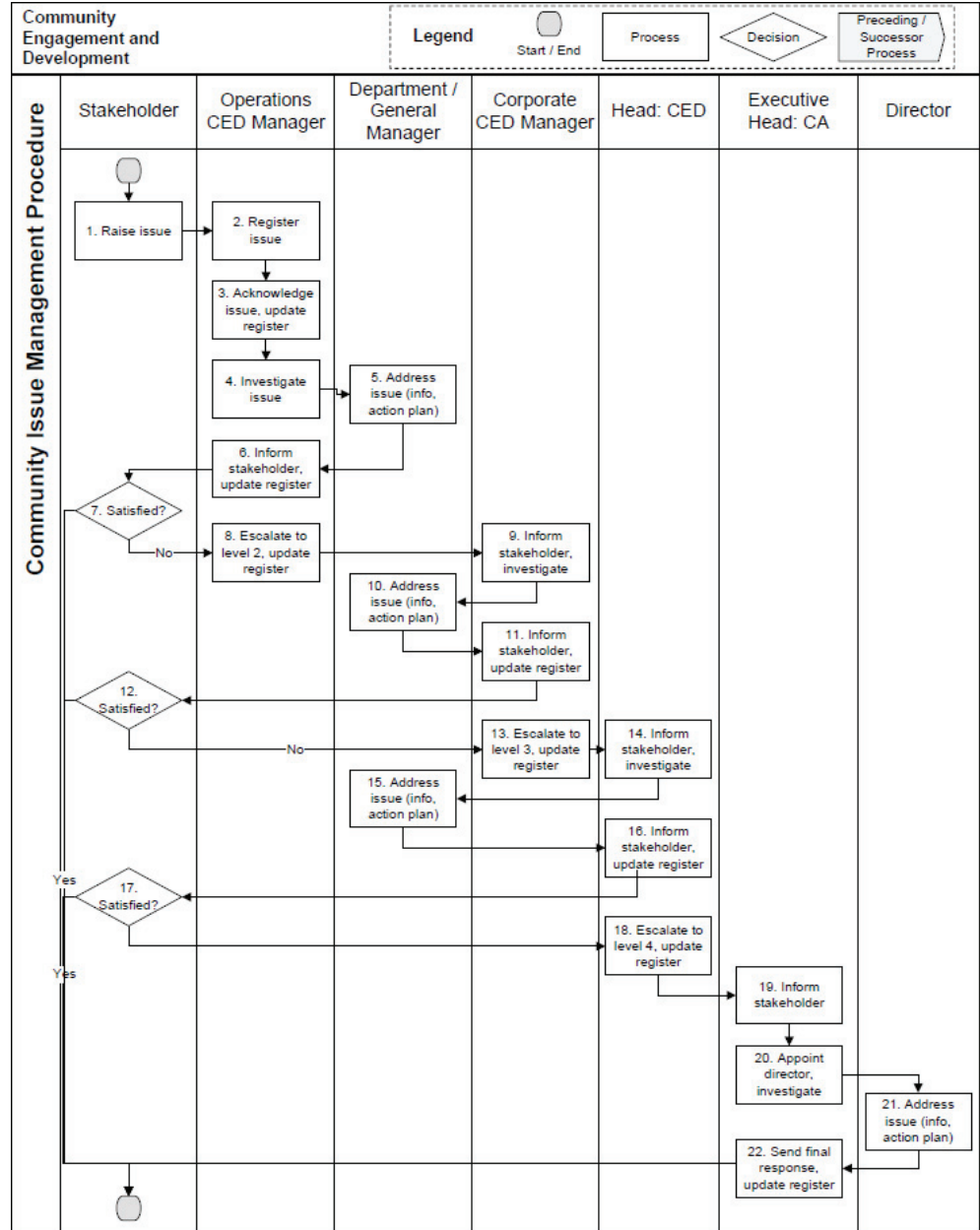
- ensure that community issues are recorded and timeously addressed;
- ensure that the relevant stakeholders are regularly informed as to the status of the issue; and
- establish a mechanism to escalate issues which are not addressed timeously or satisfactorily.

The key steps that a stakeholder (internal and external) should follow when laying a complaint are summarised in the following description and illustrated in the Grievance Procedure Process Flow Diagram..

Description of the Grievance Procedure

Stakeholder (internal or external) to:
Raise an issue at a forum or public meeting, through written or verbal communication, through a media report, or through public demonstrations.
MPM to:
Step 1: <ul style="list-style-type: none">• register the issue on the issue register;• acknowledge the issue;• investigate the issue;• address the issue;• inform the stakeholder of the resolution, using the appropriate means of communication and update the issue register; then• find out if the stakeholder is satisfied with the resolution (if yes, the process ends; if no, proceed to the next step).
Step 2: <ul style="list-style-type: none">• escalate the issue to level 2 by informing the Corporate CED Manager – update the issue register with details of the escalation;• inform the stakeholder of the new status of the issue, investigate the issue – this includes identifying and contacting the relevant manager who is able to address the issue;• address the issue – this may require the development and execution of a detailed action plan (depending on the severity of the issue, it may be necessary to conduct a risk assessment to ensure that there are no negative consequences from the proposed action);• inform the stakeholder of the resolution using appropriate means of communication and update the issue register; then• find out if the stakeholder is satisfied with the resolution (if yes, the process ends; if no, proceed to the next step).
Step 3: <ul style="list-style-type: none">• Repeat Step 2 but escalate the issue to level 3 (Head: CED) and ensure the involvement of the General Manager.
Step 4: <ul style="list-style-type: none">• If the grievance remains unresolved, repeat previous steps escalating to level 4 (Executive Head: Corporate Affairs) and appoint a director to resolve the issue and investigate the issue.

Grievance Procedure: Process Flow Diagram



CONTRIBUTIONS TO THE ECONOMY

MPM makes financial contributions to the local, provincial and national economy through the payment of wages, taxes, and services, amongst others.

MPM contributed approximately R1,747 million in value-added to the economy in 2009. Value-added is defined as the sales of the operation's goods, minus the goods and services bought in to enable the manufacture and sale of this product (value added = operating profit + employee costs + depreciation & amortisation). A breakdown is provided in the following table below.

Value Added to the Economy

(R'millions)	2005	2006	2007	2008	2009
Operating Profit	547.8	1447.0	1562.4	1070.0	429.7
Employee Costs	189.7	213.1	171.8	222.3	244.1
Amortisation	207.9	247.8	256.2	590.5	1073.2
Value added	945.4	1908.0	1990.4	1882.9	1747.0

Source: Provided by Mogalakwena Platinum Mine, Finance Department

Expenditure on utilities such as water, power and telephone during 2009, amounted to R173 million. In 2008⁽¹⁾, direct fiscal flows (comprising of Skills Development Levy and Unemployment Fund contributions) totalled R4 million and personal income tax totalled R38 million.

COMPLIANCE WITH ANGLO AMERICAN CORPORATE POLICY REQUIREMENTS

MPM conducted a self-assessment of their social and economic performance against key Anglo policies and principles. These are the Anglo 'Good Citizenship' Business Principles, the Safety, Health and Environment (SHE) Policy, and associated Management Principles.

MPM's level of performance was rated according to the criteria outlined in SEAT. Ratings are as follows:

- **Level A:** the implications of policies have been considered and local responses initiated;
- **Level B:** action plans have been developed to implement the required actions;
- **Level C:** actions have been implemented; and
- **Level D:** actions have been implemented and performance has been reviewed.

The assessment found that MPM has implemented actions against all Anglo American Corporate Policy Requirements and in most cases are regularly reviewing their performance. Overall, the Operation is performing well. A more detailed scorecard of MPM's performance is included in *Annex A*.

EXISTING CLOSURE PLANS

MPM have not yet completed their closure plan due to the long life of the Operation – which is over 100 years. A Closure Gap Analysis has been undertaken and some research has been done on different closure options. The Closure Plan will address the optimal use of mine land and infrastructure during the operational phase as well as the

closure phase of the mining life cycle. This plan will be a focus area of MPM's Social and Sustainable Development Strategy to diversify the economy and will take into account the potential social benefits of utilising existing land and infrastructure. Of importance is the consideration of alternative uses of the physical infrastructure at the point of mine closure. This will require an amendment to the existing Environmental Management Plan Reports (EMPRs) in consultation with the Department of Minerals and Resources.

MPM aims to create sustainable livelihoods in the area through its CSI projects. CSI initiatives are set up by MPM in anticipation that these projects will continue even after mine closure. For example, it is MPM's goal that clinics and schools set up by the Operation continue to provide services to the local community even after the MPM has closed. MPM also invests in education and training as this forms part of Sustainable Development planning.

While the Social and Labour Plan (SLP) is geared towards mitigating the impact of mine closure on the mine communities, specific planning is required regarding the concurrent and post-mining use of the physical assets of MPM for potential community development purposes. These physical assets include:

- land holdings by MPM;
- physical infrastructure;
- social infrastructure (e.g. on-site clinics, hospitals, crèches, schools, etc.);
- commercial and industrial infrastructure (e.g. industrial facilities, workshops, shops, offices, etc.); and
- administrative infrastructure (e.g. offices, training centres, auditoriums, etc.).

In gearing up for mine closure, all infrastructure and mine management programmes or projects will be conceived and implemented within the context of accepted standards of sustainable development. The objectives of MPM's mine closure plan will be to:

- enhance individual and community well-being and welfare by following the path of economic development that safeguards the welfare of future generations; and
- protect biological diversity, and maintain essential ecological processes and life support systems.

OVERVIEW OF THE NEIGHBOURING COMMUNITIES

INTRODUCTION

The Limpopo Province is the fourth largest province and has the fifth largest population (4.9 million people) in South Africa. The Province is made up of five district municipalities, namely, Vhembe, Mopani, Sekhukhune, Waterberg and Capricorn Districts. Approximately 89 percent of the population live in rural areas and the province has an unemployment rate of 46 percent. Limpopo is rich in minerals such as copper, asbestos, coal, iron-ore, platinum, chrome, diamonds and phosphates. The economy of the south-western region of the province is based predominantly on mining.

The Mogalakwena Local Municipality was selected as the broad study area for the SEAT review, as MPM's zone of influence falls largely within this Municipality. The local Municipality is one of the six local municipalities located in the Waterberg District Municipality; the others are: Mookgopong, Belabela, Thabazimbi, Lephale and Modimolle local municipalities. There are 32 wards and 170 settlements with 63 Councillors.

The Mining Charter and the SLP defines each Operation's zone of influence as a 50km radius surrounding the Operation. However, MPM has identified the following areas as being most directly affected by their activities, and thus the areas where they have chosen to focus their direct interventions: this concerns an area that ranges between 15 and 35km around the Operation and includes 46 villages, the Mahwelereng Township and Mokopane Town, all of which fall into the local Municipality. MPM does also assist communities outside the defined radius depending on the needs identified and their participation in the IDP processes.

ADMINISTRATIVE STRUCTURE OF THE AREA

GOVERNMENT

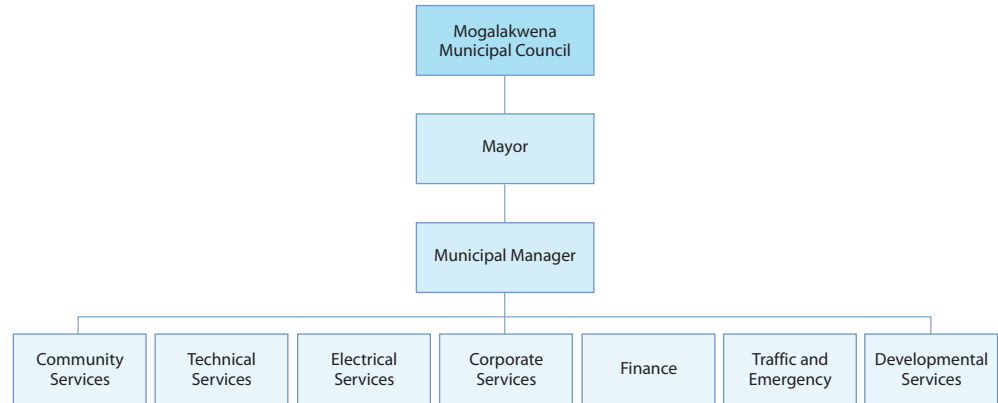
Mogalakwena Local Municipality

The local government is responsible for the provision of basic services in the entire municipality, irrespective of whether the communities live in rural areas or urban areas. Prior to the new dispensation, the local municipalities were providing services to towns and urban areas where residents were paying for services. Residents in rural areas are receiving improved services mainly in water and sanitation provision but payment for the services is still not entrenched.

Governance in the local Municipality is aligned to the three spheres of government, namely Local, Provincial and National Governments and it is guided by several Acts such as the Constitution of South Africa (Act 108 of 1996), Development Facilitation Act (Act 65 of 1995), Municipal Systems Act (Act 32 of 2000, as amended), Municipal Finance Management Act (Act 156 of 2003); Inter-Governmental Relations Framework Act (Act 13 of 2005), to mention just a few.

In local government, the Mayor is the political leader of the local Municipality whilst the Municipal Manager is the accounting officer in terms of administration in the local Municipality. The Municipal Manager, through the assistance of the Executive Managers, is responsible for administration of the municipality e.g. the implementation of IDP, budgets, and service delivery. The Municipal Speaker acts as the chairperson of council and the custodian of rules of order and code of ethics for councillors. The following box illustrates the organisational structure of the local Municipality.

Organisational Structure of Mogalakwena Local Municipality

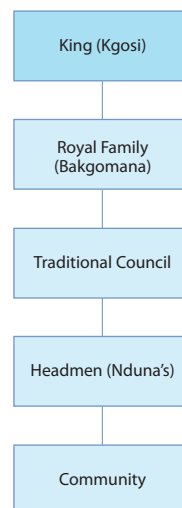


TRADITIONAL LEADERSHIP

MPM is hosted by communities led by two Traditional Councils, Mokopane and Mapela. Each of these Traditional Councils (Mokopane and Mapela) has council members who are related to the Kgoshi (Bakgomana) and they advise the chief. The Mapela Traditional Council has 28 headmen leading 28 villages and the Mokopane Traditional Council has 18 headmen leading 18 villages. In total there are 46 villages.

The Traditional Leadership and Governance Framework Amendment Act (Act 41 of 2003) makes clear the role of the traditional leadership in democratic and co-operative governance. The Act envisages the active involvement of the traditional leadership in the formulation and implementation of the IDP. *Section 4* of the Act provides for the establishment of traditional councils that should support municipalities in the identification of community needs; facilitate the involvement of communities in IDP processes; participate in the development of policy and legislation at the local level, amongst others. *Section 5 (2)* of the Act affirms partnership between the local Municipality and traditional councils based on mutual respect and principles of co-operative governance (IDP 2009/10). *Figure 4.1* illustrates traditional communication structure.

Communication Structure



The following structure lists the villages by their proximity to MPM (villages between 10 and 50 km of MPM).

Rural villages located in the closest proximity to MPM

Mapela Villages	Distance from MPM
Danisane	0 – 10 km
Fothane	
Ga-Tshaba	
Ga-Molekana	
Hans	
Old Ga Pila Village	
Skimming (Old and New Skimming)	
Mashahleng	
Matopa	
Ga-Seema	10 – 15 km
Kwa-Kwalata	
Mamaala	
Mesopotamia	
Motlhotlo (Ga-Puka and Ga Sekhaelelo)	
Sekuruwe	
Ga-Chokwe	15 – 20 km
Matlou	
Sterkwater	20 – 25 km
Phafola	
Magope	
Mosoge	
Ga-Mabusela	25 – 30 km
Ga-Rawele	
Lelaka	
Ga-Mabuela	
Ramorulane	30 – 35 km
Mmatlhogo	
Ga-Mokaba	0 – 10 km
Malepetleke	
Tshamahansi (Ga-Hlongwane, Ga-Macheke, Ga- Baloyi)	10 – 12 km
Masodi	12 – 20 km
Sandsloot	
Mosetjane (Ga-Ledwaba, Ga-Kgabudi, Ga-Sekgoboko)	
Ga-Madiba	20 – 30 km
Ga-Mitchell	
Moshate/Vaaltn (Masehlaneng, Maroteng, Moshate)	
Mountainview	
Sekgagapeng	30 – 35 km

Relevance to MPM

MPM continue to operate within this administrative context and should remain aware of the various structures, levels of authority and key positions. MPM will try to ensure that they always follow the formal lines of communication and include the correct people.

At times these structures assert varying levels of authority and there are conflicts between them making it difficult for MPM to operate. A clear communication plan and working agreement is essential between all parties.

DEMOGRAPHIC CHARACTERISTICS

Mogalakwena Local Municipality contains over 50 percent of the Waterberg District Municipality's total population, estimated at approximately 614,041 people (IDP 2009/10). However, population estimates for the local Municipality vary. Most recent estimates are based on the 2007 Community Survey by StatsSA. According to these figures the total population of the local Municipality is 330,644 persons and 75,313 households. The average household size is 4.4 persons; there are, however, many households with more than ten persons. It should be noted that the population size of the local Municipality could be more than the number of people indicated. Many residents migrate to work elsewhere. The annual population growth rate is estimated at 1.4 percent, which represents the average provincial population growth rate. The local Municipality is still predominantly rural with 70 percent of the population living in rural areas and only 30 percent in the urban centres.

The population is predominantly Black/African, at 91 percent, while eight percent of the local Municipality are White, with the remaining one percent being Coloured/Asian. There are more women than men living in the local Municipality, with 53 percent of the population being female and 47 percent male. The population of the local Municipality is young with 72 percent of the population falling below the age of 35 and only seven percent above 65 years of age⁽¹⁾. The economically active age group comprises 54 percent of the population; however, unemployment is high amongst this group.

In terms of language Sepedi, Se-Ndebele and Tsonga are the most common languages spoken in the local Municipality amongst Black communities whilst in the White communities; Afrikaans is dominant compared to English.

Relevance to MPM

Although the population is seemingly homogenous, MPM recognises the differences in the communities. The differing cultural, gender, age and other characteristics will lead to differing expectations, needs and levels of engagement required.

MPM will plan engagement and project activities with these differences in mind. Employment, procurement and training requirements will need to take cognisance of the demographic characteristics.

⁽¹⁾ Integrated Development Plan, 2009/2010

ECONOMIC CHARACTERISTICS

One of the main social problems facing many local municipalities in the area is poverty, with between 45 percent and 70 percent of the economically active population unemployed. The greater part of the population relies on social grants from pensioners and children's grants as there are many child-headed households. MMP is the only significant employer within the 50km radius and as such, a major wealth generator. The Operation's labour force resides in villages adjacent to MPM. The Operation employs 93.4 percent from within the 50km radius, 4.9 percent from within the province and 1.7 percent from outside Limpopo Province. According to the Census statistics, more than 60 percent of Mogalakwena's households earn below R9,600 per annum and 32 percent of all households receive no income (Community Survey, 2007). Approximately 14,000 people have no income, 89,000 people receive approximately R400 per annum and with approximately 328 people earning more than R200,000.

The local Municipality's major economic activities are mining, agriculture, tourism and conservation. In terms of mining, some of the commodities mined are platinum, clay, granite, limestone, tin fields and fluorspar.

The Gross Geographic Product (GGP) generated by mining has tripled since 1996 as a result of expansions in the industry, whereas the agricultural sector has experienced minimal growth since 1996. While mining is an important sector in the local Municipality's economy, it employs a relatively small proportion (6 percent) of the workforce of the area. However, the mining sector indirectly creates labour in other sectors such as manufacturing, construction and business services. In addition, these sectors derive a fairly high proportion of their turnover from the mining activities. The most significant employment sectors are community/social (29 percent), wholesale/retail (21 percent), agriculture (13 percent) and manufacturing (11 percent) ⁽¹⁾.

Relevance to MPM

There are high levels of unemployment in the surrounding communities. Mining is the key activity and there are no other significant sources of employment. As a result there is a high expectation for employment at MPM.

EDUCATION AND HEALTH

EDUCATION

The education level of the population in Mogalakwena is extremely low. According to the IDP (2009-2010), only 17 percent of the local Municipality's community have matriculated and 3,2 percent of these graduates obtained tertiary education qualifications.

There are 286 schools in Mogalakwena Local Municipal – 104 Secondary Schools, 167 Primary Schools, 13 combined schools, and 2 FET colleges. These schools fall within four circuits namely, Mahwelereng Circuit, Mokopane Circuit, Mapela circuit and Potgietersrust Circuit. They are all governed by the Department of Education in Waterberg District.

In villages adjacent to MPM, there are 119 schools. Most of the villages have one or more Primary Schools and a Secondary School thus making education accessible to all children in the community. It is also important to note that there are families who choose to send their children to learn elsewhere. In terms of education costs, some of the schools in the rural area do not charge school fees. This is due to the high levels of poverty in the communities.

HEALTH

HIV/AIDS and related illnesses are the main ailments which are found throughout the communities. There are other chronic ailments such as diabetes, high blood pressure, and arthritis. In 2009 there was an outbreak of cholera. In partnership with various stakeholders, the Department of Health managed to contain the disease and it did not spread to other villages. Ailments such as influenza are prevalent during winter, whereas in spring and summer common ailments are diarrhoea which could be associated with lack of proper storage of food, and waterborne bacteria.

There are three hospitals within the local Municipality, namely, Mokopane Provincial Hospital in Mahwelereng Local Area, Voortrekker Hospital in Mokopane Town and George Masebe Hospital in Bakenberg Local Area. There are a number of clinics providing services to various communities. There are 27 clinics operating in the local Municipality and 11 mobile clinics. Two more clinics are expected to start operating in 2010. *Table 4.2* provides a summary of the clinic facilities in the local Municipality.

Clinic Facilities in Mogalakwena Local Municipality

Local Area	Name of Clinic	Constructed by
Mokopane Town	Mogalakwena Clinic	Government
Mahwelereng	Mahwelereng Clinic 1	Government
	Mahwelereng Clinic 2	Government
	Mahwelereng Clinic 3	Government
Mokopane Area	Sekgakgapeng Clinic	MPM
	Bokwalakwa Clinic	MPM
	Mosetjane Clinic	MPM
	Tshamahansi Clinic	Government
	Ga-Madiba Clinic	MPM (Operational from 2010)
Mapela Area	Vaalkop Clinic	MPM
	Mapela Clinic	Government
	Phlotji Clinic	Government
	Phafola Clinic	Government
	Mamaselela Clinic	Government
	Sterkwater Clinic	MPM
	Armoede Clinic	MPM
	Ga-Mabuela Clinic	MPM (Operational from 2010)

Local Area	Name of Clinic	Constructed by
Bakenberg Local Area	Bakenberg Clinic	Government
	Paulos Clinic	Government
	Mokamole Clinic	Government
	Tiberius clinic	Government
	Jakkalskuil Clinic	Government
Rebone Local Area	Bavaria Clinic	Government
	Lekhureng Clinic	Government
	Mankuwe Clinic	Government
	Mattanau clinic	Government
	Rebone Clinic	Government
	Segole Clinic	Government
	Weldevreden Clinic	Government

Note: The clinics in Mokopane Town, Mahwelereng, Mapela and Mokopane Areas fall within the 50km radius surrounding MPM.

Traditional healers are used by community members but there are no reports to indicate how many people use them and for what kind of illnesses. It is known that some people make use of both western medicine and traditional practitioner's treatment for various ailments including HIV/AIDS and related diseases.

In general, health services are accessible to most communities that live within the 50km radius of MPM.

Relevance to MPM

As education levels in the Mogalakwena area are relatively low, there is an expectation that MPM should promote education by providing financial support to potential students in the form of bursaries.

By understanding the health care situation of its surrounding communities, MPM is able to provide appropriate support in the areas where it is needed most.

ACCESS TO INFRASTRUCTURE

HOUSING

According to the census statistics, the housing in Mogalakwena is predominantly formal (89.6 percent) and there are relatively few traditional and informal dwellings (3 percent and 7 percent respectively) (IDP 2009 – 2010). Despite the high number of formal dwellings, the quality of the houses is relatively poor. The number of houses that use electricity as a source of lighting has increased from 49,368 in 2001 to 69,004 in 2007 (Census 2001 and Community Survey 2007).

ACCESS TO WATER, SANITATION AND REFUSE REMOVAL

Municipal infrastructure is generally underdeveloped in the local Municipality, with water and sanitation requiring the most urgent attention. The community stakeholders reported that the community tap only runs for a couple of hours each week, during which time households need to collect water to store. The majority of the community have access to tap water. Of the 75,313 households, 11 percent have no access to water (IDP 2009 – 2010).

In terms of sanitation facilities 23.61 percent of the communities have water-borne sewage. Approximately 55 percent of the population use pit latrines, 22 percent use pit latrines with ventilation (VIP), and 11 percent use the dry toilet facility. However, 11 percent of all households do not have access to sanitation facilities (IDP 2009 - 2010).

Refuse removal services are inadequate and virtually non-existent in the villages surrounding MPM, therefore posing yet another risk to the communities. Refuse collection takes place once a week. The number of households from which refuse is collected has increased from 11,800 in 2001 to 16,900 in 2007 (IDP 2009 – 2010).

Relevance to MPM

Houses are built on turf soil and as a result they are cracking. There is a perception amongst communities that these cracks are caused by operational blasting at MPM. MPM out of good will is assisting the community to repair cracked houses.

As Municipal infrastructure in the area is generally poor, communities have a high expectation of MPM to provide facilities such as water and sanitation.

GA PILA AND MOTLHOTLO RESETTLEMENT OVERVIEW

The community at Ga Pila village were moved from Vaalkop farm to Sterkwater farm between 2001 and 2003. This relocation was required due to the village's proximity to mining operations, and resultant safety concerns including dangers associated with fly-rock from blasting in the nearby Sandsloot pit. In particular, the decision to resettle was taken when regular evacuation measures were no longer deemed adequate to ensure the safety and quality of life of the affected communities.

The communities of Ga Puka and Ga Sekhaolelo, which together form the area known as Motlhotlo, were required to relocate due to the North Expansion Project. The Environmental Impact Assessment (EIA) for the proposed expanded open cast mine showed that potential impacts associated with mining activities included increased dust pollution, damage to houses due to blast vibrations, potential ground water pollution, and noise levels which would exceed limits outlined by World Bank standards. In 2007, the Ga Puka and Ga Sekhaolelo communities began moving from Overysel and Zwartfontein farms to Rooibokfontein and Armoede, respectively.

While the majority of households in each of these three villages have relocated, the processes have been marked with dissatisfaction, resistance and even violence. In principle, the Ga Pila relocation was completed eight years ago; however a group of 28 households who resisted resettlement at the time remain at the old site. The Motlhotlo relocation remains incomplete, with 64 households also resisting relocating and residing at the old site. Both this group and members of those who have relocated are now contesting the original terms of the relocation agreement and calling for a complete renegotiation.

In late 2008, Anglo Platinum (Corporate Affairs) appointed ERM to conduct an 'Action Review' of the resettlement processes undertaken at Ga Pila and Motlhotlo near the Mogalakwena Section Mine – formerly known as Potgietersrust Platinum Mine. The report was commissioned in response to complaints received from the community as well as several other reports which criticised Anglo Platinum for their approach to these resettlement processes, including: Action Aid's *Precious Metals: The Impact of Anglo Platinum on Poor Communities in Limpopo, South Africa (March 2008)*; and the South African Human Rights Commission's *Mining-Related Observations and Recommendations: Anglo Platinum, Affected Communities and Other Stakeholders, in and around the PPL Mine, Limpopo (November 2008)*.

The aim of the review was to have an independent body assess the processes against international best practice standards in order to highlight the strengths and weaknesses in Anglo Platinum's performance. The key objectives of the review were two fold: to review Anglo Platinum's performance in the resettlement activities carried out to date against current best practice in order to identify lessons learned, but also to lay the foundations for sustainable and informed action moving forward through developing a set of practical recommendations to Anglo Platinum based on the review findings. These recommendations are focused on enabling Anglo Platinum to better align with the core principles of the IFC Performance Standard 5 on Land Acquisition and Involuntary Resettlement and to ensure that resettlement should be used as an opportunity for *improving* the livelihoods of all affected people.

ERM's approach to this review was a participatory one, where the findings were largely determined through a comprehensive and iterative engagement process targeting the directly affected communities and Anglo Platinum staff as well as government and external stakeholders. After more than a year, the review was finalised and publicly released in the first quarter 2010.

The final report is structured around 'looking back' at the resettlement process itself and on 'looking forward' to ways in which to derive appropriate development benefits to improve community livelihoods and quality of life in the

affected settlements. The looking forward element of the report is the product of feeding back the findings of the review both to Anglo Platinum and to those affected by the resettlement and developing, through facilitated workshop sessions, key actions to move the affected communities towards sustainable livelihoods in a post resettlement context.

LOOKING BACK: KEY FINDINGS

The looking back component of the research identified a number of strengths and weakness in Anglo Platinum's management of the resettlement processes at Ga Pila and Motlhotlo. Based on the evidence available to ERM at the time of the research the review found the Ga Pila resettlement to be a predominantly technical process managed by non-specialist engineers, and therefore weaker in dealing with the wider less tangible impacts and complex social and community relations aspects of resettlement. As such the process was assessed to be broadly *not aligned* with the IFC Performance Standard 5. In the case of Motlhotlo, the review found that significant improvements and learnings from Ga Pila had been applied to make the process much better aligned with the standard in many aspects, but still found that major areas of non alignment with best practice existed. In Motlhotlo weaknesses were also identified in AP's approach to managing the non-technical aspects of the process, and in designing appropriate post resettlement measures for sustainable development.

The review has noted the importance of the historical and political climate at the time in shaping both processes. It acknowledges that in the case of Ga Pila in particular, such a negotiated resettlement process was the first of its kind in a democratic South Africa. This created significant challenges in managing community and stakeholder expectations. It also meant that the now stringent requirements and detailed guidance for best practice resettlement outlined in the International Standards were not in currency or as widely recognised and employed as they are today. In this way the review of Ga Pila, specifically is effectively assessing Anglo Platinum's performance against today's standard, and one which did not exist at the time.

LOOKING FORWARD: MAJOR THEMES FOR ACTION

At the heart of these recommendations is a vision for improved relations and building of trust between Anglo Platinum and its stakeholders, and importantly, to improve livelihoods and quality of life in the affected settlements – both in the short and medium term, but also with a view towards a post mine-closure context.

The following key themes were identified by ERM, and subsequently reviewed and confirmed by Anglo Platinum as necessary for their future relationship with the Mogalakwena communities:

1. trust and relationship building;
2. stakeholder engagement;
3. integrated resettlement planning;
4. compensation; and
5. post-resettlement development.

Using these themes as a foundation, the 'Looking Forward' report gives a definition of each theme; describe potential obstacles to realising the objectives associated with that theme; and then provides a list of key recommendations for focused action by Anglo Platinum, in order to move forward.

This summary briefly outlines the themes and the headline recommendations for each.

THEME 1: TRUST AND RELATIONSHIP BUILDING

This theme reflects an acknowledgement that trust between the various affected parties involved in the resettlement processes has fundamentally broken down, and that the re-establishment of trust is essential to improving relations with associated stakeholders, and securing Anglo Platinum's social licence to operate in Mogalakwena. This includes trust between Anglo Platinum and local communities, including those communities not necessarily resettled; between and within communities; between Anglo Platinum and their critics; and trust between Anglo Platinum and their would-be partners.

The key recommendations in this regard involve:

- Anglo Platinum publically accepting the findings of the review;
- efforts towards improving relationships with communities in general;
- the importance of building relationships with critics and resistant communities; and
- a re-starting of the negotiating process between resistant communities and Anglo Platinum.

THEME 2: STAKEHOLDER ENGAGEMENT

This theme responds to the need for an improved and better coordinated stakeholder communication and engagement. There are two aspects to this requirement, namely:

- a need for a strategy for stakeholder engagement in a post-resettlement context, in particular one which aligns activities at Operations, Projects and Corporate Community Engagement and Development (CED) level; and
- the need for a new and elected representative community structure/s to replace the existing Section 21s (S21s).

The key recommendations for improved stakeholder engagement involve the drafting of a coordinated stakeholder engagement strategy for the Mine; and the establishment of a new community structure/s with whom and through whom the Mine and communities can engage with one another.

THEME 3: INTEGRATED POST RESETTLEMENT PLANNING

Whilst the opportunity for implementation of an integrated resettlement action plan (RAP) has passed, there are key aspects of the underlying resettlement risk management approach that can still be adopted both within a post-resettlement context and through the life of the mining operations activities in the affected communities.

The key recommendations relating to Integrated Post Resettlement Planning include:

- applying the findings of this resettlement review into lessons learned;
- reviewing and addressing social management system requirements in line with best practice requirements and suitable to Anglo Platinum's operating contexts;
- ensuring appropriate staffing at Operations, Project and Corporate level;
- strengthening the grievance mechanism for the post resettlement phase; and
- developing and implementing an effective monitoring and evaluation programme.

THEME 4: COMPENSATION

There is an acknowledgement within Anglo Platinum that some elements of compensation may need to be revisited in the interests of improved relations with both the resettled and non-resettled communities. These can be divided into:

- those items that legally fall outside of the audit and compensation process (i.e. not necessarily Anglo Platinum's responsibility), but which would contribute to improved community relations;
- any compensation for small scale material loss/or perceived short changing from the audit process, including any overdue house related defects/grievances;
- addressing outstanding grievances associated with the resettlement process; and
- longer term issues around community benefit sharing in the Mine and management of the R25 million development fund for each community.

THEME 5: POST-RESETTLEMENT LIVELIHOODS DEVELOPMENT

The IFC requires that project proponents not only strive to restore livelihoods and living conditions, but also to improve them. Developing sustainable communities is an imperative that Anglo Platinum strives towards for all communities in which they work, regardless of whether physical resettlement has been conducted or not. Special emphasis needs to be given, however, to livelihoods development in resettled communities due to their increased vulnerability as a consequence of the relocation process.

Livelihoods development is an academic and technical field in its own right and requires specialist guidance in the design and implementation of any such intervention. ERM are not specialists in this regard. Thus, the focus in the 'Looking Forward' report is to highlight the key challenges and principles for livelihoods development with the Mogalakwena context, such that the appointed specialists can use this as a base and guide for appropriate planning and project execution.

Challenges

The Resettlement Review has highlighted two main sets of challenges for sustainable livelihoods development: namely, those amongst the local stakeholders (resettled communities and government), and internally within Anglo Platinum (at a Corporate and Operations level). The challenges that exist amongst local stakeholders can be divided into those that are generic to poor, rural communities in South Africa, and others which are specific to Ga-Pila and Motlhotlo and their unique history.

These obstacles range from poverty, high levels of dependency and sense of entitlement within the local communities, to poor relations with and lack of suitable partners within the Government, to limited livelihoods development skills amongst CED staff, and a current lack of an integrated and coordinated approach to livelihoods development within Anglo Platinum.

Recommended Principles

Regardless of the interventions that are designed, ERM would recommend that the following principles be considered and adopted when crafting an implementation plan for livelihoods development:

- Ensure all interventions are community focused, or have the potential to provide spin-off benefits from the individual to community level;
- involve stakeholders in decision-making;

- address the existing sense of entitlement to manage expectations;
- align interventions with other livelihoods development interventions that are taking place within the Mine's broader radius of influence and responsibility; and
- align interventions with other 'Looking Forward' interventions.

CONCLUDING THOUGHTS

If any progress is to be made towards improved stakeholder relations and sustainable livelihoods development, it is essential that the themes outlined in this report are seen as part of an overall, integrated response. Each 'action theme' is interconnected and need to be pursued together.

For instance, for trust and relationship building to take place, the stakeholder engagement structures and processes need to be democratically elected and trusted. Similarly, achieving closure on outstanding compensation issues is linked to issues of trust and to the creation of a vision for a sustainable community post the resettlement and post mine closure. Underpinning all of this is a need to implement sensible aspects of integrated resettled planning. In particular, there is a need to ensure adequate skills to manage community relations within such a complex environment. Moving forward, there is also a need to ensure that the required grievance and monitoring procedures are in place, such that issues can be proactively responded to, and lessons learnt and applied. It is this responsiveness to concerns that plays a key role in building trust and securing Anglo Platinum's long term invitation to operate within the Mogalakwena communities.

Fulfilling the intentions of these themes will also require significant shifts within Anglo Platinum. This includes, for example, repositioning themselves as guests in the local communities, and wider municipality; being willing to accept criticism and engage in respectful debate with their critics; a prioritisation of investment at the operations level, and a more bottom-up approach to how community issues are managed within CED; and lastly, for Anglo Platinum to remember that their primary stakeholders are the community, and that all engagements with either government or community leaders (traditional or elected) are merely channels through which to improve relations and communication with the affected communities.

POSITIVE AND NEGATIVE SOCIO-ECONOMIC IMPACTS

INTRODUCTION

This section discusses the positive and negative socio-economic impacts of MPM. This includes issues raised by stakeholders during consultation. Positive and negative impacts are discussed in an integrated manner in order to provide more insight into the issues raised. *Table 6.1* lists the issues raised as well the stakeholder groups which raised them.

Issues and Impacts raised by various Stakeholder Groups during consultation

Issues Raised	Stakeholder Group
Employment and Procurement	Labour Union
	Employees
	Senior Employees
	Community Members
	Employment Seekers Desk (ESD)
	Mogalakwena Local Municipality
	Minerals Committee
Education and Training	Employees
	Community Members
	Mogalakwena Local Municipality
	Department of Education
	Minerals Committee
Health, Safety and Environment	Employees
	Senior employees
	Labour Unions
	Contractors
Client Relations	Suppliers
	Contractors
Business Development	Anglo Zimele Beneficiaries
	Business Development Forum
	Mogalakwena Local Municipality
Corporate Social Investment	Senior Employees
	NGO's
	Department of Health
	Community members
	Mogalakwena Local Municipality
'One Anglo' Concept	Anglo Zimele Beneficiaries
	Senior employees

Issues Raised	Stakeholder Group
Communication	Employees
	Community members
	Contractors
	Senior employees
	Suppliers
	Mogalakwena Local Municipality
	Department of Health
	Department of Education
	Minerals Committee
Conflict within communities	Community members
	Senior employees
	Department of Education

These issues are discussed in detail in Sections 6.2 and 6.10.

EMPLOYMENT AND PROCUREMENT

EMPLOYMENT

MPM currently employ 1,658 people directly of whom 88 percent are sourced from the Mogalakwena Local Municipality and a further 6.5 percent from Limpopo Province (see table below). The remaining five percent originate from other provinces in South Africa. The total Labour Cost for the Operation in 2009 was R356,324,463.

Distribution of MPM's Direct Employees

Province	Local Municipality	No.of Employees	% Employees
Limpopo	Mogalakwena Local Municipality	1465	88.36
	Polokwane Local Municipality	102	6.15
	Aganang Local Municipality	7	0.42
Gauteng	Ekurhuleni Local Municipality	39	2.35
North-West	Rustenburg Local Municipality	31	1.87
Mpumalanga	Mpumalanga Local Municipality	14	0.84
Mine Community Total		1658	100.00

Source: Provided by Mogalakwena Platinum Mine, HR Department

Women comprise approximately 20.5 percent of the employees at MPM. With 23 percent in both senior and middle management positions, 17 percent in junior management, 20 percent in semi-skilled positions and 24 percent in unskilled positions. There are approximately 80 HDSAs in management positions; totalling 54.8 percent.

MPM employ 840 workers indirectly, that is via the Operation's suppliers and contractors as well as through jobs created via social investment projects. Induced employment is generated via the spending of direct and indirect employees in the local community. The induced employment created by MPM is approximately 136 people.

Many stakeholders pointed out that MPM is the **main source of employment** in the Mokopane area and without the Operation; people would not have many options for employment. However, other stakeholders stated that MPM

should be **employing** more local people instead of hiring employees from outside this area. Stakeholders criticised MPM for using contractors who employ large numbers of people from outside the area.

The **type of employment** provided by MPM to local people is usually for a short period of time and considered to be menial.

According to stakeholders, MPM requires potential employees to have matric certificates in Maths and Science; however there are few skilled people in this area. They argued that **Maths and Science** is not a requirement for many of the more 'menial' jobs.

Some stakeholders mentioned that by employing the younger generation and showing an interest in their future, MPM provides the youth with an opportunity to develop. However, others raised the concern that youth in the area are not being employed by MPM and that unemployment is closely linked to high levels of crime.

The **Employment Seekers Desk** (ESD) is not being used as per the agreed upon Record of Understanding (RoU). The Operation and its contractors are supposed to use the ESD to advertise vacancies and recruit local people. MPM has other agreements with the resettled villages and as such are not using the ESD as they had agreed. The contractors do not use this facility to identify employees; instead, they bring external people to work at MPM.

The perceived **inefficiency of the ESD** is considered to be problematic. The constantly changing members of the committee does not allow for a stable relationship to be built with potential employees as well as with MPM.

MPM is the **best paying** company in Mokopane. Employees receive medical aid, pension fund contributions and rental subsidy as part of their remuneration package. However, an issue was raised regarding the fact that although MPM is the number one platinum producer in the country, staff at the Operation are amongst the lowest paid employees of all the Anglo Platinum Operations in South Africa. Opinions on benefits received from MPM also varied between employees. Some employees felt that the benefits received were good whilst others felt that certain benefits are not adequate. An example provided was that the **night-shift allowance** is not adequate pay for the sacrifices employees have to make.

In the past, a **staff transport arrangement** existed whereby taxi's would transport staff to work at a subsidised rate. However, this programme has been stopped because of the recent economic recession. Staff expressed difficulty with regards to travelling to work as a result of this.

Opinions regarding **transformation** within MPM varied greatly between the stakeholders. On the one hand it was noted that a shift has occurred within the Operation resulting in a greater **demographic representation** amongst the Heads of Department's. On the other hand, stakeholders expressed concern that transformation has **not occurred effectively** and that there are not enough Black employees in senior management positions. MPM should also try to employ more **local people** into senior management positions.

There is a perception amongst some Black employees that promotions are specifically reserved for White people. It was also mentioned that different operational **protocols** appear to be applied to people from different race groups.

PROCUREMENT

Procurement can have the effect of boosting local production and promoting the development of supply chains. In 2009, MPMs total procurement spend for the Operation was R2,5 billion. MPM recorded that 44 percent of this amount was spent on BEE Suppliers nationally. Only 4.4 percent was spent within the Local Mogalakwena Municipality and a further 6.4 percent in the Limpopo Province. *Table 6.3* provides a summary of the top twenty suppliers to MPM.

Summary of Top 20 Suppliers, 2009

Supplier	HDSA Classification	Procurement Spend		
		Local	Regional	National
Shell SA Marketing Pty Ltd	HDSA Empowered > 25.1%			R533 mill
Imperial Construction and Mining	HDSA Empowered > 25.1%			R346 mill
Mafofela Mining cc	HDSA Empowered > 25.1%	R210 mill		
Group Five Construction Pty Ltd	HDSA Empowered > 25.1%			R110 mill
WBHO Construction Pty Ltd	HDSA Empowered > 25.1%			R106 mill
Bosveld Bore c	HDSA Owned > 50.1%	R64 mill		
SCAW SA Pty Ltd	HDSA Empowered > 25.1%			R62 mill
COSIRA International SA Pty Ltd	HDSA Empowered > 25.1%			R56 mill
Fraser Alexander Construction	HDSA Owned > 50.1%			R43 mill
Bushveld Crushers Pty Ltd	HDSA Empowered > 25.1%	R26 mill		
4P Logistical Solutions Pty Ltd	HDSA Empowered > 25.1%			R21 mill
Skeleton and Plummer Projects	HDSA Empowered > 25.1%			R17 mill
Letab Projects Pty Ltd	HDSA Empowered > 25.1%			R15 mill
Zizwe General Trade Pty Ltd	HDSA Empowered > 25.1%		R14 mill	
JCB Barokatshipi Tse Kgolo	HDSA Empowered > 25.1%			R14 mill
Benoni Works	HDSA Empowered > 25.1%			R13 mill
OM Tsehla Drilling Contractor	HDSA Owned > 50.1%			R11 mill
Quality Tyres (Division of Maxiprest)	HDSA Empowered > 25.1%			R9 mill
Ozz Foundries	HDSA Empowered > 25.1%			R9 mill
Bombas General Maintenance cc	HDSA Owned > 50.1%		R9 mill	

Source: Provided by Mogalakwena Platinum Mine, Procurement Department

EDUCATION AND TRAINING

Skills development in Anglo Platinum takes place at the **Anglo Platinum Development Centre (ADC)** in Rustenburg, as well as at each Operation. This centre offers a wide range of training courses to employees across the Company (Social and Labour Plan, April 2008). Some of MPM's workplace and external education initiatives are outlined below.

WORKPLACE INITIATIVES

MPM is committed to ensuring that its workers are given the opportunity of acquiring skills and competencies to achieve both individual and organisational goals in the context of its LED objectives as outlined in the Mogalakwena SLP, April 2008.

The Adult Basic Education and Training Programme (ABET) is open to all staff at MPM. The ABET programme focuses on the basic education needs of employees. For example, the programme ranges from ABET Level 1 which focuses on employees who have no qualifications to ABET Level 4 which focuses on employees who have Grade 7 (Standard 5) and Grade 8 (Standard 6) levels of education. MPM acknowledges its obligation to uplift the literacy levels of all those employees who have not achieved a National Qualifications Framework (NQF) 1, and thus offers the opportunity to obtain such a qualification. The ABET programmes are aimed at achieving entry-level qualifications for employment by MPM.

MPM offers learnership opportunities to its artisans, repairmen and technicians. They are sent to the Engineering Skills Training Centre (ESTC) based in Randfontein to gain further training in the mining and engineering fields. Skills' training includes electrical, fitting, plater boilermaker, diesel mechanic, rigging ropeman etc.

MPM identifies candidates from Supervisory and Junior Management ranks based on their performance and individual development progress to attend **further leadership programmes**. This includes the Junior Management Programme and Management Development Programme in conjunction with a leading South African business school.

The Graduate Development Scheme is aimed at filling critical gaps in Anglo Platinum's core activities. Every year MPM selects a number of Graduate Trainees to participate in the programme for a two year period. During the programme the graduates are provided with basic training, exposure and courses which will enable them to gain the core competencies and knowledge required by Anglo Platinum.

As part of MPM's objectives of leaving a positive legacy following mine closure, a **portable skills** training programme is offered for prospective retirees. The intention is that when employees exit the mining industry they will possess the skills required to enter into other sectors such as building and construction, tourism and manufacturing.

EXTERNAL INITIATIVES

MPM has funded many **educational programmes** in the local area in order to improve the educational profile of the neighbouring communities. These programmes include:

- **The Early Childhood Development Programme:** This programme trains ECD Practitioners on HIV/AIDS related issues so that they know how to handle affected or infected children causing emotional harm. As part of this programme learners are supplied with equipment, for example jungle gyms, swings and educational toys to encourage growth and development. ECD Practitioners are also trained in First Aid and MPM supplies First Aid kits to these centres.

- **EXPERICO:** This programme is for foundation and intermediate level learners between Grade R and Grade 7. The aim of this programme is to enrich educators in numeracy and literacy. There are 21 primary schools in the Mokopane and Mapela areas involved in the Experico programme. Refresher courses are provided for educators two times a during school holidays.
- **Maths and Science Programme:** This programme has been running since 2006 and aims to improve Maths and Science results in the area. Learners are identified in grade 10 and they participate in the programme for three years, i.e. until they pass Grade 12. There are 120 learners registered in the programme per annum and for 2009 there were 135 learners, i.e. so far 495 learners have benefitted from the programme. Through this programme local educators in maths and science are assessed and those who are selected are then trained in improving their methods of teaching Maths and Science. Classes are attended on Saturdays with the department of Education ensuring that the programme is aligned to their curriculum. The service provider of the programme is Radical Maths and Science. Revision seminars are held during June and September School Holidays. Study guides are provided to students from Grade 10 to Grade 12. They also attend Business and Social Skills seminars to assist them with communication.
- **Edumap:** A bridging course for students who lack entry-level requirements into tertiary institutions. Currently there are 22 students in the programme. The course includes subjects such as Maths, Science, English and Computer Science. The students in this programme are given an opportunity to re-write their Grade 12 Maths and Science papers. Learners who participate in the Edumap programme are given an opportunity to visit MPM in order to gain experience and exposure to the working world.
- **ABET:** Besides offering ABET classes to employees, MPM also offers ABET to the wider mine community. This will enable members of the community to access further education opportunities. Women in the host communities have been offered the opportunity to attend own-time classes. Those excelling will be afforded the opportunity to apply for entry positions with MPM.
- **Portable Skills:** MPM aims to equip the current employees as well as members of the community with portable skills that will assist them in securing work opportunities outside the Operation or start small businesses through the assistance of Anglo Zimele. Skills training offered at this programme include bricklaying, carpentry, plumbing, electrical work, welding, tourism and manufacturing. However, during consultation many stakeholders mentioned that these skills are not useful for gaining employment at the Operation. For example, the education and training provided does not equip people to become geologists or engineers. Communities feel that they are only used as a cheap source of labour for MPM.
- **Special Needs School at the Centre of Hope:** MPM funded the construction of a centre to support children with disabilities in the Mogalakwena area. The facilities that have been built include a dining hall with a kitchen, dormitory facilities and four classrooms laundry and renovation of the old four classroom building. The school currently accommodates between 83 and 92 children. There are 11 members of the "Monkeynastix" programme which aims to build motor skills and to keep the children fit and healthy.
- **Donations and Bursaries:** MPM provides science equipment to various schools in the Mokopane and Mapela areas. Students can apply for a bursary from Anglo Platinum through the Anglo Platinum Development Centre (ADC) in Rustenburg or through the Operation.

Stakeholders stated that they have an **opportunity** to learn about mining, its processes as well as the minerals. In terms of individual development **training is available** to all staff. Specific **job-related training** is provided. Some employees also mentioned that although they are provided with training, they do not get promoted. Employees would like to see **the benefits of the various training** courses. A concern regarding nepotism was raised as some stakeholders believe that only certain people were receiving training and promotions.

Most employees do not have **development plans** and do not receive performance ratings. Employees felt that it is vital to have such a system in place where career and development goals are set together with managers. Community members expressed concern that MPM's educational programmes are not widely advertised and that the impact of these programmes is too small.

HEALTH, SAFETY AND ENVIRONMENT

HIV/AIDS is having a significant impact on the mining sector and in MPM's host communities. As such, MPM have implemented an intensive HIV/AIDS education strategy. This strategy forms part of the Operations **wellness programme** which focuses on:

- **training peer educators** at MPM to disseminate Education, Information and Communication (EIC) about HIV/AIDS and other associated illnesses such as tuberculosis (TB), sexually transmitted infections (STI's), diarrhoea as well as chronic ailments such as high blood pressure and diabetes;
- **voluntary counselling and free HIV/AIDS testing;**
- provision of **anti-retroviral drugs** to infected employees and their spouses free of charge; and
- **forming partnerships** with the Department of Health and NGOs to commemorate national health events on the health calendar, eg. World Aids Day, 16 days of Activism against Children and Women Abuse.

Whilst some stakeholders mentioned that MPM has a **strong focus on Health and Safety** programmes showing employees that they are valued others believe that more emphasis needs to be placed on HIV/AIDS awareness within the company as well as within the community as this is a major issue in the area.

Labour Unions mentioned that **Contractors** operating at MPM are not penalised for poor performance in terms of health and safety (H&S). Their H&S incidents are measured and ultimately impact on the performance bonuses received by MPM's permanent employees. As such, contractors should be required to comply fully with health and safety standards and penalised for lack of compliance or rewarded for good performance.

It is a perception that the dust generated from mining activities, (i.e. blasting and dumping), impacts on the health of the surrounding communities. Dust pollutes standing water which is used for drinking purposes, causing diarrhoea. Communities are also concerned about the impacts dust from MPM could have on **newborn babies**.

Stakeholders explained that although feedback was provided to them regarding the dust issue, in particular that the levels of dust in the area are well within the acceptable limits, concerns still remain. Some community members are of the opinion that dust is concentrated in this area and that, as a result, members of the community are breathing in more dust than people in other areas. Stakeholders believe that the Operation is not doing enough to minimise the impacts of dust on the communities.

When **blasting** takes place at MPM, communities mentioned that employees are **evacuated** beyond the distance of the surrounding villages. As a result, communities are concerned that they are not protected from the effects of blasting. Furthermore, they claim that the noise from the blasting affects peoples **hearing**, especially children.

In terms of safety stakeholders expressed concerns regarding the **inconsistent standards** applied by the security at MPM. Sometimes people are let in without signing any paper work and other times they are required to sign in and register all equipment. The concern is that these security measures could lead to a security breach at the Operation.

With regards to environmental impacts community members mentioned that there is a waste rock dump that has diminished the flow of Pholoshi River, resulting in a **shortage of water** for animals in the area.

Stakeholders would like to be informed about MPM's **rehabilitation plans** for the waste rock dumps. This is in particular reference to the amount of dust that is generated by the dumps and the artificial landscape it has created.

Concern was expressed regarding the close proximity of the **Slimes Dam** to communities in the area specifically with regards to possible chemicals that may affect the health of communities.

According to some stakeholders, in the past, tests were carried out on the water in this area and the water was found to contain **high levels of nitrates**. Members of the Ga-Molekana village referred to the **Action Aid Report** where a water analyst found high levels of nitrates in the water (around the villages in the area).

CLIENT RELATIONS

Many subcontractors and suppliers to MPM consider it a **privilege** to work for MPM. Some of the key positive aspects to working for MPM were noted to be:

- efficient and timely payment when invoices are submitted correctly; and
- available and approachable staff.

Other subcontractors mentioned that it has become increasingly difficult to receive **payment** from MPM. A suggested reason for this is that invoices are sent to a central office to be processed; the increased load centrally is assumed to be creating these backlogs. Delays in payment could result in subcontractors becoming unwilling to work with MPM.

Suppliers and entrepreneurs also expressed concern regarding a **decline in business from MPM**. Stakeholders noted that the retrenchments have had a noticeable impact on the trade in Mokopane town and that a number of small businesses have closed down. This could result in a decline in the number of subcontractors available to work at MPM.

BUSINESS DEVELOPMENT

Anglo Zimele beneficiaries and suppliers stated that MPM provided them with **business opportunities** that they otherwise would not have been able to pursue. MPM is said to **deliver on their promises** in terms of work opportunities and that the Operation creates a diverse range of job opportunities. This being stated, however, Anglo Zimele beneficiaries also expressed concern regarding their **lack of knowledge** of the tendering process and requested assistance from MPM in this regard. They also raised the issue that they never receive notifications from MPM regarding work opportunities at the Operation.

Another issues raised by Anglo Zimele beneficiaries is that of **late payments** made by Anglo Zimele which are having negative impacts on the beneficiary's businesses. The lack of cash flow has meant that the beneficiaries are unable to buy materials to undertake their work and as such run the risk of not being able to secure work. This in turn means that they will not generate enough income to repay the loans to Anglo Zimele.

Other Anglo Zimele beneficiaries specifically raised the benefits of Anglo Zimele. They noted that Anglo Zimele always provides relevant assistance and support when it was requested. MPM provides them with the **financial capital** to set up their businesses, in the form of low-interest loans. These loans are seen to be a significant contribution to Anglo Zimele beneficiaries. Zimele staff are said to be **helpful and approachable**. Regular meetings are held between MPM and the Anglo Zimele beneficiary companies in order to follow up on the status of the project concerned.

However, during consultation it was stated that there is no mechanism through which local companies are informed about **procurement opportunities** at MPM. Suppliers including Anglo Zimele beneficiaries who tender for work at MPM would like to be informed whether they win or lose contracts for work. Currently, MPM does not contact them to inform them when they have not been successful in securing work.

CORPORATE SOCIAL INVESTMENT

MPM is involved in a **variety of community upliftment projects**. According to some stakeholders MPM is open and willing to assist communities where possible by donating readily to community projects and needs. They have gone beyond what is expected of them and certainly beyond what other companies have done in the area. This involvement includes but is not limited to the following:

The **Bulk Water Supply** project is a partnership initiative between MPM and the local Municipality. They are upgrading the municipal sewerage works by constructing a pipeline from Doordraai dam to the sewerage works and improving associated infrastructure. The Operation will receive a guaranteed six megalitres of treated effluent per day from this scheme. The sewage works and pipeline were expanded and upgraded to handle the increased volume of effluent. MPM planned, designed, financed and built the expansions at a cost of over R20m. The Bulk Water Supply project will benefit a large number of people including mining houses, the local Municipality and individual households. The communities of Rooibokfontein and Armoede will benefit from this water in future, as will other villages in the area.

The N11 Partnership Project is an initiative which was started when local communities expressed concern about the capacity and safety of the N11. The N11 runs between Mokopane's Central Business District (CBD) and MPM. A partnership was formed between the local Municipality, the South African National Roads Agency Limited (SANRAL) and Mogalakwena Economic Sector Forum (MESF) (a collective forum of mining companies with mining projects located in the local Municipal area). There are two phases to this project; namely the upgrading of section of the existing N11, and the rerouting of the N11 from the Sebetiela toll gate on the N1 to between Tshamahansi and MPM.

In terms of **health care provision**, MPM has built **eight clinics** and provided **one mobile clinic**. MPM has also sponsored boreholes, submersive pumps, tanks and stands to ensure that water is accessible to the clinics on days during which the community water is not available. Projects involving the provision of health care facilities are carried out in partnership with the Department of Health. MPM provides funding for the infrastructure, with the Department of Health being responsible for the maintenance of these clinics as well as providing staff and consumables such as medicines.

MPM sponsored accommodation for doctors in the form of flats at the Mokopane hospital.

MPM provides **support to NGO's** which carry out community home-based care services. They have provided them with uniforms, a mobile office and furniture to run this programme. MPM sponsored training of these volunteers in

Ancillary Nursing in which training in Direct Observation Treatment for TB patients was also included. MPM partners with the Department of Health to provide support to initiatives.

The following issues related to health care infrastructure were raised by the stakeholders:

- some **clinics** in the area are experiencing a shortage of staff as well a lack of **medical supplies**;
- many clinics in the area require upgrades, for example the **Sekgagapeng and Armoede Clinics** are too small to cater for the surrounding villages and the Sekgagapeng Clinic does not have any equipment in its maternity room;
- the **Armoede clinic** lacks an office and storeroom, and there is no guard house at this clinic; and
- the **Mosetjane Clinic** requires sleeping quarters for the nursing staff - stakeholders believe that if nursing quarters were built at the clinic it would attract more staff.

Although MPM has delivered a broad range of **infrastructure upgrades**, e.g. schools, water and sanitation services, there appears to be a general lack of access to water in the villages surrounding MPM and general road conditions in the area are poor.

Groenfontein Veggies (Pty) Ltd is a R9.6 million joint venture between MPM and GENIS Consultants, which is intended to benefit the Sterkwater community near Mokopane. This is a pilot project which, if successful, will be extended to other communities. Groenfontein Veggies Project will supply to the informal sector, local fruit and vegetable retailers and wholesalers, fresh-produce markets and export to Eastern European countries. This venture will also provide employment opportunities to the community as well as fresh produce to the area.

This initiative will be the largest net farm in Limpopo, with 17 hectares under net. Each net 'house' covers a quarter of a hectare and is being farmed by four people. Net farming is a very effective farming method yielding up to 400 tons per hectare, compared with 150 tons on a conventional farm. All vegetables will be organically produced. The titanium netting is used to control infrared and ultraviolet light, which plays an important role in plant growth, and isolates crops from insects. The farm has the potential to employ 200 people once the net structures have been completed and the packaging plant is operating at full capacity. It is anticipated that the jobs created will benefit 1,160 people, based on the average household of 5.8 persons. The cost per job created is R48,000.

Direct community benefits from this project:

- job and wealth creation;
- skills transfer to assistant managers;
- formal training in human resources, agriculture, marketing, quality control, first aid etc.;
- career planning for each employee; and
- community development projects.

Opportunities for secondary suppliers:

- transport of staff, products and supplies;
- laundry services for overalls and boots;
- supply of compost or organic fertiliser; and
- maintenance contracts, such as netting and irrigation systems.

Stakeholders raised the issue that **blasting** from the Operation has resulted in many houses being damaged. The houses are said to crack as a result of MPM's blasting process. MPM, however, are currently running a project to **assess and repair cracked houses** in 20 of the surrounding villages.

At Ga Masenya, the post-office was relocated with the Ga Pila village to Sterkwater. The Ga Masenya village now has no post-office facility and residents have to travel a far distance to receive their mail.

Even though MPM has initiated the projects above, communities in the area believe that the Operation does not do enough in terms of delivering benefits to all the affected communities. Communities would all like sustainable projects in their villages in order to create employment.

During consultation, however, it was found that one of the challenges faced by MPM was how to handle community expectations. For example, the communities in close proximity to the Operation feel that they should all be employed by MPM, however 88 percent of the Operations direct employees originate from within a 50km radius of the Operation. There are also expectations regarding service delivery and the initiation of CSI projects in all the villages. Employees at MPM continually anticipate that inputs and the efforts made by MPM are not known or recognised. No matter what positive impacts or benefits the Operation delivers, the needs and expectations of the surrounding seem to continue to exceed MPM's ability to deliver.

'ONE ANGLO' CONCEPT

Stakeholders expressed respect for the intentions of Anglo Platinum in terms of creating the "One Anglo" vision. However, many stakeholders expressed concern at the **centralisation of processes** at Anglo Platinum as this results in long-drawn out procedures which many stakeholders do not understand. For example, payments to suppliers are delayed because it has to be approved by head office.

People also cannot differentiate between head office and MPM; thus, if a supplier or entrepreneur receives '**bad service**' at head office, (e.g. being put on hold for long periods of time or a delay in payment), the dissatisfaction frustration is targeting at the Operation - ultimately damaging the relationships between MPM and their stakeholders.

COMMUNICATION

Although Section 3.3.4 explained the various engagement forums carried out by MPM, during consultation a common issue raised across all stakeholder groups was a **lack of communication**. Some examples raised are provided below:

- Senior managers do not meet with their staff on a **regular basis** to discuss issues and concerns. In many cases, staff would rather speak to management directly than go through the Unions.
- Many junior level employees **lack access to computers** and thus email communication.
- Anglo Platinum's **communication policy** prevents advertising of any community initiatives without approval by Corporate Office. Stakeholders often believe that MPM is not doing enough in terms of development - this in part could be linked to the lack of an effective communication plan.
- The Corporate Office (H/O) makes **commitments** in the community which the Operation is not aware of. This often results in difficult situations and has implications for the relationship between MPM and its stakeholders.
- MPM should provide information to stakeholders in a timeous manner, specifically where decisions will impact on them. For example, the retrenchment of contractors and reduction in work as a result of the **economic recession** has negatively impacted on the businesses. Timeous and honest information would have enabled them to plan for the work loss / reduction.

- Employees and external stakeholders feel that when issues are raised, feedback is seldom provided. Stakeholders also expressed concern regarding the lack of a **grievance procedure** as many of them are not aware what procedure to follow if they are experiencing problems with the Operation.
- In some instances, headmen (Ndunas) suggested that they feel excluded from the **consultation process** as information that gets passed on to them is what has already been decided between MPM and the Kgoshi. The headmen feel that they are not consulted effectively.

CONFLICT WITHIN COMMUNITIES

A number of stakeholders believe that MPM has unintentionally **divided the communities**, primarily as a result of the resettlement process; there are even family members who no longer speak to each other. This division has resulted in constant conflict as communities support different factions with different agendas. Senior management expressed concern that these **dynamics** make it difficult for MPM employees to conduct any work on behalf of the Operation in these resettled villages.

Stakeholders raised the issue that conflict between the communities and MPM is also affecting the learners and the school programme as **schools** are closed down by some communities due to on-going protest activities and violence.

MANAGEMENT RESPONSES TO ISSUES RAISED

MANAGEMENT RESPONSES

In addition to the management measures that currently exist, the following table summarises the commitments that MPM Managers have made to address the issues that were identified during the SEAT process. The Management Plan provides the following information:

- issue;
- management objective;
- management measure;
- department responsible;
- timing / frequency;
- how performance is monitored; and
- the timing / frequency of monitoring.

MPM Management Commitments

MANAGEMENT PLAN					MONITORING PLAN	
Impact/ Issue	Management Objective	Management Measure/s	Person/s Responsible	Timing / Frequency	Key Performance Indicator	Monitoring Activity and Timing/ Frequency of Monitoring
Employment						
Employment is not localised.	To dispel the perception that MPM hires people from outside the area. To ensure that MPM continues to source labour locally.	Record local employment statistics indicating number of people employed by the Operation and its contractors from the Mokopane and Mapela areas. Preferential recruitment and selection by HR. Document the number and origin of employees. Inform stakeholders about the statistics in engagement meetings.	HR Manager	September 2010	Number of local people employed by the Operation and its contractors.	Review local employment statistics; continuously.
Employment is generally short-term and menial for local communities.	To provide higher level skilled employment to local people. To maximise permanent employment opportunities for local people.	Continue to provide training to community members (ABET, learnerships and portable skills) in order to assist them to meet job entry requirements. Stop using Labour Brokers. Keep record of permanent jobs v/s temporary jobs.	HR Manager CED Manager	From November 2010	Number of temporary jobs v/s permanent jobs. Number of participants in the ETD programs v/ number taken for permanent jobs. Number of local community members in jobs of a higher 'grade'	Review local employment statistics; continuously. Review employment positions of local people; continuously.

MANAGEMENT PLAN					MONITORING PLAN	
Impact/ Issue	Management Objective	Management Measure/s	Person/s Responsible	Timing / Frequency	Key Performance Indicator	Monitoring Activity and Timing/ Frequency of Monitoring
Employment						
Unemployment and high levels of crime seem to be related.	Support government in crime prevention initiatives.	<p>Actively participate in the anti-crime campaigns e.g. 16 Days of Activism against women & children abuse.</p> <p>Liaise with the Police and Security Services to gather crime statistics.</p> <p>Discuss ways in which MPM can become more active.</p>	All	<p>When events arise, including Captain Crime Stop Event in May 2010.</p> <p>September 2010</p>	<p>Number of government and NGO events supported.</p> <p>Records of these events and a description of the participants.</p> <p>Changes in the levels of crime reported.</p> <p>Plan for future involvement.</p>	<p>Review records of participation; annually.</p> <p>Audit records of meetings and agreements made; every six months.</p>
The Employment Seekers Desk (ESD) is perceived to be inefficient.	To clarify the role and structure of the ESD.	<p>Re-evaluate the structure and effectiveness of the ESD.</p> <p>Review and update the Record of Understanding (RoU) between MPM and the ESD to reflect the commitments that MPM have made regarding local employment procedures.</p>	<p>HR Manager</p> <p>CED Manager</p>	June 2010	<p>Updated and signed RoU.</p> <p>Updated contractors' contract documentation.</p> <p>Records of meetings held with ESD.</p>	<p>Review updated RoU and contractor agreements; July 2010.</p> <p>Review records of meetings with ESD; August 2010.</p>
The ESD is not being used as per the agreed upon Record of Understanding (RoU).	To maximise the use of the ESD.	<p>Update contractors' contracts to ensure that they make use of the ESD for identifying workers.</p> <p>Enforce the instruction to all the Contractors to source all unskilled labour from the ESD, except skilled labour which may not be easily obtained from the ESD.</p> <p>Ensure that MPM's recruitment practices are in accordance with the RoU.</p> <p>Continue to hold weekly meetings with the ESD Committee.</p>	<p>HR Manager</p> <p>CED Manager</p> <p>Finance Manager</p>	From June 2010	<p>Number of employees sourced through the ESD for MPM and Contractors.</p> <p>Records of meetings held with ESD.</p>	Review record of employees sourced via ESD; monthly.

MANAGEMENT PLAN					MONITORING PLAN	
Impact/ Issue	Management Objective	Management Measure/s	Person/s Responsible	Timing / Frequency	Key Performance Indicator	Monitoring Activity and Timing/ Frequency of Monitoring
Management and Career Development						
Employees do not have development plans and do not receive performance ratings.	To draft development plans and review performance for each individual to promote growth and development.	Draft individual development plans for all staff on all levels. Implement performance reviews for all staff on an annual basis. Development plans to be updated.	HR Manager All HODs	2nd Quarter 2010	Percentage of development plans signed by employee and manager at MPM. Percentage of employees who progress in accordance with development plans.	Audit of completed development plans; annually following performance reviews. Records of promotions linked to development plans; annually.
Training courses provided do not adequately contribute to employee's growth and development.	To align training needs with individual growth and development plans.	Update individual training needs in Development Plans. Align training needs with Workplace Skills Plan.	HR Manager All HODs	2nd Quarter 2010	Percentage of amended development plans with updated training requirements. Percentage of employees who progress following training courses.	Audit of amended development plans; annually. Records of employee promotions; annually.
Employment Equity and Transformation						
Insufficient transformation has occurred at MPM, especially in senior management positions.	To develop more employees to progress into senior management positions.	Implement management training for employees who have potential. Continue providing management and leadership development programmes, bursary and study assistance, graduate development programme, talent management programme, mentorship programme, succession planning, etc. Put photos of management Team (HOD Team) on all notice boards and any other public reports.	HR Manager All HODs	June 2010	Number of Black employees who are participating in training programmes. Number of Black employees in senior management positions. Publish employee statistics in the annual report.	Records of Black participants in training programmes; quarterly. Records of promotions of Black employees into Senior management positions; annually.
Lack of local people in management positions at MPM.	To give local people preference in employing them into Management positions.	Publish statistics on the number of local people employed in Management positions at MPM. Offer bursaries to local people looking at specific skills development and qualifications required for Management positions.	HR Manager All HODs	June 2010 December 2010	Number of bursaries and training provided to local people. Number of local employees in management positions.	Records of local participants in training programmes; quarterly. Records of promotions of local employees into management positions; annually.

MANAGEMENT PLAN					MONITORING PLAN	
Impact/ Issue	Management Objective	Management Measure/s	Person/s Responsible	Timing / Frequency	Key Performance Indicator	Monitoring Activity and Timing/ Frequency of Monitoring
Management and Career Development						
Perception that promotions are specifically reserved for White people.	To dispel these perceptions and continue to promote equity at all levels of the business.	<p>Continue with EE meetings with labour representatives to promote equity in the workplace.</p> <p>The EE Committee will monitor performance against the EE Plan and Workplace Skills Plan.</p> <p>Ensure that recruitment is in line with SLP, EE and BBBEE targets.</p> <p>Implement development plans for employees and succession planning.</p>	<p>HR Manager</p> <p>All HODs</p>	End June 2010 then quarterly	<p>Number of Black employees receiving promotions.</p> <p>Number of White employees receiving promotions.</p>	<p>Monitor performance against the SLP, EE Plan and WSP in order to show demographic distribution of workforce; annually.</p> <p>Minutes of EE meetings; quarterly.</p> <p>Record of grievances and resolutions; continuous.</p>
Different Operational protocols appear to be applied to people from different race groups.	To promote fair and equal practices in the workplace and improve communication.	<p>Promote the existing grievance procedure to address incidence of discrimination.</p> <p>Update the grievance procedure if it is not suitable or user-friendly.</p> <p>Personal Change Programme to be implemented.</p> <p>Implement and enforce the six Anglo values.</p> <p>Monitor consistency in the application of rules and regulations.</p>	<p>HR Manager</p> <p>All HODs</p>	2nd quarter 2010	<p>Percentage increase in number of grievances reported.</p> <p>Number of grievances recorded linked to this topic.</p>	<p>Record of grievances and resolutions; continuous.</p> <p>Records of disciplinary actions and sanctions; continuous.</p>
Perception that staff at MPM are amongst the lowest paid employees of all Anglo operations in South Africa.	To ensure that wages/salaries are implemented in line with the Group Wage Agreement.	<p>Implement wage/salaries according to AP Bargaining Council Agreements.</p> <p>Ensure that Labour Representatives give feedback to their constituencies.</p> <p>Ensure that each employee receives a wage review letter.</p>	<p>HR Manager</p> <p>All HODs</p>	October 2010	<p>Number of grievance recorded linked to this topic.</p> <p>Number of wage review letters sent to employees.</p>	External audit of employee payslips against the Bargaining Council Agreements; annually.
The night-shift allowance is not adequate to compensate for personal sacrifice.	To ensure that wages/salaries are implemented in line with the Group Wage Agreement.	Night-shift allowances implemented according to AP Bargaining Council Agreements.	<p>HR Manager</p> <p>All HODs</p>	Continuous	<p>Number of grievance recorded linked to this topic.</p> <p>Number of wage review letters sent to employees.</p>	External audit of employee payslips against the Bargaining Council Agreements; annually.

MANAGEMENT RESPONSES TO ISSUES RAISED continued

MANAGEMENT PLAN					MONITORING PLAN	
Impact/ Issue	Management Objective	Management Measure/s	Person/s Responsible	Timing / Frequency	Key Performance Indicator	Monitoring Activity and Timing/ Frequency of Monitoring
Management and Career Development						
The night-shift allowance is not adequate to compensate for personal sacrifice.	To ensure that wages/salaries are implemented in line with the Group Wage Agreement.	Night-shift allowances implemented according to AP Bargaining Council Agreements.	HR Manager All HODs	Continuous	Number of grievance recorded linked to this topic. Number of wage review letters sent to employees.	External audit of employee payslips against the Bargaining Council Agreements; annually.
Contractors operating at MPM are not penalised for poor performance in terms of health and safety (H&S).	To continue to enforce that contractors comply fully with MPM H&S standards. To apply the same principles to MPM and contractors.	Contractors' contracts will stipulate that they need to comply fully with MPM H&S standards. Contractors will be rewarded for good performance and penalised for a lack of compliance in the same way that permanent employees are.	SHE Manager All HODs	Continuous	Copies of Contractors' contracts. Records of Contractors' Health & Safety performance. Number of incidents of contractor non-compliance. Number of incidents of associated disciplinary procedures.	Records of incidents reported; quarterly. Records of associated disciplinary procedures; quarterly.
More emphasis needs to be placed on HIV/AIDS awareness within the company as well as within the community.	To improve the focus on HIV/AIDS throughout the workplace and community.	Provide extensive information, education and communication on HIV/AIDS and related diseases both in the workplace and the community. Support NGO's providing Community Home Based Care. Provide care, support and treatment to the infected/ affected. Provide ARVs to employees and their spouses.	SHE Manager CED Manager All HODs	Continuous	Reports on interventions conducted. Number of clients supported through the CHBC programme. Number of people receiving ARVs.	Records of interventions and clients assisted; quarterly.

MANAGEMENT PLAN					MONITORING PLAN	
Impact/ Issue	Management Objective	Management Measure/s	Person/s Responsible	Timing / Frequency	Key Performance Indicator	Monitoring Activity and Timing/ Frequency of Monitoring
Education Programmes						
Educational programmes are not widely advertised and their impact is unknown.	To effectively advertise educational programmes offered by MPM.	Communicate educational programmes more effectively through various communication structures. Adverts for educational projects to be posted at the traditional offices and "kgoros".	HR Manager CED Manager	June 2010 and continuous	Number of meetings conducted to inform communities about training programmes. Number of advertisements posted at strategic points and "Kgoros". Advertise in newspapers.	Records of meetings and advertisements; monthly.
Portable Skills Programme is not useful for gaining employment at MPM.	To empower community members with skills in various fields other than mining. To provide access to employment opportunities outside MPM.	Communicate the aim of the portable skills programme clearly to participants. Consider some participants for appointment in the maintenance crew.	HR Manager CED Manager	November 2010	Number of participants in the Portable Skills Programme. Number of participants in the Portable Skills Programme that gain employment at MPM or elsewhere	Records of participants attending training programmes; monthly.
Security at MPM						
Stakeholders expressed concern regarding the inconsistent standards applied by the security at MPM.	Enforce application of rules, regulations and policies relating to access to MPM.	Check access permits and ensure that procedures in place are followed.	Protection Services Manager	Ongoing	Standard implementation of security procedures.	Conduct spot checks; quarterly. Check records; monthly.
'One Anglo' Concept						
When stakeholders receive bad service from head office, the dissatisfaction and frustration is directed at MPM.	Ensure that both Operation and H/O personnel approach the community with one voice.	H/O personnel undertake community engagement in consultation with the Operation's CED department. Record grievances via the grievance procedure. Development and implementation of a stakeholder engagement strategy that coordinates efforts between MPM and H/O	CED Manager General Manager All HODs	June 2011	Number of grievances and resolutions. Reduction over time in the number of grievances reported on this matter.	Records of grievances and resolutions; quarterly.

MANAGEMENT PLAN					MONITORING PLAN	
Impact/ Issue	Management Objective	Management Measure/s	Person/s Responsible	Timing / Frequency	Key Performance Indicator	Monitoring Activity and Timing/ Frequency of Monitoring
Corporate Social Responsibility						
MPM does not do enough in terms of delivering benefits to affected communities.	To communicate CED initiatives more effectively. To deliver projects more effectively.	Over and above MPM's participation in the IDP processes, CED initiatives to be communicated in all the meetings held with stakeholders-Traditional Councils, Headmen meetings, Khomanani Development forum, etc. Details about all projects will be published in local media. Launching of various projects will be undertaken.	CED Manager General Manager	As soon as project is completed 2010	Number of meetings and advertisements. Number of launches.	Record of meetings and publications; quarterly. Records of projects launched; quarterly
Perception that blasting at MPM has resulted in cracked houses.	To maintain good relationships with the local communities To ensure that any houses affected by blasting are repaired.	Survey cracked houses before and after they are repaired. MPM to repair cracked houses adjacent to the mine.	SHE Manager CED Manager All HODs	Ongoing	Number of households surveyed. Percentage of surveyed houses requiring repair. Number of grievances reported on this matter.	Report of survey results and record of surveyed houses; quarterly. Record of repaired house; quarterly.
Relocation of post office to new location has impacted upon other villages, i.e. they no longer have access to post office.	To ensure that the community is not affected by relocation to Sterkwater.	Negotiate with the Post Office to do a feasibility study for the amenity. Implement the recommendation.	CED Manager	June 2011	Establishment of post office or service to meet postal needs. Number of complaints/ grievances on this matter.	Records of meetings and output; April, 2010.
Community Expectations						
It is difficult to manage the ongoing expectations of the stakeholders.	To manage Community Expectations effectively.	Develop and implement Community Engagement Plan that focuses on the needs of the community and MPM. Seek stakeholder input and approval on CEP prior to finalisation. Undertake regular and relevant meetings with the communities that are in-line with the CEP or a specific need that arises. Ensure that the correct representatives are present at meetings from the Operation or H/O, if required. Never make commitments without a recorded mandate.	CED Manager General Manager All HODs	June 2010	Number of meetings held with MPM stakeholders. Minutes of meetings. Finalised CEP with stakeholder input and approval. Record of attendance by relevant AP staff.	Records of meetings and attendance registers; continuous.

MANAGEMENT PLAN					MONITORING PLAN	
Impact/ Issue	Management Objective	Management Measure/s	Person/s Responsible	Timing / Frequency	Key Performance Indicator	Monitoring Activity and Timing/ Frequency of Monitoring
Communication						
Senior managers do not meet with their staff on a regular basis to discuss issues and concerns.	To improve communication between senior managers and their staff.	<p>Monthly meetings will be held between Management and employees as this will contribute to relationship-building amongst staff members.</p> <p>Green Area Meetings to continue to be held daily before the start of the shift.</p> <p>Management Briefs to be discussed with immediate supervisor.</p>	<p>HR Manager</p> <p>General Manager:</p> <p>All HODs</p>	Monthly	<p>Number of meetings undertaken.</p> <p>Number of grievances received linked to this matter.</p>	<p>Record of departmental meetings between Management and employees; quarterly.</p> <p>Record of Green Area meetings; monthly.</p> <p>Copies of management briefs; monthly.</p> <p>E-mails to employees; monthly.</p>
Many employees lack access to computers and thus email communication.	To ensure that employees have access to communication.	<p>Enforce the existing means of disseminating information to all in the workplace.</p> <p>Supervisors print e-mails and discuss them with their subordinates and sign a communication feedback to Communication department.</p> <p>Employees get copies of e-mails from department Secretary.</p>	<p>HR Manager</p> <p>All HODs</p>	Monthly	<p>Number of grievances raised regarding poor access to information.</p>	<p>Conduct internal surveys of access to information; quarterly.</p> <p>Records of communication circulated/ shared; quarterly.</p>
Anglo Platinum Policy requires that all media release be approved by H/O.	To effectively advertise community initiatives.	<p>Review Anglo Platinum's communication policy in order to find a more effective way to communicate MPM's community initiatives in a timeous manner.</p> <p>Get approval to advertise MPM initiatives.</p>	<p>HR Manager</p> <p>General Manager</p> <p>CED Manager</p>	June 2011	<p>Shortened timeframe to approval of media releases and other Operation-related communication.</p> <p>Number of initiatives/ media releases delayed as a result of H/O delays.</p>	<p>Records of published initiatives; annually.</p> <p>Audit of approval process; annual.</p>
When AP is conducting research in the area, consultants are sometimes misrepresented as being members of the Municipality.	To ensure that there is no misrepresentation in the communities regarding research done by consultants.	Inform the Municipality and the community of any surveys or research to be conducted.	<p>General Manager</p> <p>CED Manager</p> <p>All HODs</p>	On-going	<p>Number of grievances linked to this matter.</p> <p>Record of all consultants employed by the Operation who interact with MPM stakeholders.</p>	Records of documents used to inform the Municipality and communities about intended research; when required.

MANAGEMENT PLAN					MONITORING PLAN	
Impact/ Issue	Management Objective	Management Measure/s	Person/s Responsible	Timing / Frequency	Key Performance Indicator	Monitoring Activity and Timing/ Frequency of Monitoring
Communication						
MPM sends many consultants into communities to conduct surveys/ research. Stakeholders are tired of responding to the same questions asked by consultants and never getting feedback after the surveys.	To provide feedback to communities on research undertaken.	<p>Coordinate the activities of consultants doing work in the communities for MPM.</p> <p>Give feedback to stakeholders who participate in the surveys.</p>	<p>General Manager</p> <p>CED Manager</p> <p>All HODs</p>	Ongoing	<p>Schedules of research in communities.</p> <p>Number of feedback meetings to the communities.</p> <p>Number of grievances linked to this matter.</p>	Record of feedback meetings to the communities; annual.
Lack of an effective grievance mechanism.	To establish and advertise a grievance mechanism for stakeholders.	<p>Use the available grievance mechanism for internal and external stakeholders.</p> <p>Make grievance mechanism available to external stakeholders; present to stakeholders and make it accessible.</p> <p>Measure the effectiveness of the grievance mechanism.</p>	<p>HR Manager</p> <p>CED Manager</p>	Ongoing	<p>Increased number of grievances reported internally and externally.</p>	<p>Record of issues resolved through the grievance mechanism.</p> <p>Record of communication of this mechanism to stakeholders; quarterly.</p>
Ineffective communication with stakeholders	To provide information to stakeholders in a timeous, effective manner and provide feedback on issues raised.	<p>Ensure frequent communication between MPM and the community following traditional protocol</p> <p>Revive "Khomanani Development Forum" to be held every two months.</p> <p>Continue with "Open Days", and Group CEO stakeholder briefings.</p> <p>Formulate Engagement Strategy between Corporate and Operations.</p>	<p>CED Manager</p> <p>General Manager</p> <p>HR Manager</p> <p>SHE Manager</p> <p>All HODs</p>	<p>Ongoing</p> <p>Quarterly</p> <p>June 2011</p>	<p>Number of meetings held.</p> <p>Number of grievances raised regarding this matter.</p>	<p>Record of meetings held; quarterly.</p> <p>Finalised Engagement Strategy.</p>

MANAGEMENT PLAN					MONITORING PLAN	
Impact/ Issue	Management Objective	Management Measure/s	Person/s Responsible	Timing / Frequency	Key Performance Indicator	Monitoring Activity and Timing/ Frequency of Monitoring
Business Development						
Anglo Zimele beneficiaries expressed concern in terms of lack of knowledge of the tendering process.	To provide Anglo Zimele beneficiaries with the knowledge to participate in the tendering process.	Establish and support a Business Linkage Centre (BLC) that will provide information on the tendering process, development of entrepreneurs and linking them to available jobs from MPM. Provide feedback to suppliers who did not get the tender.	Finance Manager CED Manager	June 2010	Signed Service Level Agreement. Number of tenders secured through the BLC. BLC database of local suppliers. Reduction in the number of grievances raised regarding this matter.	Record of tenders received through BLC; monthly. Updated BLC database; monthly.
Late payments from MPM negatively affects suppliers and beneficiaries.	To decrease the payment lead time.	Ensure that the service providers complete the invoices correctly. Actively follow-up on invoices submitted to the H/O.	Finance Manager CED Manager	March 2011	Reduction in the Payment Lead Time. Number of grievances raised regarding this matter.	Records of the dates invoices received and payment made.
Economic Recession						
The decline in MPM business caused concern amongst community members as they were not informed about the situation.	To notify stakeholders of any negative economic changes at the Operation that will impact on stakeholders.	Communicate implications of economic situation at various stakeholder forums.	General Manager CED Manager All HODs	When required	Number of meetings, emails, and letters sent to stakeholders regarding any pending crisis that will impact on them. Number of grievances regarding such matters.	Record of communication to stakeholders; when relevant. Record of grievances; when relevant.
Conflict within communities						
MPM has unintentionally divided the communities resulting in conflicts which have negative impacts on various stakeholders.	To ensure that there is improved relationships with the host communities.	Attend to issues raised by communities. Deliver on promises. Never make commitments without MPM's mandate. Implement measures recommended in the Post Resettlement Review Report.	General Manager CED Manager All HODs	Ongoing June 2011	Number of grievances raised regarding this matter.	Records of grievances raised; continuous.

MANAGEMENT PLAN					MONITORING PLAN	
Impact/ Issue	Management Objective	Management Measure/s	Person/s Responsible	Timing / Frequency	Key Performance Indicator	Monitoring Activity and Timing/ Frequency of Monitoring
Environmental Impacts						
A waste rock dump has diminished the flow of a river resulting in the shortage of water for animals in the area.	To ensure that the dumps are not blocking the flow of water in the river.	Walk the length of the river where blockage is said to be with concerned stakeholders to establish facts. Take corrective action, if necessary.	CED Manager SHE Manager Mining Department.	April 2010	Evidence that the dump has not reduced the flow of the river. Findings of the site visit and associated investigation.	Records of site visit; April 2010.
Dust generated from mining activities impacts on the health of surrounding communities.	To keep the dust within acceptable legal standards. To improve communication about mining activities.	Ensure that the service providers complete the invoices correctly. Actively follow-up on invoices submitted to the H/O.	Finance Manager CED Manager	March 2011	Reduction in the Payment Lead Time. Number of grievances raised regarding this matter.	Records of the dates invoices received and payment made.
Economic Recession						
The decline in MPM business caused concern amongst community members as they were not informed about the situation.	To notify stakeholders of any negative economic changes at the Operation that will impact on stakeholders.	Continue to monitor dust and water pollution Implement dust mitigating interventions which are discussed in affected community meetings. Develop a dust Management Plan.	SHE Manager CED Manager	Ongoing	Continue to implement MPM's water, dust, noise and biodiversity monitoring programme. Levels of dust measured around the Operation as compared to legal standards. Share results at the affected community engagement meetings.	Records of readings taken; monthly. Records of meetings; quarterly.
According to stakeholders, tests were carried out on water in this area and it was found to contain high levels of nitrates. There is a perception that MPM has not addressed this issue.	To provide feedback to stakeholders on this issue.	Provide feedback to stakeholders on the nitrate issue via various communication forums.	CED Manager SHE Manager General Manager	April 2010	Results of MPM study findings as compared to safe legal levels. Grievances reported regarding this matter.	Results of the study; May 2010. Records of meetings; May 2010. Records of grievances; continuous.
Stakeholders concerned about the lack of a mine closure plan.	To complete the development of the Mine Closure Plan. To communicate the key contents of the Mine Closure Plan to MPM stakeholders.	Continue with the development of the Mine Closure Plan. Consult with stakeholders regarding the mine closure plans and communicate the key actions of the plan.	CED Manager SHE Manager General Manager	August 2010	Updated Mine Closure Plan and list of outstanding tasks.	Draft Mine Closure Plan; September 2010. Record of meetings; September 2010.

MANAGEMENT RESPONSES TO ISSUES RAISED

PRIORITY FOCUS AREAS FOR MPM

The following is a list of priority areas which MPM plan to focus on moving forward from this SEAT assessment:

- **Relocation of host communities:** Ensuring that MPM manages post relocation challenges effectively. This includes amongst others, the handing over of issues raised with the project team to MPM personnel, rounding up of "Projects team" activities, and implementation of post resettlement initiatives which are agreed upon with the relevant stakeholders and outlined in ERM's Post-Resettlement Review.
- **Stakeholder Management:** MPM to revive "Khomani Development Forum" which consists of Traditional Leadership representatives, government representatives, NGO's and labour representatives. This Forum will serve as a community engagement forum and a vehicle through which MPM will address communication issues, get input regarding CSI projects, mine closure plans, unrealistic stakeholder expectations, communication regarding the economic situation of the mine, and adoption of the yearly Community Engagement Plan (CEP). Improvement of Community relations is critical for MPM.
- **Economic Benefit and Community Support:** MPM to establish a Business Linkage Centre (BLC) in partnership with the Municipal LED Department, LIBSA, MPM Procurement Department and Anglo Zimele. Through the BLC, it is anticipated that there will be development of SMME's, linking SMME's to jobs on the Mine, assisting SMME's in the tendering process and Vendor applications, etc. MPM to contribute towards the upliftment of the communities by providing ABET classes, learnerships, Portable Skills and provision of infrastructures such as Water and Sanitation, replication of Groenfontein Veggies, etc. MPM will provide also adequate training to community members, e.g. ABET, learnerships as well as portable skills, to assist them to meet job entry requirements. MPM will also continue to run Maths and Science Programmes in Schools in order to support the Department of Education.
- **Internal Alignment:** MPM will form partnerships with various departments such as Human Resources, Human Resource Development, Procurement, Engineering, Protection Services and Platinum Health where roles and responsibilities will be clarified in the effort to improve delivery of projects and programmes. It is also important to provide labour representatives and the employees at large with information on projects the MPM is undertaking as they can serve as advocates regarding the Mine's involvement in the community.
- **Community Safety, Health and Welfare:** In order to improve the focus on Wellness Programmes throughout the workplace and community, MPM will provide extensive information, education and communication on HIV/AIDS and related diseases. MPM will also provide care, support to the infected and affected and also provide ARV's to the infected and their spouses. Forming Partnerships with NGOs, the local Municipality, HIV/AIDS Council and other government departments will continue to be a priority for MPM to ensure that their activities are aligned with those of the other stakeholders to enhance impact.
- **Employment Equity and Transformation:** MPM will implement management training for employees who have potential and will continue to provide management and leadership development programmes to staff.
- **Environmental Impacts:** MPM will consult with stakeholders regarding Mine Closure Plans as well as rehabilitation plans. MPM will also provide feedback to stakeholders regarding the high levels of Nitrate found in the water.

GLOSSARY OF TERMS

GLOSSARY OF KEY TERMS

Term	Description
Community	A coherent social group of persons with interests in or rights to a particular area of land. The members hold or exercise these interests or rights communally in terms of an agreement, custom or law.
CED	Community Engagement and Development Department
Employee	An employee is defined as any full-time person who directly works for the owner of a reconnaissance permission/permit, prospecting right, mining right, mining permit, technical co-operation permit, exploration right and production right and who is entitled to receive any direct remuneration from the holder of any of the above-mentioned rights.
GGP	The Gross Geographic Product measures the value of final goods and services produced in a region in a specific period.
Historically Disadvantaged South African (HDSA)	Refers to any person, category of persons or community, disadvantaged by unfair discrimination before the Constitution of the Republic of South Africa, 1993 (Act No. 200 of 1993) came into operation.
HOD	Head of Department
HRD	Human Resources Development
Integrated Development Plan (IDP)	A plan aimed at the integrated development and management of a municipal area as contemplated in the Municipal Structures Act (Act 117 of 1998).
Management	All employees within the Paterson D, E, and F Bands.
Mine community	The mine community is defined as those towns, villages and settlements that fall within a 50 km radius (or greater radius, if appropriate) of the Operation. For the purposes of this process, MPM is focussing their interventions on the 39 villages that are closest to the Operation and lie along the main road into Mokopane.
Municipality	A local municipality that shares municipal executive and legislative authority in its area with a district municipality within whose area it falls and which is described in section 155 (1) of the Constitution as a category B municipality.
SEAT	Social and Economic Assessment Toolbox

ANNEXURE A

ASSESSMENT OF PERFORMANCE AGAINST ANGLO AMERICAN POLICIES AND PROCEDURES

	Key Elements	Key Actions	Level				Supporting Evidence for Selected Level	Management Responsibility
			A	B	C	D		
1	Within the Anglo 'Good Citizenship' Principles – Our Responsibilities to Our Stakeholders:							
1.1	Communities	Promoting strong relationships with communities.			X		Regular meetings with various stakeholders, eg, IDP Rep. Forum, Minerals Committee, Employment Seekers' Desk Committee, Sec.21 Companies, Traditional Council Leadership X 2, Open Days, Stakeholder Briefings, etc.	CED Team, General Manager and all HODs, Projects Team, CED Corporate Office & CEO
		Enhancing the capabilities of the communities of which the operation is a part.			X		Community Portable Skills, Academies, learner ships, Groenfontein Project, MANCO, ABET, Bucket & Bowl Repair Project, etc.	CED Team, HRD, GM
		Seeking regular engagement about issues that may affect them.				X	"Kgoro" meetings with various communities, Minerals Committee meetings, MRRC, Sec 21s, MDC	CED Team, GM and all HODs, Projects Team, CED Corporate Office
		Supporting community projects that reflect the priorities of local people, sustainability and cost effectiveness.			X		IDP Rep. Forum, FFI project, Drop-In Centres, Clinics, Schools' Projects, ABET, Entrepreneur Training,	CED Team, GM & all HOD's, HRD,
		Assessing the contribution the operation make to local social and economic development.			X		Local Spend, Anglo Zimele Hub, BEE spent, CED Budget	Procurement, CED Team, GM & all HODs
1.2	Customers and business partners	Seeking mutually beneficial long-term relationships with business partners, contractors and suppliers, based on fair and ethical practices.			X		BEE figures, Local/no-local spent, Anglo Zimele, Business Linkage Centre, Regular meetings with Contractors, Fair Business Practice,	CED Team, Procurement, GM & all HODs.
1.3	Government bodies	Respecting the laws of the host countries; and being seen as socially responsible.			X		EIA, S&LP, Mining licences, Mine Legal Registers, EMPR, BBEE, Prospecting Drilling Consultations, Link to EBMS – Legal and other requirements.	GM & all HODs, CED Team.
1.4	Non-governmental organisations	Aiming for (and achieving) constructive relations with relevant non-governmental organisations.			X		FFI, Resource Africa, SPCA, Centre of Hope, Bob Mmola Drop In Centre, Action Aid, etc.	CED Team, GM & all HODs,

	Key Elements	Key Actions	Level				Supporting Evidence for Selected Level	Management Responsibility
			A	B	C	D		
2	Within the Anglo 'Good Citizenship' Principles – Principles of Conduct:							
2.1	Corporate citizenship	Seeking to make a contribution to the economic, social and educational wellbeing of communities associated with the operation, including through local business development and providing opportunities for workers from disadvantaged backgrounds.			X		CED Budget; Local Spent; Schools' Project; Business Linkage Centre; Training of Entrepreneurs; Community Health, Safety & Welfare Programme; MANCO, Academies, Learnerships; Study Assistance for employees; Mentorship Programme; Portable Skills for prospective retirees; ABET; Business	CED Team; GM & all HODs; HRD; Procurement;
2.2		Recognising the sensitivities involved in addressing issues relating to the cultural heritage of indigenous communities.			X		CED Department in place made up of people who understand the culture of host communities and traditional council protocols;	HR, GM & all HODs
2.3		Ensuring that matters relating to indigenous communities are handled in a spirit of respect, trust and dialogue.			X		CED Department in place, CEP in place, Group Community Issues Management Procedure,	CED Team, CED corporate Office, GM & all HODs
2.4	Employment and labour rights	Promoting workplace equality and seeking to eliminate all forms of unfair discrimination.			X		EE Committee; HIV/AIDS Committee, Workplace Skills Plan in place, Recognised Labour Union in place,	
2.5		Providing employees with opportunities to enhance their skills and capabilities.			X		IDCs in place, Mentorship Programme, Study Assistance Scheme, IPAs, Talent Management and various training interventions.	HRD, GM & all HODs
2.6	Safety, health and environmental stewardship	Working towards striking an optimal balance between economic, environmental and social development.			X		EIA, MPRA, Waste management in place, Water & Dust monitoring systems, Noise monitors, EBMS link on PCs – SHE policies and procedures. Received an Environmental Award in 2009	SHE Department, GM & all HODs

	Key Elements	Key Actions	Level				Supporting Evidence for Selected Level	Management Responsibility
			A	B	C	D		
3	Within the SHE Policy:							
3.1		Making a contribution to addressing priority community health issues.			X		Built 8 X clinics, 1 X Mobile Clinic, Support of CHBC NGOs, CHSW Programme in place, HIV/AIDS policy with community outreach programme, planting of trees around Dumps & Slimes Dam,	CED Team, SHE Department, GM & all HODs
3.2		Conserving environmental resources (if this is an issue, the operation is likely to get feedback on this during consultation – additional environmental studies, outside of the scope of this assessment, may then need to be undertaken).			X		FFI, Resource Africa, Biodiversity offset projects/Action Plans, conservation Projects in Mining,	SHE Department, GM & all HODs
3.3		Preventing or minimising adverse impacts arising from our operations (impacts understood to be environmental and social).			X		EIA, EMPR commitments, Sustainable Social Development Action List, Received an Environmental Award in 2009, S&LP commitments.	SHE Department, CED Team, GM & all HODs
3.4		Demonstrating active stewardship of land and biodiversity (if this is an issue, the operation is likely to get feedback on this during consultation – additional environmental studies, outside of the scope of this assessment, may need to be undertaken).			X		EIA, EMPR commitments, SSD Action List, Biodiversity offset projects	SHE Department, CED Team, GM & all HODs
4	Within the Management Principles:							
4.1	Commitment	Allocating adequate financial and human resources to ensure that the operation's social issues are dealt with in a manner that reflects their high corporate priority.			X		CED Department with personnel in place, CED Budget, Occupational Hygiene Practitioner in place,	CED Team, She Department, GM & all HODs
4.2	Risk Assessment	Accurately identifying, assessing and prioritising the hazards and risks associated with all the operation's activities.			X		Risk Assessment Procedure in place, Leases, Long Term Plans (LTP), Water for future Development, ISO Certificates	SHE Department, GM and all HODs
4.3	Prevention and Control	Preventing, minimising or controlling priority risks through planning, design, investment, management and workplace procedures.			X		ISO, Long Term Planning, SHE procedures	SHE Department, GM & all HODs
4.4	Performance	Setting appropriate goals, objectives, targets and performance indicators for all our operations, as well as meeting all applicable laws and regulations and, where appropriate, applying international best practice.			X		Long Term Plans, HOD Action Manager System, Action Plan for each Audit Finding, EBMS link to all legal registers, irM.Net System, SHE procedures, ISO & OHSAS	SHE Department, General manager & all HODs
4.5	Evaluation	Accurately monitoring, reviewing and confirming the effectiveness of management and workplace performance.			X		Internal & External ISO Audits, Two yearly Legal Compliance Audits, Performance Management Systems, irM.Net system	SHE Department, General Manager & all HODs

