

At: Mr Innocent Ramouloa
Department of Mineral Resources
Limpopo Regional Office
101 Dorp Street
POLOKWANE
0699

30 June 2017

Dear Mr Ramouloa,

RE: SUBMISSION OF SOCIAL AND LABOUR PLAN AMENDMENTS

Attached hereto, kindly find the abovementioned request for the amendment of the Social and Labour Plan submitted on the 10th November 2016.

Yours faithfully,

DJ Gonsalves
General Manager

**Acknowledgement of Receipt
30 June 2017:
Department of Mineral
Resources**

Please stamp and sign here:

Social and Labour Plan

LP 30/5/1/2/2/36 MRC and LP 30/5/1/2/2/37 MRC
Zondereinde Mine
Northam Platinum Limited
9 November 2016

Table of Contents

1	Preamble	10
1.1	Introduction	12
1.2	Breakdown Of Employees	15
1.3	Location	16
1.4	Performance Against The Mining Charter	17
2	Human Resources Development	23
2.1	* Compliance With Skills Development Legislation	23
2.2	* Skills Development Plan / Regulation 46 (B) (I)	28
2.2.1	Background Information On The Workforce	28
2.2.2	* Form Q: Number And Education Levels Of The Workforce	28
2.2.3	* Adult Education And Training (Aet)	30
2.2.4	* Other Training	31
2.2.4.1	* Learnerships	33
2.2.4.2	* Cadetship	35
2.2.4.3	* Core Business Training	36
2.2.4.4	* Management Development	37
2.2.4.5	* Portable Skills	38
2.2.5	* Bursaries And Internships	40
2.2.5.1	* Bursaries	40
2.2.5.2	* Internships	41
2.3	Form R: Hard To Fill Vacancies	42
2.4	Career Progression (Path) Planning	44
2.4.1	* Individual Development Plans	62
2.4.2	Talent Pool To Be Fast Tracked	62
2.5	* Mentorship And Coaching	64
2.6	HRD Management System	67
2.6.1	* HRD Management System And Educational Material	67
2.6.2	Infrastructure Upgrade	67
2.6.3	Marketing And Change Management	67
2.7	Employment Equity	68

2.7.1	Representation Women In Mining	73
2.7.2	Encourage Women to Enter the Mining Profession	74
2.7.3	Development Programmes for the Exiting WIM	75
2.7.4	Internal Succession and Promotion of Women	76
2.7.5	WIM Targets	76
2.7.6	Management Structure	79
2.7.7	Draft Reviewed Mining Charter	79
3	Mine Community And Local Economic Development	82
3.1	Socio-Economic Development	86
3.1.1	Social And Economic Background Information	89
3.1.1.1	Polokwane Local Municipality	90
3.1.1.2	Thabazimbi Local Municipality	91
3.1.1.3	Waterberg District Municipality	92
3.1.1.4	Rustenburg District Municipality	93
3.1.1.5	O.R. Tambo District Municipality	94
3.2	Key Economic Activities	95
3.3	Negative Impact Of The Mining Operation	98
3.4	Developmental Projects To Be Implemented	99
3.5.	Housing and Living Conditions	118
3.5.1	Background	121
3.5.2	Current State	122
3.5.3	Home Ownership	125
3.5.4	Challenges We Continue To Address And Overcome	128
3.5.5	The Housing Strategy Moving Forward	129
3.6	Nutrition	131
3.6.1	Implementation Plan	132
4	Measures To Ameliorate The Impact Of Downscaling And Retrenchments	135

4.1	Establishment Of The Future Forum	137
4.2	Compliance With Legislative Requirements To Avoid Job Losses	140
4.3	Alternative Solutions To Create Job Security Where Job Losses Cannot Be Avoided	140
5	Financial Provisions	143
5.1	Human Resource Development (HRD) Provision	144
5.2	Local Economic Development Provision	144
5.3	Housing and Living	144
5.4	Downscaling and Retrenchments Provision	144
6	Undertaking	147

TABLES AND FIGURES

Figure 1: Source of Employees by Province	15
Figure 2: Locality Map	16
Figure 3: Ownership Breakdown	18
Figure 4: Beneficiation Activities	20
Figure 5: 2016 – 2020 Actual and Forecast Training Spend	26
Figure 6: AET Process	31
Figure 7: Human Resources development matrix	45
Figure 8: Finance development matrix	46
Figure 9: Finance (Supply Chain) development matrix	47
Figure 10: Employee benefits (Supply Chain) development matrix	48
Figure 11: Sampling 1 development matrix	49
Figure 12: Sampling 2 development matrix	50
Figure 13: Survey 1 development matrix	51
Figure 14: Survey 2.1 Development matrix	52
Figure 15: Survey 2.2 Development matrix	53
Figure 16: Mining (Miner career path) Development matrix	54
Figure 17: Graduate development matrix	55
Figure 18: Artisan development matrix	56
Figure 19: Engineer development matrix	57
Figure 20: Best practices (safety internal development) development matrix	58
Figure 21: Best practices (training centre) development matrix	59
Figure 22: Best Practices (SHEQ management) development matrix	60
Figure 23: Geology development matrix	61
Figure 24: Mentoring and Coaching Model	65
Figure 25: Current compliance and new considerations emanating from the Draft Reviewed Mining Charter	72
Figure 26: Current Progress against Mining Charter targets	80
Figure 27: creating shared value	82
Figure 28: Annual spend on mine and community initiatives (2011 – 2016) against 1% NPAT target	85
Figure 29: Planned Spend (2016-2020)	100

Figure 30: Planned spend per key initiative.....	101
Figure 31: Housing and living conditions spend	121
Figure 32: Hostel Conversion.....	123
Figure 33: Home Ownership Options	127
Figure 34: Future Forum	135
Figure 35: Revitalisation Strategy	138
Table 1: Company Details.....	10
Table 2: Performance against Mining Charter	17
Table 3: Compliance with Skills Development Legislation.....	26
Table 4: Education Levels of the workforce (September 2016)	29
Table 5: Illiteracy levels and AET needs (2016-2020)	32
Table 6: AET Targets (2016-2020).....	32
Table 7: Internal (18.1) and external (18.2) Learnership targets (2016-2020)	35
Table 8: Targets for core business training (2016-2020)	37
Table 9: Management development targets (2016 – 2020).....	38
Table 10: Portable skills (2016-2020).....	38
Table 11: Bursary target (2016-2020)	40
Table 12: Internship Targets	41
Table 13: Form R Hard to fill vacancies	43
Table 14: Update on the talent pool (as at 30 June 2016).....	63
Table 15: Mentorship and coaching targets (2016-2020)	66
Table 16: Employment equity status (Form S)	70
Table 17: HDSA in Management.....	71
Table 18: Interventions identified to overcome barriers and challenges for WIM.....	74
Table 19: Current WIM performance (2013 – 2016).....	76
Table 20: WIM Targets Including whole workforce (2016 – 2020)	77
Table 21: Mining community spend budget.....	99
Table 22: Housing and Living spend budget	120
Table 23: Performance of housing and living conditions against mining charter.....	120
Table 24: Financial Provisions (2016 – 2020)	143

Glossary of terms

ABBREVIATION	MEANING
AET	Adult Education and Training
BEE	Black Economic Empowerment
DMR	Department of Mineral Resources
DOL	Department of Labour
DTI	Department of Trade and Industry
EE	Employment Equity
EIA	Environmental Impact Assessment
FY	Financial Year
GET	General Education and Training
HDSAs	Historically Disadvantaged South Africans
HET	Higher Education and Training
HR	Human Resources
HRD	Human Resources Development
HRDP	Human Resources Development Programme
ICDP	Individual Career Development Plan
IDPs	Integrated Development Plans
JV	Joint Venture
LED	Local Economic Development
LEDP	Local Economic Development Programme
TLM	Thabazimbi Local Municipality
MPRDA	Minerals and Petroleum Resources Development Act (no. 28, 2002)
MQA	Mining Qualifications Authority
NQF	National Qualifications Framework

NSDP	National Spatial Development Perspective
PGDS	Provincial Growth and Development Strategy
QSE	Qualifying Small Enterprise
RSA	Republic of South Africa
SETA	Sector Education and Training Authority
SLP	Social and Labour Plan
SME	Small, Medium and Micro Enterprise
TBC	To be Confirmed
TBD	To be Determined
UIF	Unemployment Insurance Fund
VCT	Voluntary Counselling and Testing
WIM	Women in Mining
WSP	Workplace Skills Plan

SECTION 1

PREAMBLE

1. PREAMBLE

Table 1: Company Details

Preamble	
Name of the Company	Northern Platinum Limited
Name of mine/production operation	Northern Platinum Zondereinde Division
Physical address	Farm Zondereinde 384KQ and 386KQ, District of Thabazimbi, Limpopo Province
Postal address	PO Box 441 Thabazimbi, 0380
Telephone number	+27 14 784 3000
Fax number	+27 14 785 0126
Location of mine or production operation	Farm Zondereinde 384KQ and 386KQ, District of Thabazimbi, Limpopo Province
Commodity	<ul style="list-style-type: none">• PGMs (platinum, palladium, rhodium, iridium, ruthenium, osmium)• Gold and Silver• Associated base metals (Copper, Nickel, Cobalt)• Chrome
Life of mine	20+ Years
Financial year	30 June
Reporting year	By 30 th June each year
Responsible person	Danny Gonsalves – General Manager
Geographic origin of employees (mine community and labour sending areas).	Polokwane Local Municipality (Limpopo) Waterberg District Municipality (Limpopo) Thabazimbi Local Municipality (Limpopo) Rustenburg District Municipality (North West) OR Tambo District Municipality (Eastern Cape) Limpopo – 14.1% North West – 16.6% Eastern Cape – 13.2% Gauteng – 8.7%



Vision:

Our Vision is to grow the business into a long-life, major producer of PGM's, and doing this safely and efficiently while continuously moving down the cost curve.



How We Create Value:

Northam creates value for shareholders, employees and communities in many ways, including increasing production and sales, increasing earnings and growth, through taxes and royalties, transformation, salaries and wages, training and development, housing and accommodation and investing in the community.



Our commitment to Health and Safety:

People are vital to our business, and a skilled, engaged and productive workforce is essential for the achievement of our strategic objectives. Programmes are in place to train and develop the skills and capabilities of our employees and to ensure a safe and healthy workforce.

1.1 Introduction

Northam Platinum is an independent, fully empowered, mid-tier, integrated PGM producer with two primary operating assets, Zonderende and Booysendal platinum group metal (PGM) mines in the South African Bushveld Complex. The Zonderende lease area is also the location for Northam Platinum's metallurgical operations, which include a smelter and base metals recovery plant.

The Zonderende mine is an established, long-life operation which produces approximately 280 000oz of refined PGMs annually. The mine is located on the northern end of the western limb of the Bushveld Complex near the town of Thabazimbi. Zonderende has a life of mine (LOM) in excess of 20 years. It has been producing PGMs since the 1990s.



Northam Platinum's world class mining infrastructure comprises a moderate to deep level mine accessed by a twin shaft system and a 3 stage beneficiation plant comprising separate concentrators to treat both Merensky and UG2 ore, a smelter and base metals removal plant. In mitigating the effects of the unique underground conditions associated with deep-level platinum mining, Northam

Platinum has been at the forefront of the developing a suite of hydro-powered mining equipment which is now being used more widely in other deep-level mines in South Africa. The smelter expansion at Zondereinde is in progress and due for completion by December 2017. An offtake arrangement with Heraeus has secured an investment contribution of 20 million euros in this overall R850 million expansion programme and investment in beneficiation in South Africa.

Northam Platinum's primary products are the three main PGMs: platinum, palladium and rhodium. The primary consumers of platinum, palladium and rhodium are the motor-manufacturing and jewellery industries. Other industrial uses range from chemical and electrical applications, to glass manufacture. In the automotive sector, PGMs are used in exhaust systems, specifically auto catalysts, helping to reduce noxious and greenhouse gases released into the atmosphere. Platinum jewellery has grown in popularity, specifically in parts of Asia.



This Social and Labour Plan will apply for the period 2016 – 2020, and is developed in collaboration with key stakeholders.

Northam Platinum undertake, through regular consultation with its Future Forum, to update key stakeholders in attendance on progress against the targets and commitment set in this Social and Labour plan, and is committed to the intent of the transformation objectives of the Mining Charter and the industry at large.



~~1.2~~ 1.2

1.2 Breakdown of Employees

Northam Platinum has a total of 5793 employees which are at the Zondereinde operation, which employees emanate from across South Africa, as well as from neighboring countries:

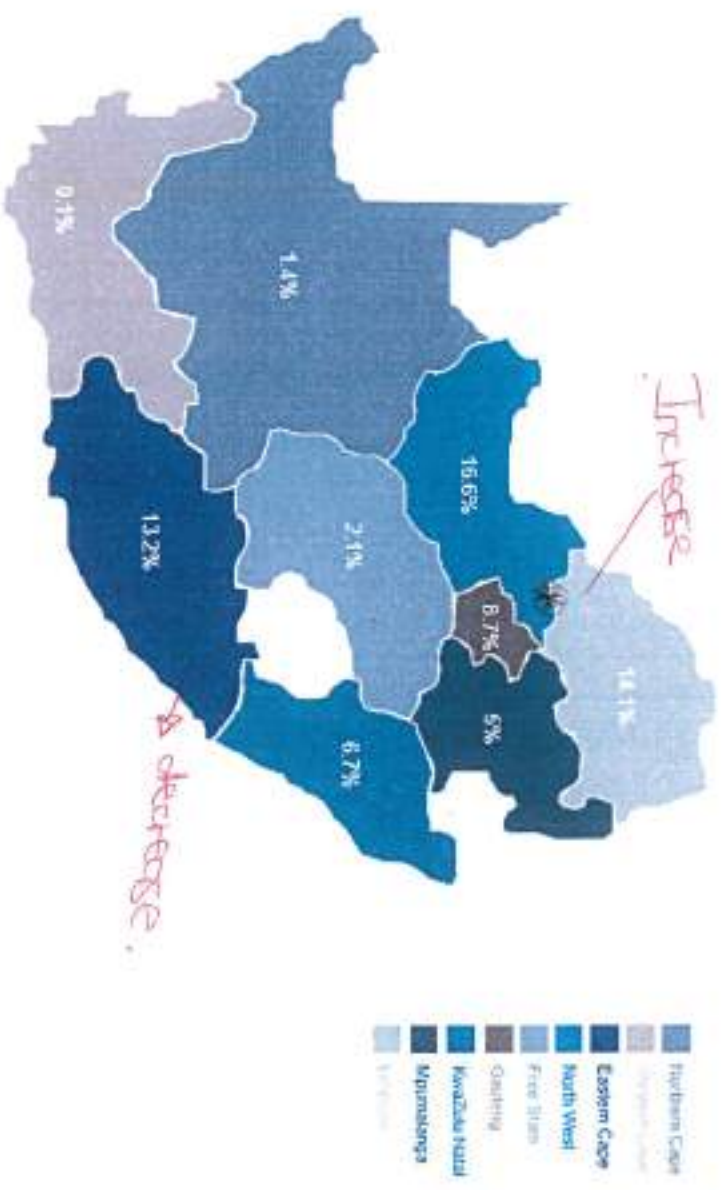


Figure 1: Source of Employees by Province

1.3 Location

Zonderende mine is a stand-alone mine situated at the northern end of the western limb of the Bushveld Complex. The mine is located in the Limpopo Province, within the Thabazimbi Local Municipality, approximately 40 km south of Thabazimbi, 15 km north of Northam and 100 km north of Rustenburg. Major access to the mine is by roads. Mining operations exploit the Merensky and UG2 reefs via a vertical twin shaft system at depths varying between 1 200 and 2 200 meter.



Figure 2: Locality Map

1.4 Performance against the Mining Charter

Table 2: Performance against Mining Charter

Scorecard Criteria	Compliance Target	Weighting	Target	2015 Actual	2016 Actual	2017 Target	2018 Target	2019 Target	2020 Target
Reporting		Y/N							
Ownership	26%	Y/N	26%	35.4%	35.4%	35.4%	35.4%	35.4%	35.4%
Housing & Living Conditions		Y/N							
Upgrading Hostels - 1 per room	100%		100%	72%	89%	100%	100%	100%	100%
Upgrading Hostels - Family Units	100%		100%	100%	100%	100%	100%	100%	100%
Procurement & Enterprise Development									
Procurement - Capital Goods	40%	5.00%	60%	62%	62%	60%	60%	60%	60%
Procurement - Services	70%	5.00%	70%	59%	59%	70%	70%	70%	70%
Procurement - Consumables	50%	2.00%	50%	66%	66%	65%	65%	65%	65%
Employment Equity									
Top Management (Board)	40%	3.00%	40%	55.6%	70%	60%	60%	60%	60%
Senior Management	40%	4.00%	40%	33%	44%	64%	64%	64%	64%
Middle Management	40%	3.00%	40%	42%	45%	48%	51%	54%	57%
Junior Management	40%	1.00%	40%	47%	49%	51%	53%	55%	57%
Core Skills	40%	5.00%	40%	62%	61%	61%	61%	61%	61%
Human Resource Development	5%	25.00%			2.7%	5%	5%	5%	5%
Mine & Community Development	1% NPAT	15.00%		>1% NPAT	1% NPAT	1% NPAT	>1% NPAT	>1% NPAT	>1% NPAT

**Notwithstanding the targets set out above, strategies and implementation plans are and will be developed to ensure continued compliance with any changes in the Mining Charter.*

Ownership:

Northam Platinum has historically, and continues to exceed the Broad-Based Black Economic Empowerment ('Mining Charter') ownership transformation targets. In anticipation of the reviewed Mining Charter requirements, Northam Platinum has led the industry through a landmark evolution of its empowerment structure to enable sustainable ownership participation of employees, communities, black woman, black entrepreneurs, and other black shareholders. The company (Zonderende mining right) is 35.4% black owned, which is 9.4% greater than the Mining Charter target of 26%. The 35.4% black ownership is comprised of 4% Toro Employee Empowerment Trust, 3% toward further employee trusts being established, 5% toward two community trusts, 6% in the hands of black women, and 17% with other black shareholders including black entrepreneurs.

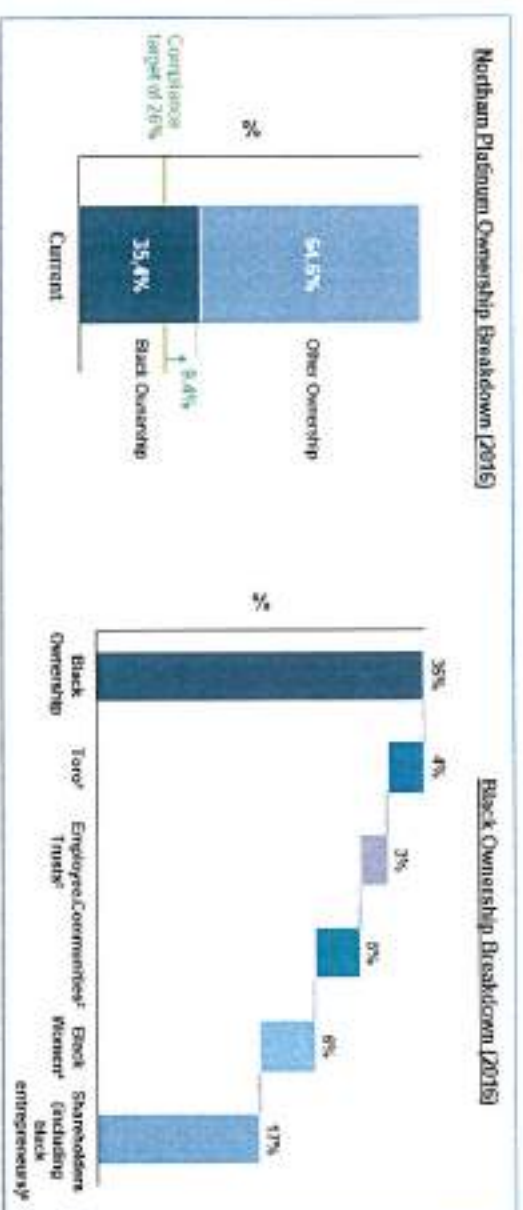


Figure 3: Ownership Breakdown

Procurement and Enterprise Development:

Northam Platinum currently outperforms the Mining Charter targets in two of three criteria, namely procurement of capital goods and consumables. Northam Platinum is mindful of the proposed changes in the Draft Reviewed Mining Charter and in the course of the period 2016 - 2020, the company intends to focus its efforts on sustaining its high compliance for capital goods and consumables and improving its procurement of services, while also increasing spend on exempt micro enterprises (EME's) and qualifying small enterprises (QSE's).

– Housing and Living Conditions:

Northam Platinum will achieve 100% compliance target with regards to its hostel conversion programme as outlined in the mining charter scorecard, by early 2017. Tremendous progress has been made by Northam Platinum on improving housing and living conditions, currently only 337 employees share a room, which has reduced from 3152 in 2011. The final 337 are being addressed in the hostel de-densification project. A total of 2724 units have been either build or remodelled between 2011 and 2016.

In addition to the hostel de-densification, Northam Platinum have actively contributed to home ownership for employees through the two housing projects (Mojuteng and Mogwase housing project) and financial support, the details of which are set out further on.

Employment Equity:

Northam Platinum currently exceeds the 40% HDSA targets set by the Mining Charter for all levels of management and core skills. Challenges are being assessed to expedite improvements in order to meet the new compliance targets as proposed by the Draft Reviewed Mining Charter. The company will continue to increase its HDSA Talent Pool for the period 2016 - 2020.

Human Resource Development:

Northam Platinum will play an active role in the education, development and growth of its employees, assisting with the education challenges faced by South Africa as a whole. The company's HRD strategy focuses on all levels of employment, with the

development of future HDSA leadership seen as critical in achieving the mine's employment equity and gender equity targets and objectives.

Mine Community Development:

During the period 2010 – 2015, Northern Platinum exceeded the allocated spend on mine and community development taking into consideration the 1% of NPAT as a guideline as stipulated by the DMR's Codes of Good Practice. Northern Platinum have, in consultation with key stakeholders, planned several mine and community development projects focused on infrastructure, poverty alleviation, education and other areas.

Beneficiation:

Platinum group metals are a focal part of the DMR's beneficiation strategy, aimed at enabling South Africa's mineral wealth to be developed to its full potential and benefit of the population.



Figure 4: Beneficiation Activities

Northam Platinum have over many years invested heavily in beneficiation of PGM's in South Africa. Past investments include a current 15MW beneficiation smelter in place at Zondereinde, and through a partnership / strategic relationship with German technology group, Heraeus (established in 1851), the commissioning of a fine's metal refinery in Port Elizabeth. Northam and Heraeus are investing further in beneficiation of PGMs through:

- The current build programme for a further 20MW furnace at Zondereinde;
- The building of a chemical plant in Port Elizabeth; and
- The initiation of research and development activities in South Africa for PGMs

2 HUMAN RESOURCES DEVELOPMENT

2.1 Compliance with Skills Development Legislation

Northam Platinum is aware of the need that exists to develop and transform the South African mining industry, with specific emphasis on fast-tracking the development of Historically Disadvantaged South Africans (HDSAs) and women in mining (WIM). The desperate state of education in South Africa has, furthermore, brought with it a social imperative to improve the levels of, and access to, education and skills training. Northam Platinum is aware of these challenges and appreciative of the important role it, as part of the private sector, should play in this regard. It views human resource development and training as pertinent to empowering its employees in their growth, development and ability to participate fully at higher levels within the organisation and the industry at large.

The following section deals with the information required under Regulation 46 (b) with regard to Human Resources Development (HRD), as per the Minerals and Petroleum Resources Development Act (MPRDA).

The current mining charter requires that 5% of payroll (exclusive of mandatory skills levies) be invested in human resource and essential skills development. The targets and objectives specified in the Mining Charter form the basis for Northam Platinum's HRD plans.

Northam's HRD strategy and objectives are as outlined below:

Regulation 46 (b) (i)	Skills Development Plan
Regulation 46 (b) (ii)	A Career Progression Plan and its implementation in line with

	the Skills Development Plan
Regulation 46 (b)(iii)	A Mentorship Plan and its implementation in line with a Skills Development Plan and the needs of the empowerment groups
Regulation 46 (b)(iv)	An Internship and Bursary Plan and its implementation in line with the Skills Development Plan
Regulation 46 (b) (v)	The Employment Equity statistics and the mine's plan to achieve the 10% women's participation in mining and 40% HDSAs participation in management within five years of the granting of the mining right or the conversion of the old-order right.

Northam Platinum's HRD strategy focuses on all levels of employment, with the development of future HDSA leadership seen as critical in achieving the mine's employment equity and gender equity targets and objectives.

The mine's HRD plans and its Workplace Skills Plans (WSP) will regularly be aligned and integrated with the long-term business plan for the period of the SLP. In terms of this process, HRD plans will constantly be assessed, reviewed and revised to cover the organization's short-, medium- and long-term human capital development needs.

The company's training and development programmes primarily focuses on:

- Literacy and numeracy programmes, with the main objective that all employees achieve functional literacy and numeracy (AET)
- The implementation of career paths and skills development plans for HDSAs
- Internships and Learnerships

- Bursaries
- Portable skills training programmes
- Management development programmes
- Mentorship and coaching programmes
- Achieving and maintaining a talent pool to sustain its business objectives and HR plan
- Monitoring the implementation of HRD programmes.

Northam's training and development focus is aimed at emphasising the competence and competitiveness of employees as well as their personal development. The impact of training and development interventions will be assessed in order to ensure that these interventions positively influence workplace behaviour.

Northam is committed to increase spend on training to meet the 5% payroll target. In 2016 the actual spend is reflected below, and then there is a ramp up in terms of forecast spend till 2020.

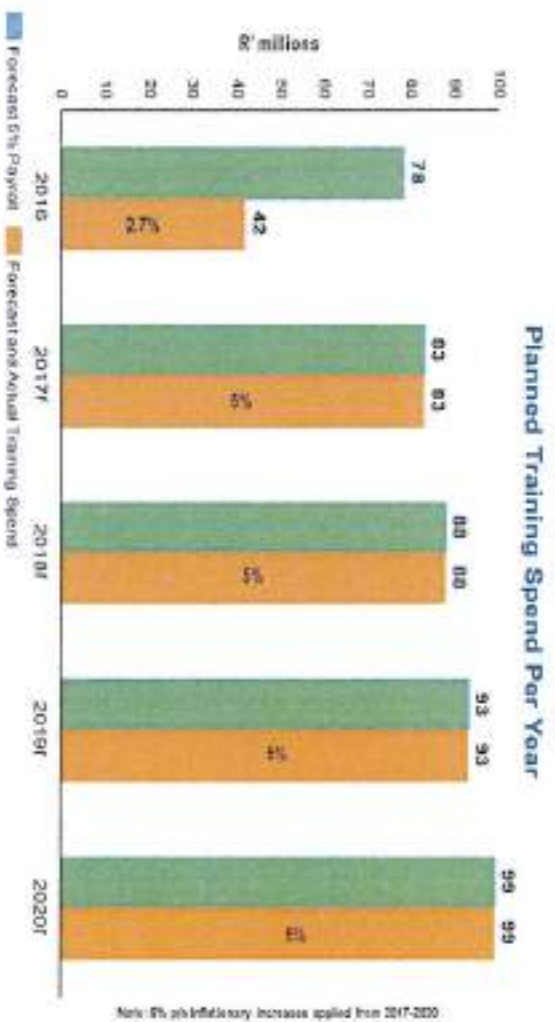


Figure 5: 2016 – 2020 Actual and Forecast Training Spend

Table 3: Compliance with Skills Development Legislation

Compliance with Skills Development Legislation	
Name of SETA	Mining Qualifications Authority
Registration number with the SETA	L350713709
Confirmation of having appointed a Skills Development Facilitator	Primary Skills Development Facilitator Registration attached as Annexure 1
Proof of Submission of Workplace Skills Plan and Date of Submission	Annexure 2



2.2 Skills Development Plan / Regulation 46 (b) (i)

2.2.1 Background information on the workforce

The workforce consists of permanent workers, from different labour sending areas throughout South Africa as discussed in detail in section 1.

2.2.2 Form Q: Number and education levels of the workforce

Table 4 below (Form Q) reflects the education levels of the Northam Platinum 'Zondereinde' division permanent workforce as at 30 September 2016.

Table 4: Education Levels of the workforce (September 2016)

Education Level	Education Qualification	African		Coloured		Indian		White		Non-SA*		Total			Age Categories		
		M	F	M	F	M	F	M	F	M	F	M	F	PWD	< 35	36 - 54	> 55
General education	Below	396	6	0	0	0	0	2	0	185	0	400	6	7	20	248	138
	1 & Below	456	2	0	0	0	0	0	0	226	0	456	2	10	17	349	92
	Grade 5 - 6 / AET 2 / National Certificate	813	28	0	0	0	0	1	0	396	0	814	28	16	78	652	112
Further Education and training	Grade 7 - 8 / AET 3 / National Certificate	584	48	1	0	0	0	6	0	226	2	591	48	12	96	488	55
	Grade 9 / AET 4 / National Certificate / Vocational 1 / NOF 1	178	3	1	0	0	0	3	0	77	1	182	3	3	42	131	12
	Grade 10 / National Certificate / Vocational 2 / N1 / NOF 2	108	12	0	0	0	0	23	5	6	0	131	17	0	79	59	10
Higher Education and training	Grade 11 / National Certificate / Vocational 3 / N2 / NOF 3	335	51	2	0	0	0	11	0	54	1	348	51	2	194	196	9
	Grade 12 / Senior Certificate / National Certificate / Vocational 4 / N3 / N4 NS / NOF 4	627	149	1	0	1	0	55	2	24	0	684	151	4	532	297	7
	Higher Certificate / Advanced National Certificate / Vocational 5 / N6 / NOF 5	31	4	2	1	0	0	39	0	1	0	90	5	0	29	59	7
Other	Diploma / Advanced Certificate / NOF 6	21	5	0	0	0	0	72	0	0	0	93	5	0	56	42	0
	Bachelor's Degree / Advanced Diploma / NOF 7	19	8	5	0	0	0	20	18	4	0	48	26	0	27	47	0
	Total	3752	317	12	1	1	0	232	25	1336	4	5680	343	58	1185	2679	499

2.2.3 Adult education and training (AET)

Adult Education and Training (AET) is a key instrument towards transformation and development within the company, and a driver in improving employees' lives. The focus of AET is to completely eradicate illiteracy at Zondereinde. The aim is to address literacy and numeracy levels, respond to the labour market and provide individuals with knowledge and skills which ultimately adds value to the individuals and the company. It facilitates individual growth and career development.

The mine's aim is that all employees who wish to participate in the programme will have achieved AET 4. As per form Q, in all there are 2,530 employees with an educational level of AET 4 and below, including 406 employees with no schooling or whose schooling level is unknown.

Against this backdrop, the company has developed a model to implement AET as a voluntary programme. Individuals are required to commit to the programme and to their education. AET training initiatives are pro-actively driven by Northam Platinum, to ensure that employees have a fair opportunity to meet the minimum criteria to apply for positions that become available at higher levels. Table 6 reflects the annual employee training targets at each AET level.

From 2010 to 2016 the company has exceeded AET targets of 150 employees per year, effort will be put in to uplift the current qualification levels of the workforce with even more emphasis and sustainability of AET participation.

The AET facility is located on the mine and all facilitators and administrators are employees of the company. They are fully qualified to implement the AET programme and are constantly monitored and assisted to ensure that they pro-actively recruit employees to participate in the programme. AET-classes are run on a part-time basis and participation is voluntary. Each level has a part-time duration of six months.

The AET process is explained below with the different phases and the learning in each area.



Figure 6: AET Process

Assessments will be conducted to ensure the quality of training as well as the competence of individuals on the courses. All assessments and examinations are subject to a stringent quality assurance process from legislative bodies such as the Mines Qualification Authority (MQA), Umalusi (the governing body for AET) and the Department of Education.

Table 5: Illiteracy levels and AET needs (2016-2020)

Level	Number of Illiteracy
Pre AET	413 (185 non SA)
AET 1	468 (226 non SA)
AET 2	848 (396 non SA)
AET 3	651 (228 non SA)
AET 4	188 (78 non SA)

The calculation of the below targets is based on a ratio of one facilitator to 25 learners. As the company only has 6 employed facilitators, the purpose of reducing the number of learners per class is to improve the quality of facilitation and pass rate.

Table 6: AET Targets (2016-2020)

AET Level	2016a	2017f	2018f	2019f	2020f
Oral	8	20	30	40	40
AET 1	30	30	50	60	60
AET 2	66	70	90	100	100
AET 3	74	70	80	90	90
AET 4	23	30	40	50	50
GETC	45	45	55	65	65
Total Number	246	265	345	405	405
Budget	R8 610 000	R9 275 000	R12 075 000	R14 175 000	R14 175 000

2.2.4 Other training

In this section different forms of training will be discussed to address the core training needs of the workforce and the community. A budget has been forecasted till 2020 to spend on these other training types. Included in this discussion is

- Learnerships (18.1 and 18.2)
- Cadetship (18.2.)
- Core business training
- Management development
- Portable skills

2.2.4.1 Learnerships

Northam Platinum plays a key role in the national skills development strategy through its learnership programmes which focus on training unemployed learners.

In order to contribute to the mining industry's learnerships targets Northam Platinum will grow its total number of employment equity learnerships with a sufficient percentage per annum. Learnerships are registered and accredited learning programmes that include practical work experience as well as a theoretical component. Northam Platinum will offer learnerships in core business disciplines such as mining, engineering and metallurgy.

Employees can be developed as part of their internal career development through a learnership (18.1, as defined by the Department of Labour). Learnerships opportunities are also offered to learners from local communities to give them opportunities to develop and grow (18.2 as defined by the Department of Labour).

The budget for 18.2 learners is guided by the minimum remuneration and conditions of the sectoral determination for learnerships, which form part of the Basic Conditions of Employment Act. Added to this is the cost for recruitment and selection, the institutional phase at the training provider (Technical Training Centre), accommodation and travel, where relevant, and other personal requirements like a toolbox and PPE requirements. The average period in training for these learners is 24 - 30 months.

The Company's Artisan Learnership Programme includes compulsory training at the Artisan Accredited Training Provider which provides accredited training with typical learning which comprise of the following 3 phases:

- Phase 1: 12 to 15 weeks institutional training
- Phase 2: 12 weeks institutional training
- Phase 3: approximately 8 weeks of institutional training

In preparation to writing trade tests, learners return to the Institute for 1 to 2 weeks trade revision, after which they will write trade tests.

Learnerships are primarily identified as part of the overall management of scarce and critical skills as well as towards achieving the HDSA and women in mining targets.

Moderators and Assessors are also managed and assisted to ensure that they are always aware of trends and challenges in the sector and how to address these.

Table 7: Internal (18.1) and external (18.2) Learnership targets (2016-2020)

Type of Learnership	2016 (Intake)	2017 (Intake)	2018 (Intake)	2019 (Intake)	2020 (Intake)
1. Artisan Development Learnerships (Combined trades) – i.e. Electrician, Boiler Maker, Fitter, Rigger and Instrument Mechanician	2	16	19	24	27
2. Non-Artisan Learnerships (Combined disciplines) – i.e. Mining, Minerals Processing, Survey, Sampling, Geology, Safety, Health, Environmental and Occupational Hygiene Learnerships	15	18	19	28	28
Total training expenditure	17	34	38	52	55
Budget	R 2 160 000	R 4 080 000	R 4 560 000	R 6 240 000	R 6 600 000

*An increase in the number of learners per learnership qualification may be amended depending on the needs of the business in any given year

2.2.4.2 Cadetship

Cadetship programme is a training programme that will be focusing on the training of unemployed youth in the requisite accredited skills programmes that will increase their chances of employability in the mining industry. The skills programme which will be occupationally directed or giving a person the requisite skills in a particular occupation may be in core mining, engineering (artisan assistants or metallurgy (minerals processing). It is envisaged that the majority of the beneficiaries in this programme would be absorbed into meaningful employment.

2.2.4.3 Core business training

Core business training needs are identified based on both the workforce planning requirements as well the scarce and critical skills priorities identified by the Mining Qualifications Authority (MQA). Specific emphasis is placed on legal and skills training where individuals are assisted in remaining legally compliant in respect of their training and development requirements.

Northam has prioritized a diversity management training program which will be initiated in early 2017, as well as team building sessions focusing on transforming teams and being more efficient in functioning as a team.

Area specific training will also be prioritized to develop key skills in the support services areas. Supervisory competence and capability is one of the key focus areas of development to ensure competent supervisors. This area will focus on building supervisor's skills and capabilities in order to enable them to thrive in overseeing technical and people management requirements of their vocation.

Scheduling of training will be achieved as part of the overall labour management process and priority will be given to production and safety needs.

The Training Centre on the mine is accredited by the MQA and conducts a series of courses in-house, using the accredited trainers, assessors and moderators.

Table 8: Targets for core business training (2016-2020)

Training	2016	2017	2018	2019	2020
Legal	1052	1200	1400	1700	2000
skills development (including Cadetship)	147	200	250	300	350
Seminars	27	35	42	47	52
Internal training	12599	12850	13000	13250	13500
Diversity	0	255	255	255	255
Team building (teams)	0	40	40	50	50
Service area specific training	0	30	40	50	60
Total budget	R 2 569 349	R 9 175 000	R 10 920 000	R 9 095 000	R 10 920 000

2.2.4.4 Management development

Supervisory, management and leadership skills development programme will aim to support and capacitate new and existing team leaders, supervisors and managers that they are able to meet their current responsibilities and prepare themselves for the next level of management.

From 2017, Northam Platinum will offer a Supervisory Development Programme (SDP) for team leaders and junior supervisors, Middle Management Programme (MMP) for middle level supervisors and a Senior Management Programme (SMP) for higher management and (where appropriate) higher tertiary and executive level education. Mining Shift Supervisor Course, Engineering Foreman Development and Metallurgy Supervisory Development will also be accounted under this section.

Table 9: Management development targets (2016 – 2020)

Field/ training area	2016 (intake)	2017 (intake)	2018 (intake)	2019 (intake)	2020 (intake)
Supervisory development programme (SDP)	90	30	40	50	60
Middle management development programme	10	12	12	12	14
Senior Management development programme	2	2	2	2	2
Master's in business administration					
Total Budget	R6 270 000	R7 260 000	R7 550 000	R8 320 000	R6 270 000

2.2.4.5 Portable skills

Portable skills can be defined as those skills that you can use when you move from one job or situation to another. Portable Skills will be prioritized for employees above 53 as well as for members of the community to enhance their skills and employment opportunities. Employees will be entitled to a once off course at no cost to the participant. The individuals will complete specific modules and will be issued with a certificate of attendance on completion of the said course.

Table 10: Portable skills (2016-2020)

Training area	2016	2017	2018	2019	2020
* Sewing		100	100	100	120
General (workforce need analysis)		100	100	100	120
Agriculture		50	50	50	60
Basic Welding		50	70	100	120
Basic wiring		50	60	70	80
Basic plumbing		30	40	50	60
Basic computer		150	200	250	280
Basic Bricklaying		25	50	75	75
Total number	0	555	670	795	915
Budget	R 8 325 000	R 10 050 000	R 11 925 000	R 13 225 000	

Interventions will be undertaken as part of the overall workplace skills plan process. Emphasis will be placed on the accreditation of training providers and the provision of certified training programmes to ensure that employees receive recognized certificates for courses attended.

In consultation with Northam Platinum's union representatives, and based on their portable skills needs assessment for the mine and community employees, it has been agreed that consultation and analysis of possible additional portable skills training in the following areas will be undertaken:

- Driving skills
- Candle making
- Shoe making
- Catering skills; and
- Basic mechanics

Dependent on the outcomes of this analysis, training interventions will be planned and have been accommodated in the general workforce.

The skills development centre will be upgraded and aligned to the HRD strategy.

2.2.5 Bursaries and Internships

2.2.5.1 Bursaries

Bursaries are offered to learners who wish to study at recognised universities or technical colleges. Bursaries are awarded in the specific disciplines where there is a need or shortage of qualified persons in Northam. Current need is in four core business areas being engineering, plant, metallurgy and mineral resources.

Each year potential candidates are sourced from local communities to be sponsored for their studies. After graduation, some young professionals are taken through a structured development programme, which operates as an internship, for at least 24 months, ensuring proper training and development in the respective fields of study. During this period, the young professionals are properly mentored and coached. Bursaries cover the cost of tuition, registration fees, examination fees and compulsory study material.

The Bursary Plan below shows how Northam Platinum will support students each year. Northam will focus on giving Bursaries for school learners, to university students as well as other contributing towards general bursaries or institutions.

Table 11: Bursary target (2016-2020)

BURSARIES	2016 (intake)	2017 (intake)	2018 (intake)	2019 (intake)	2020 (intake)
Technical Vocational Education and Training Colleges		10	25	40	45
University Bursary	7	20	20	20	20
TOTAL	7	30	45	60	65
Budget	R 700 000	R 3 000 000	R 4 500 000	R 6 000 000	R 6 500 000

*The amount above indicates the amount of bursars who would be in the system in a given year. (this would be a spread between different year groups)

2.2.5.2 Internships

Internships provide opportunities for practical exposure or experiential learning for external and internal learners as well as other professionally qualified people in various disciplines. The internships offered are dependent on the practical component of the qualifications of learners, as well as the specific disciplines where shortages are being experienced. Vacation work will also be made available over and above this.

The company would further source university students and assist them with funded structured Experiential Learning (Work Integrated Learning / P1-P2 funded vacation work) in order to provide them with curriculum aligned workplace learning so that such students can graduate in their respective field of study. Once such students have graduated, the company may put them into the Internship Programme as highlighted above.

The internship programme also offers Northam Platinum the opportunity to recruit suitable candidates from the ranks of external interns to add to its talent pool. In addition, Northam Platinum would be able to choose from a pool of Mining and Engineering Interns those who could immediately be developed further in the Diplomats (i.e. GCC programme in Engineering and Mining)

Table 12: Internship Targets

INTERNSHIPS (Including Experiential Learning / Work Integrated Learning (P1-P2))	2016 (intake)	2017 (intake)	2018 (intake)	2019 (intake)	2020 (intake)
Mining	2	10	20	30	35
Mining services		4	12	16	22
Engineering	1	10	11	16	20
Metallurgy		8	11	14	18
Finance		2	4	6	10
HR		5	10	15	15
TOTAL	3	39	68	97	120
Budget	R 312 000	R 6 054 000	R 10 608 000	R 15 132 000	R 18 720 000

2.3 Form R: Hard to fill vacancies

Form R below reflects vacancies that Northam Platinum, at its Zondereinde mine, has found hard to fill (for a period longer than 12 months), despite concerted efforts to recruit suitable candidates.

Northam Platinum's strategy to address hard-to-fill positions includes:

- Developing current employees through training programmes and career progression planning
- Offering bursaries, internships, learnerships, skills programmes and employment equity development structure



Table 13: Form R Hard to fill vacancies

Occupational Level	Job Title of Vacancy	Grade	Main Reason for not being filled
Top Management	None	N/A	N/A
	Manager: Engineering, Shafts and Surface Environment	E2	Experience for deep level Platinum mining difficult to obtain. Geographic location not an attraction for professional couples normally associated with these positions.
Senior Management	Manager: Mining Services	E2	
	Manager: Production	E2	
	Professionally qualified and experienced specialists and mid management	D2	Rock Engineering skills as such not problematic to obtain. Currently individuals with skills and experience are pricing themselves out of the market in terms of remuneration expectations.
Skilled Technical and academically qualified workers, junior management, supervisors, foremen and superintendent	Senior Safety Officer	C5	Minimum experience and scarcity of prospective candidates in possession of National Diplomas in Safety Management.
	Systems Technician	C4	
	Surface Instrument Technician	C3	
	Underground Instrument Technician	C3	
Semi-skilled and discretionary decision making	None	N/A	N/A
Unskilled and defined decision making	None	N/A	N/A

2.4 Career progression (path) planning

This section describes the Career Progression Plan for Northam Platinum employees, and its implementation in line with the Skills Development Plan. Northam Platinum as a single operation aims to effectively manage the talent pool of existing employees in order to optimise the human resources deployed in a manner that will meet the requirements of the business plan.

The career progression of individual employees is managed via Individual Development Plans in conjunction with the Skills Development Plan. Typical progression paths, for the various disciplines are shown in Figures 7 to 23. The mine intends to ensure that opportunities for promotion are created for all employees with potential who are currently on lower grades.

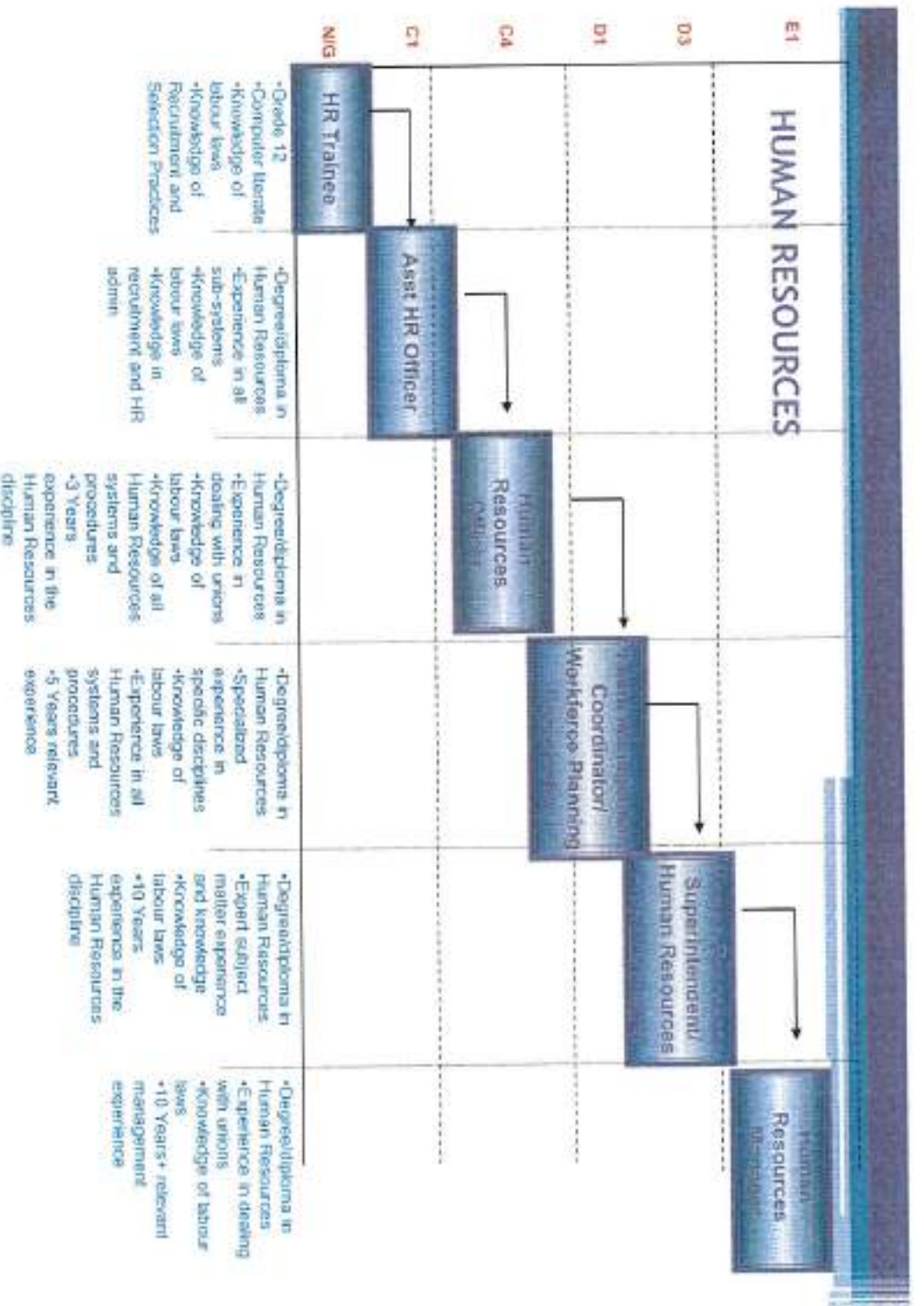


Figure 7: Human Resources development matrix

FINANCE: Admin Costing

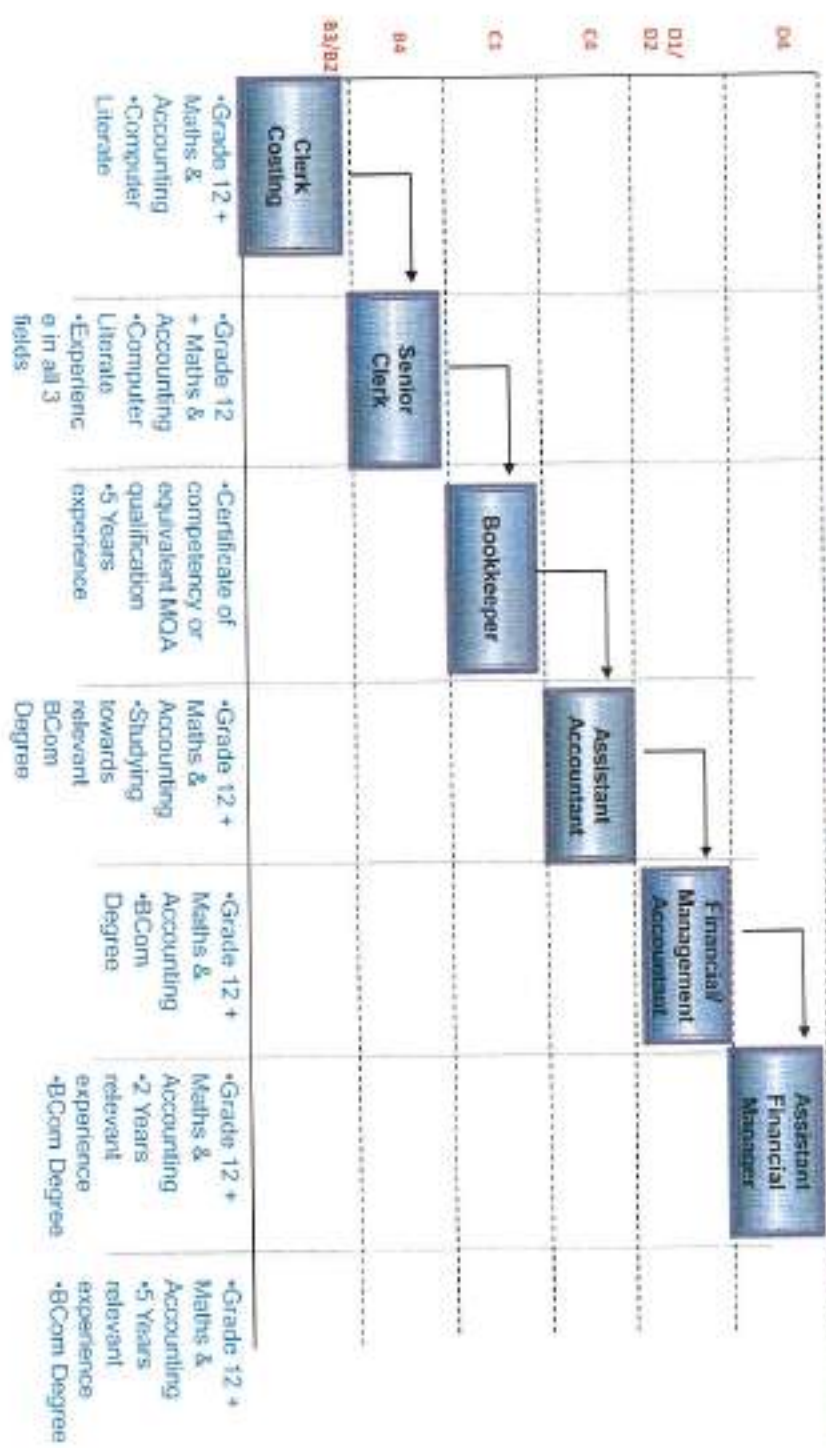


Figure 8: Finance development matrix

FINANCE: Supply Chain

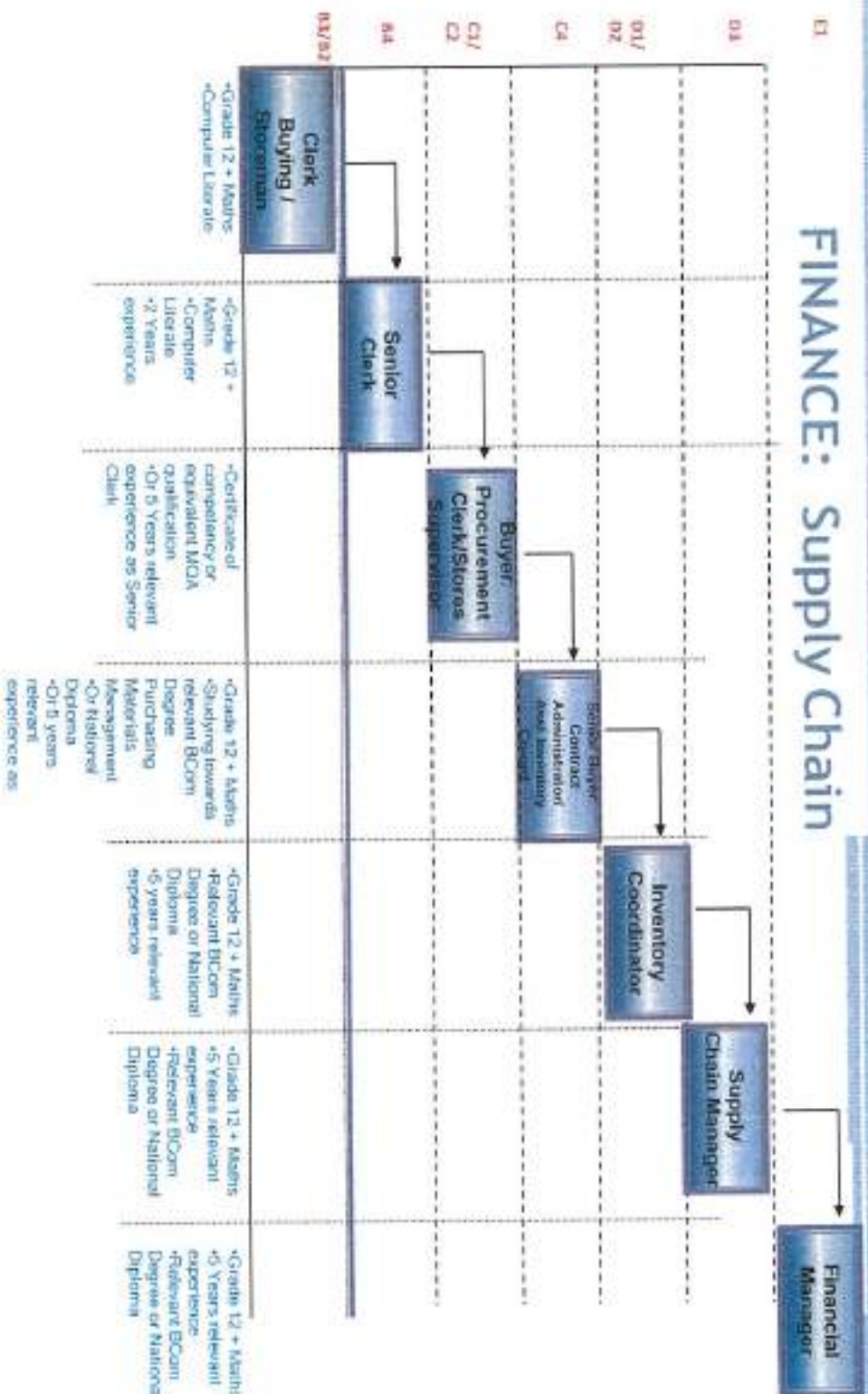


Figure 9: Finance (Supply Chain) development matrix

FINANCE: Employee Benefits

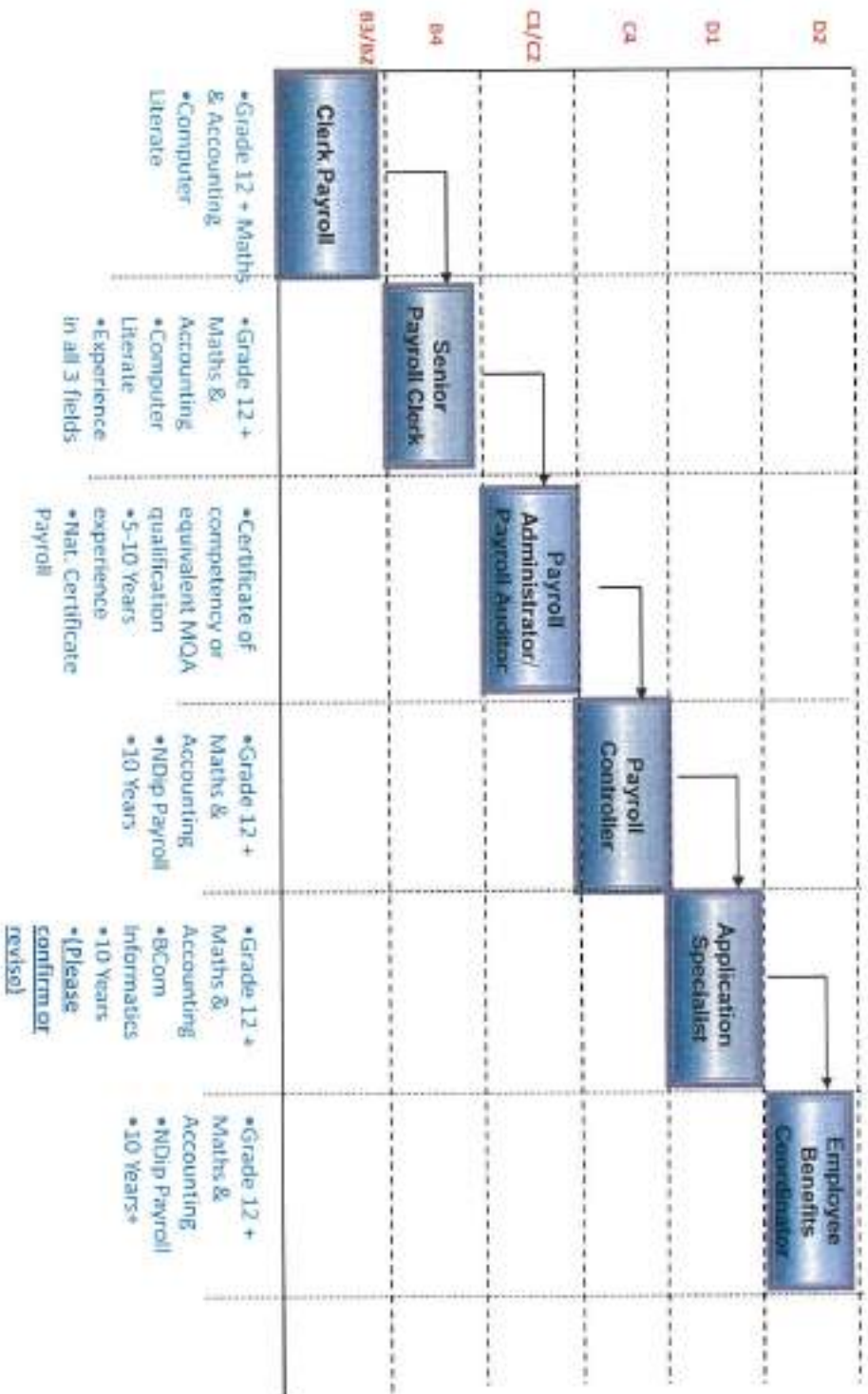


Figure 10: Employee benefits (Supply Chain) development matrix

SAMPLING 1

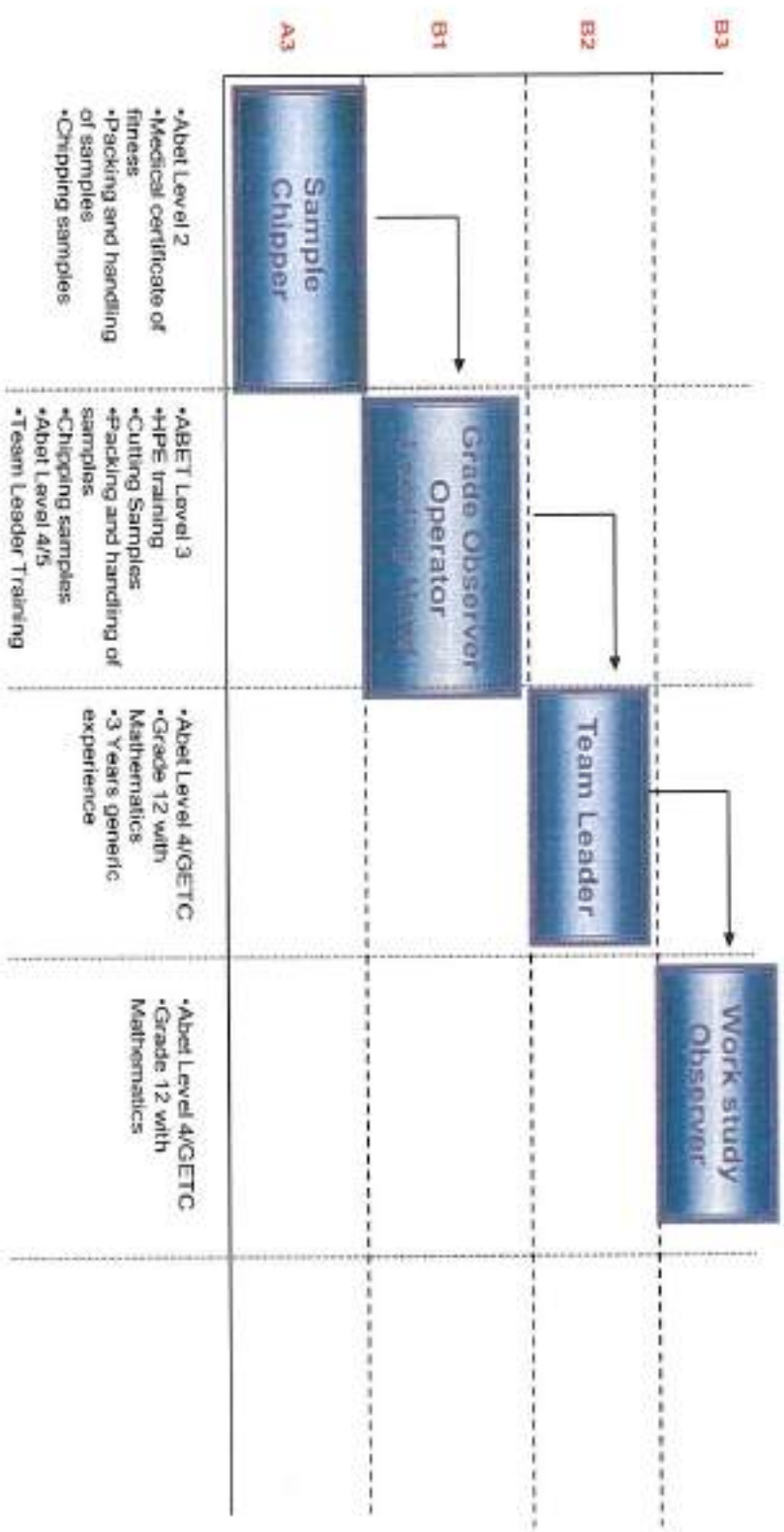


Figure 11: Sampling 1 development matrix

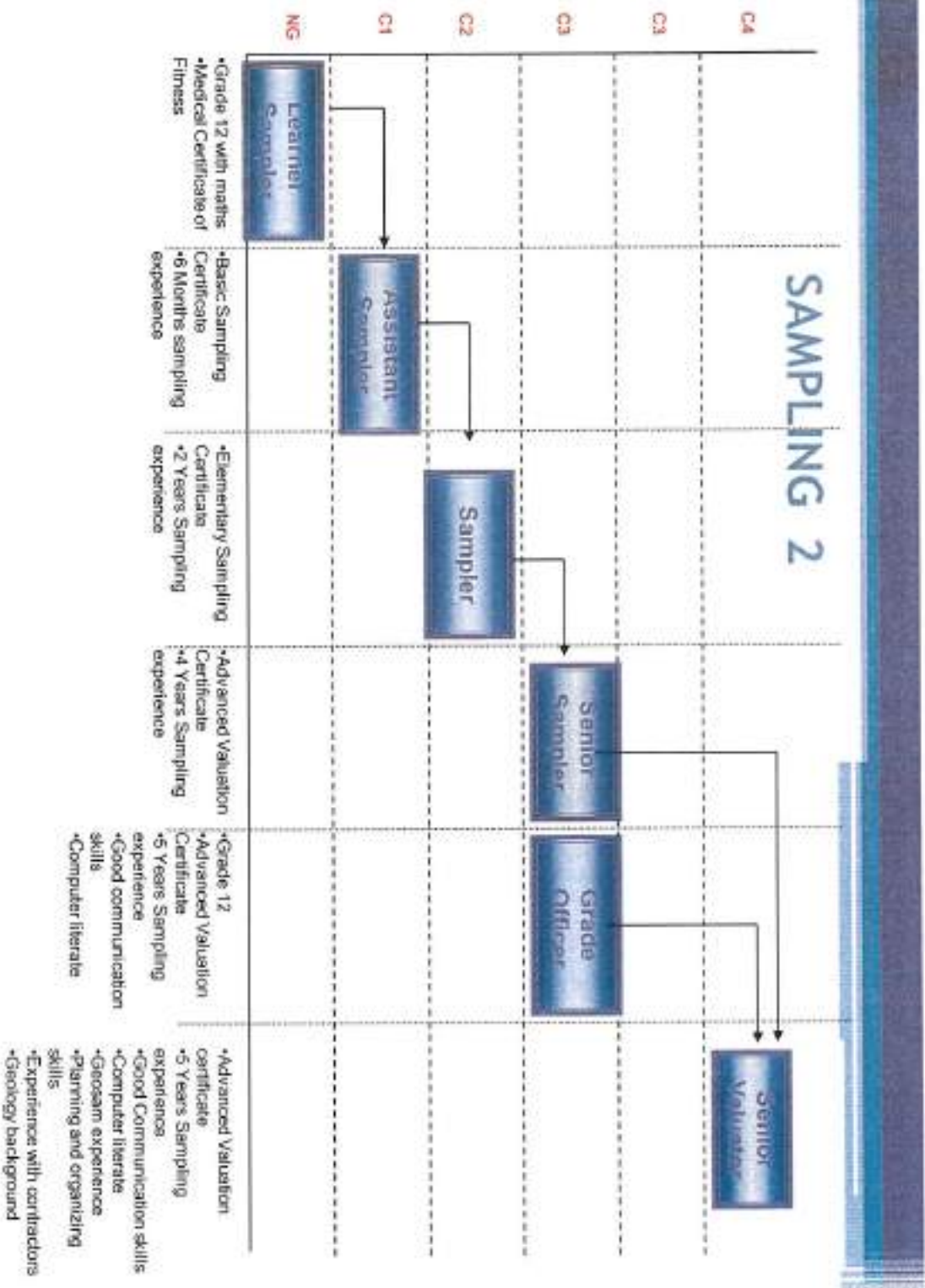


Figure 12: Sampling 2 development matrix

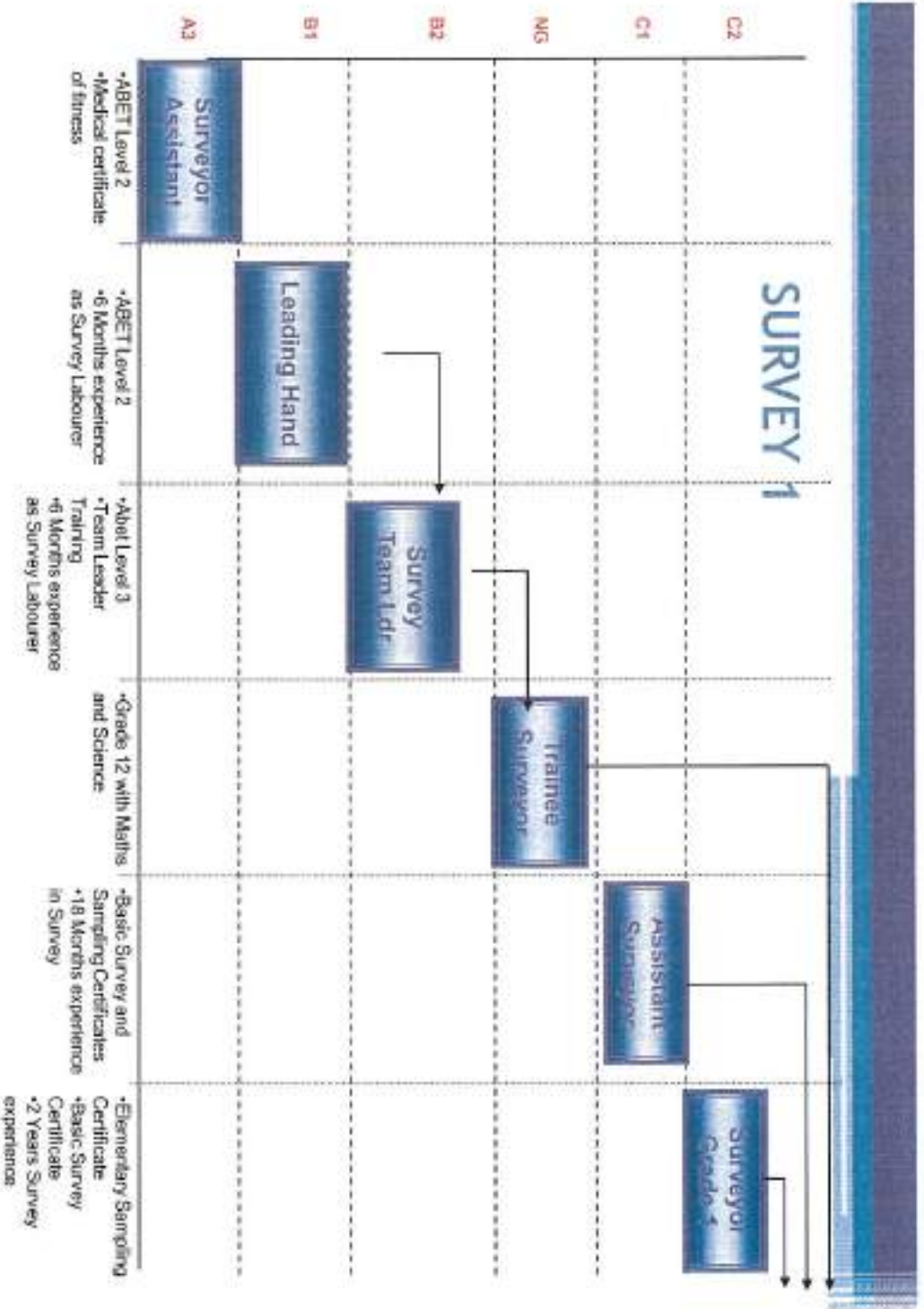


Figure 13: Survey 1 development matrix

SURVEY 2.1

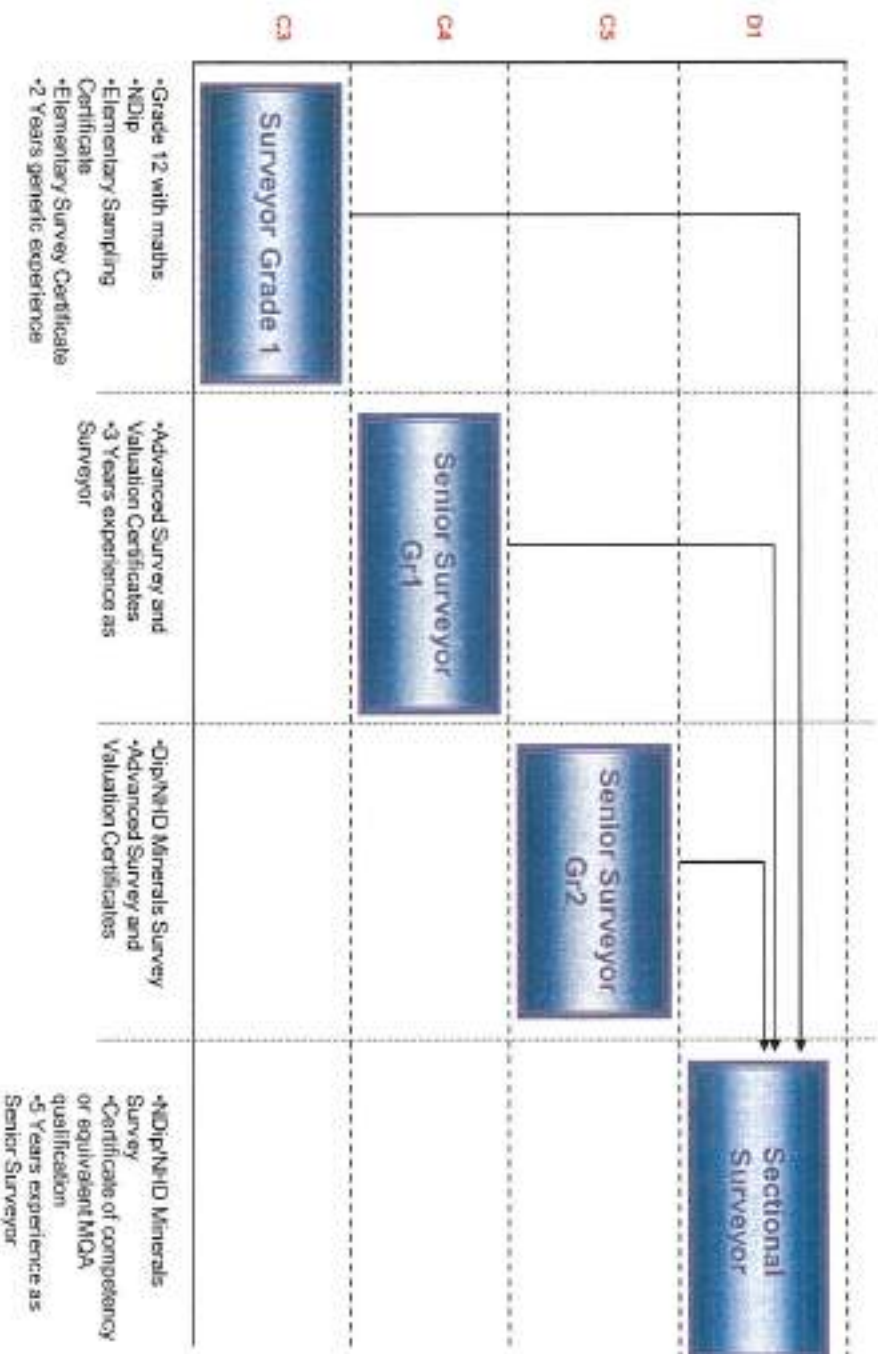


Figure 14: Survey 2.1 Development matrix

SURVEY 2.2

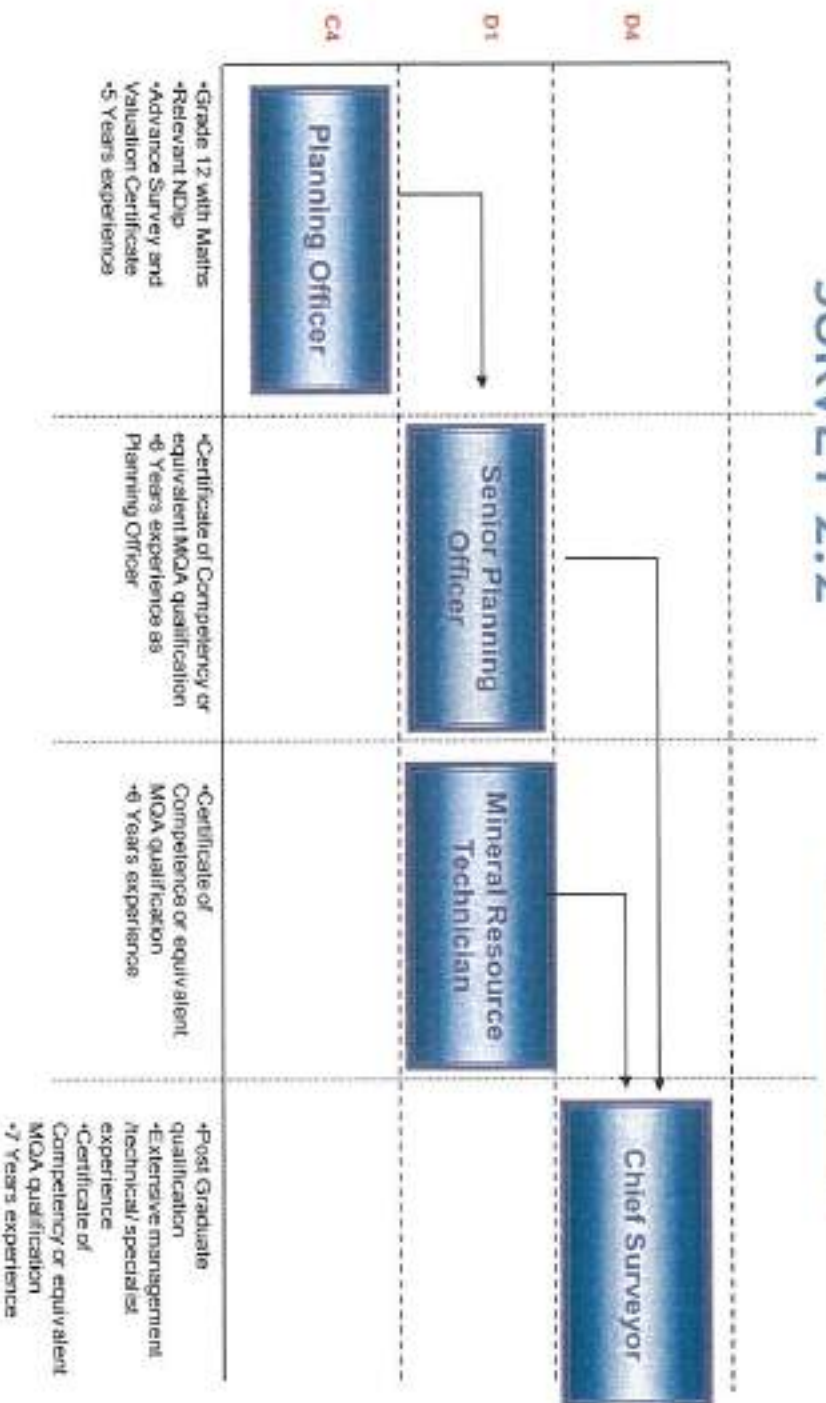


Figure 15: Survey 2.2 Development matrix

MINING - Miner Career path

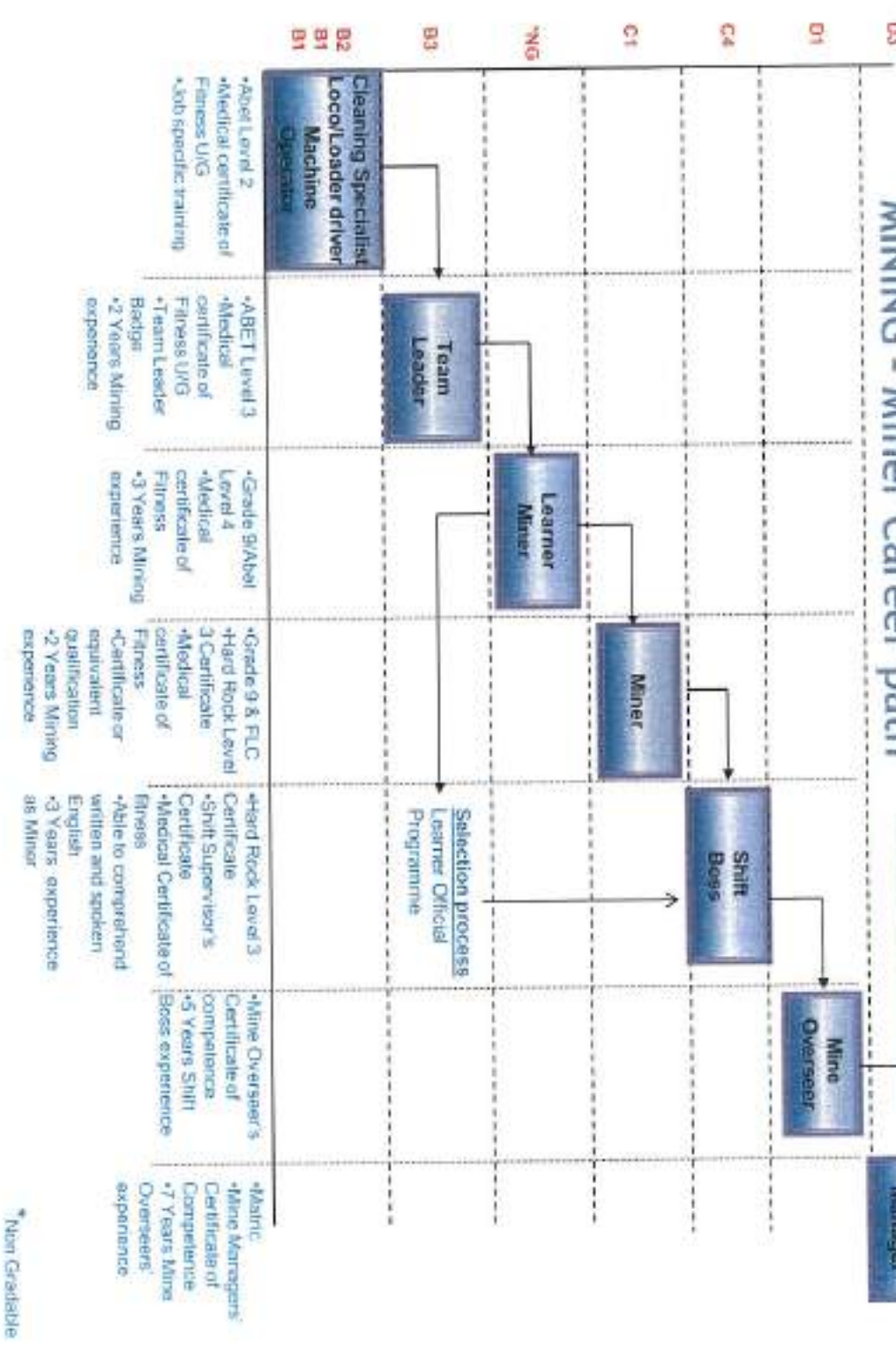


Figure 16: Mining (Miner career path) Development matrix

MINING - Graduate/Diplomat Career Path

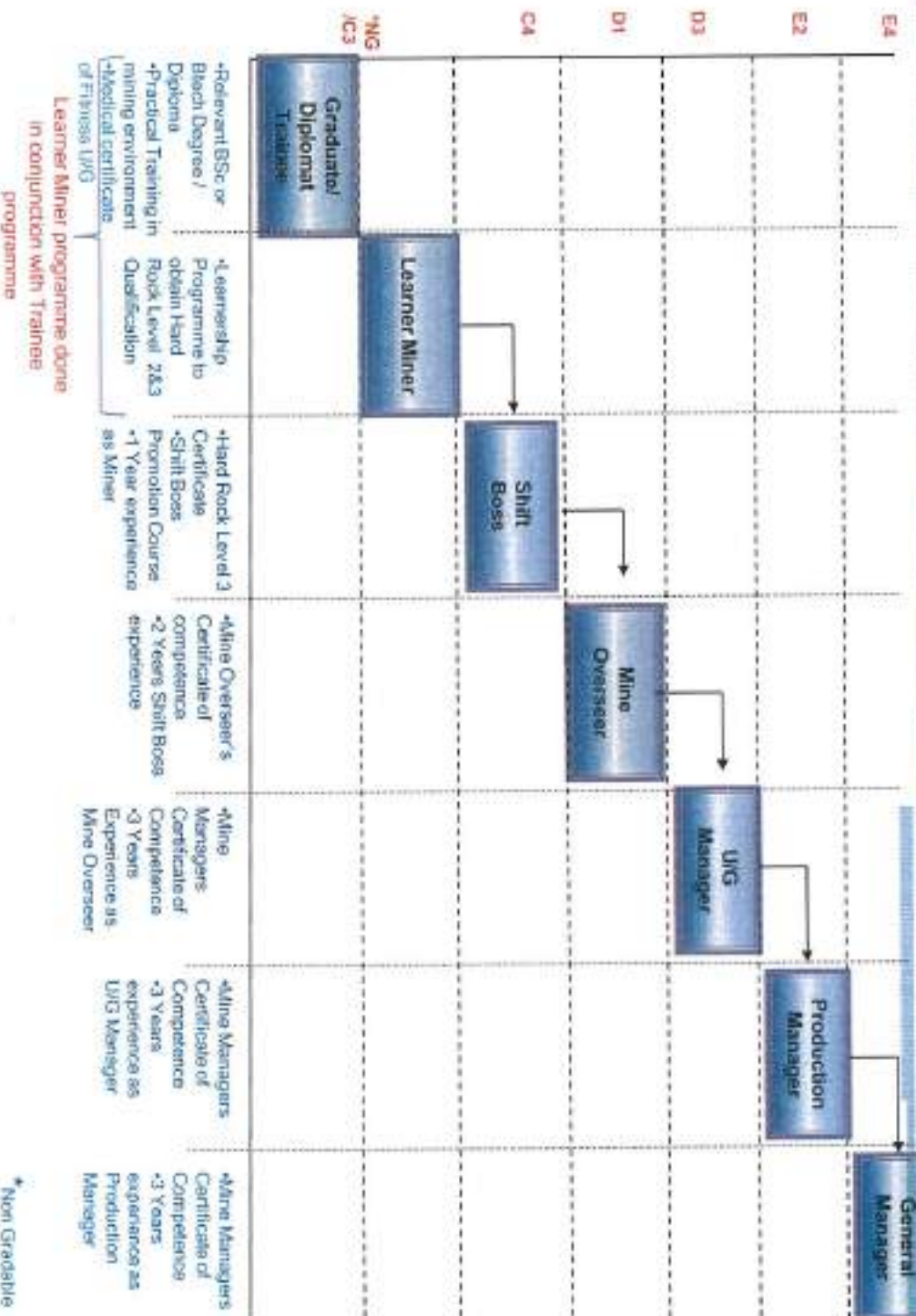


Figure 17: Graduate development matrix

ENGINEERING - Artisan Career path

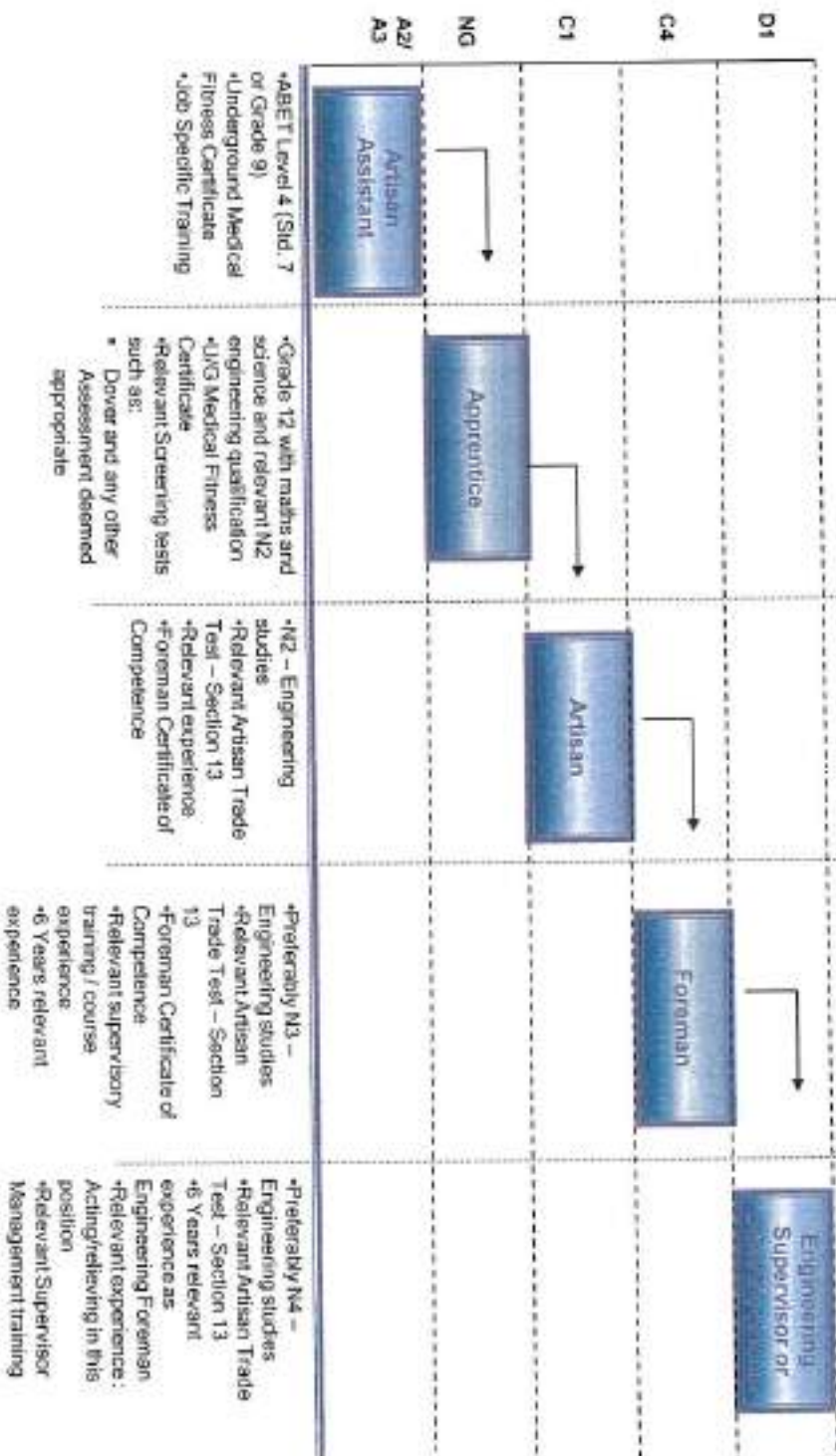


Figure 18: Artisan development matrix

ENGINEERING - Engineer career path

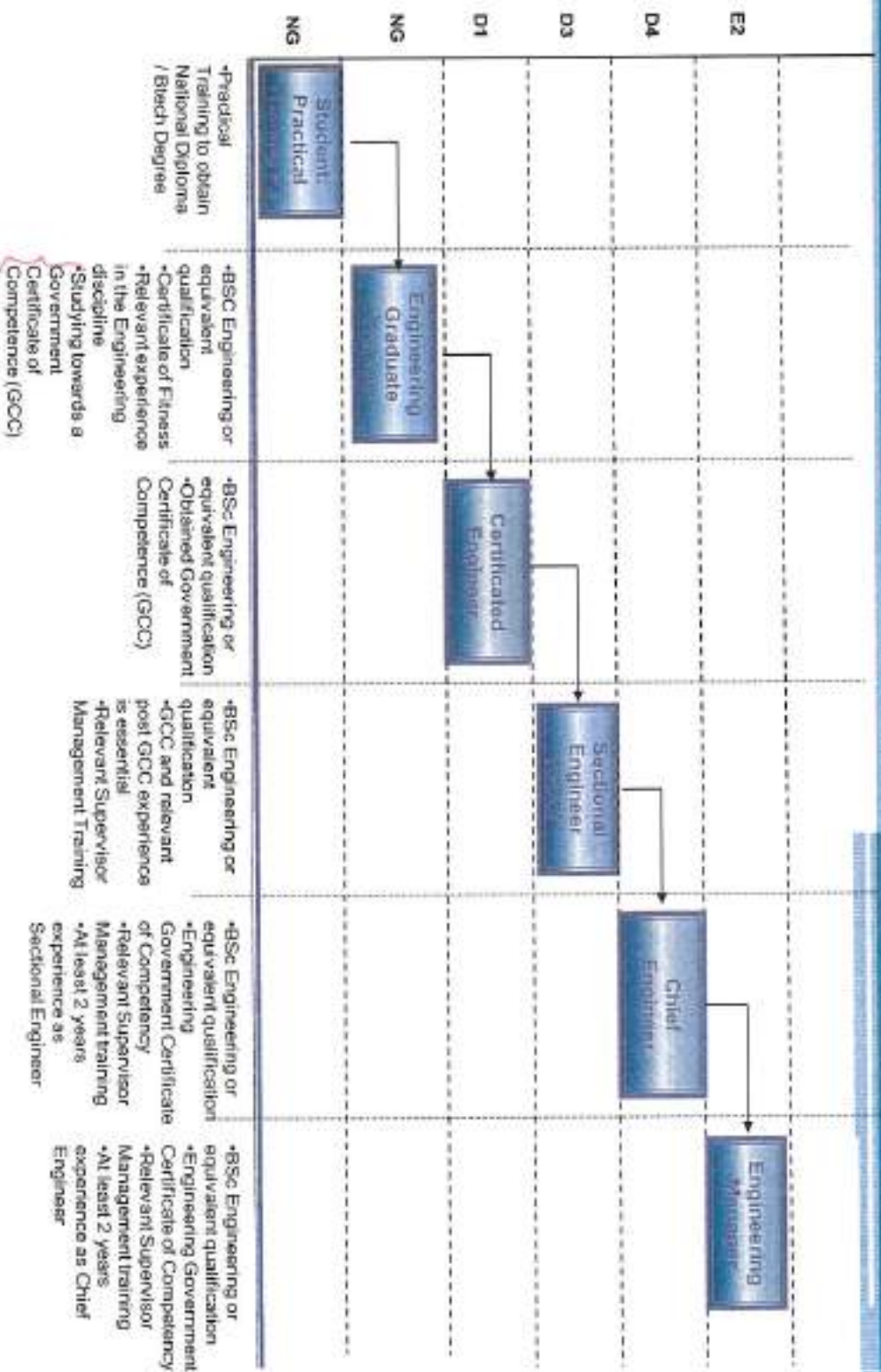


Figure 19: Engineer development matrix

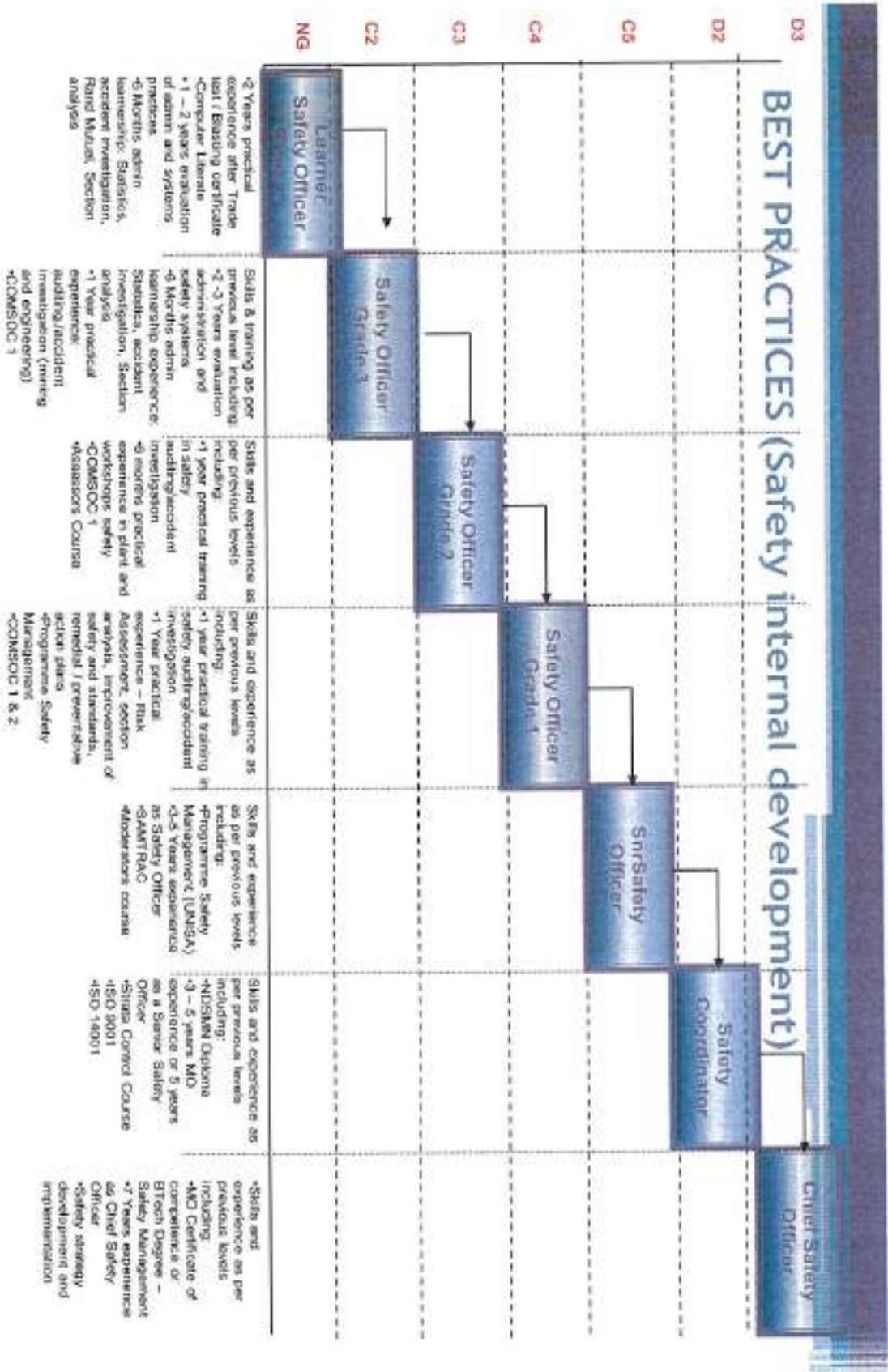


Figure 20: Best practices (safety internal development) development matrix

BEST PRACTICES (Training Centre)

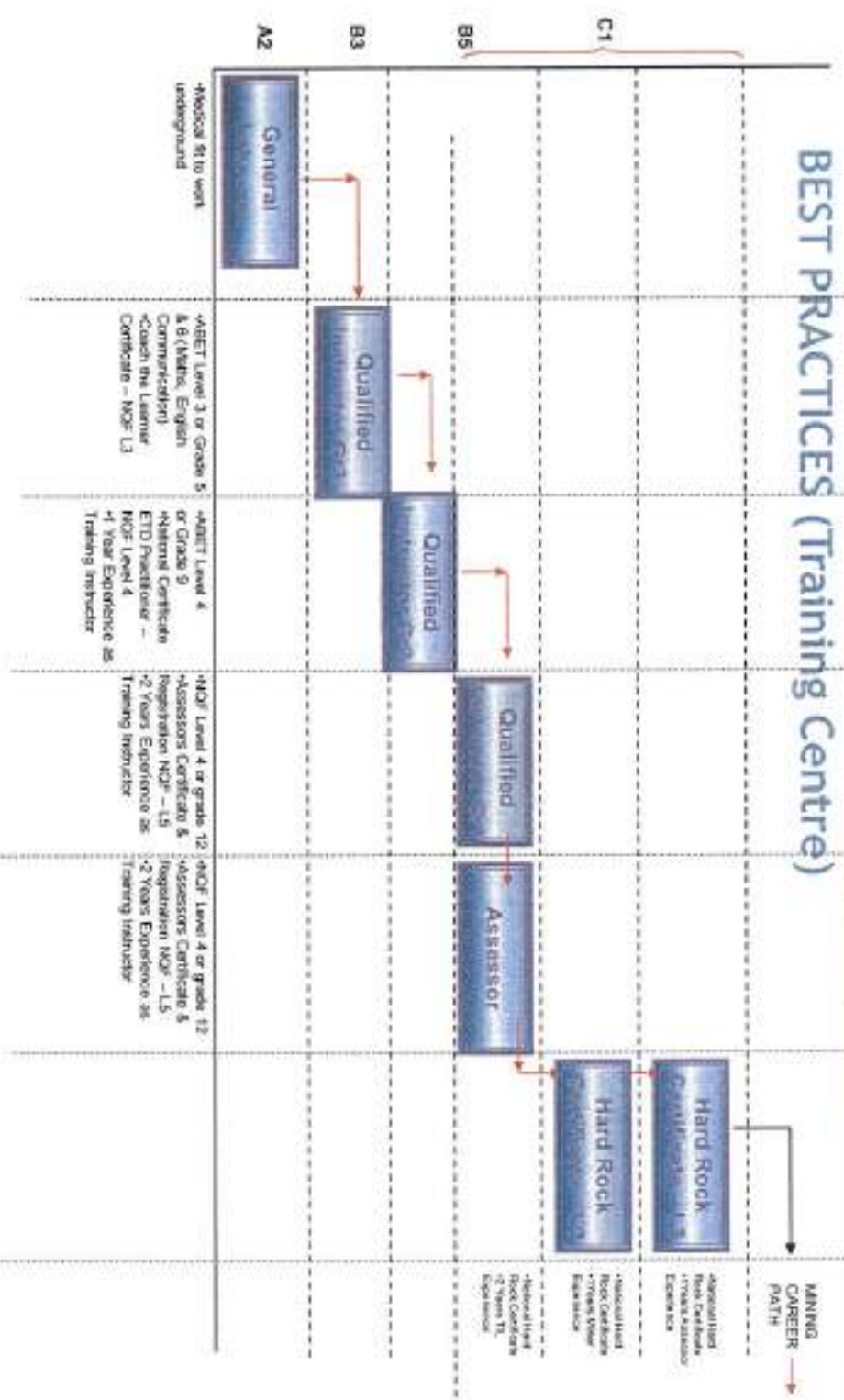


Figure 21: Best practices (training centre) development matrix

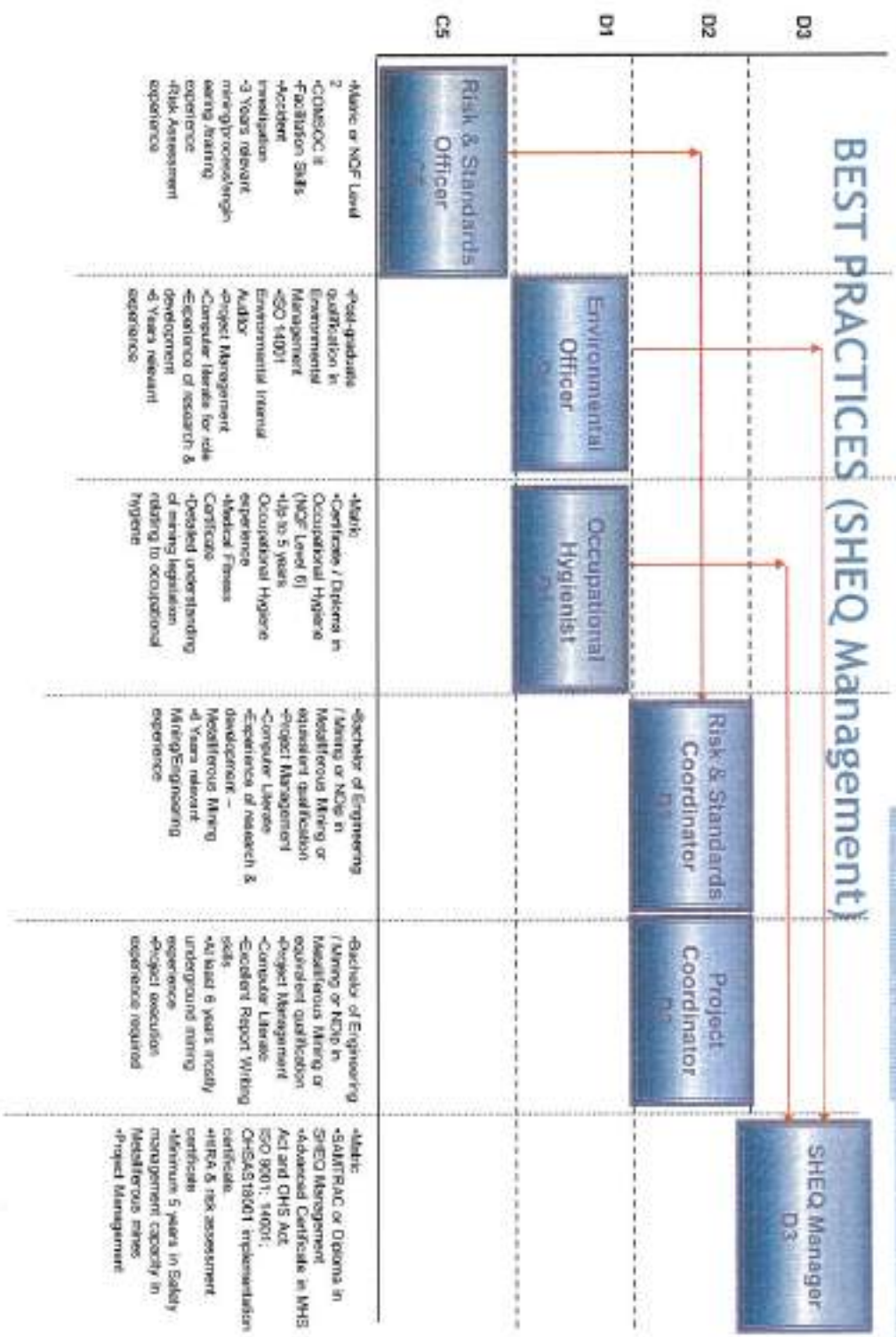
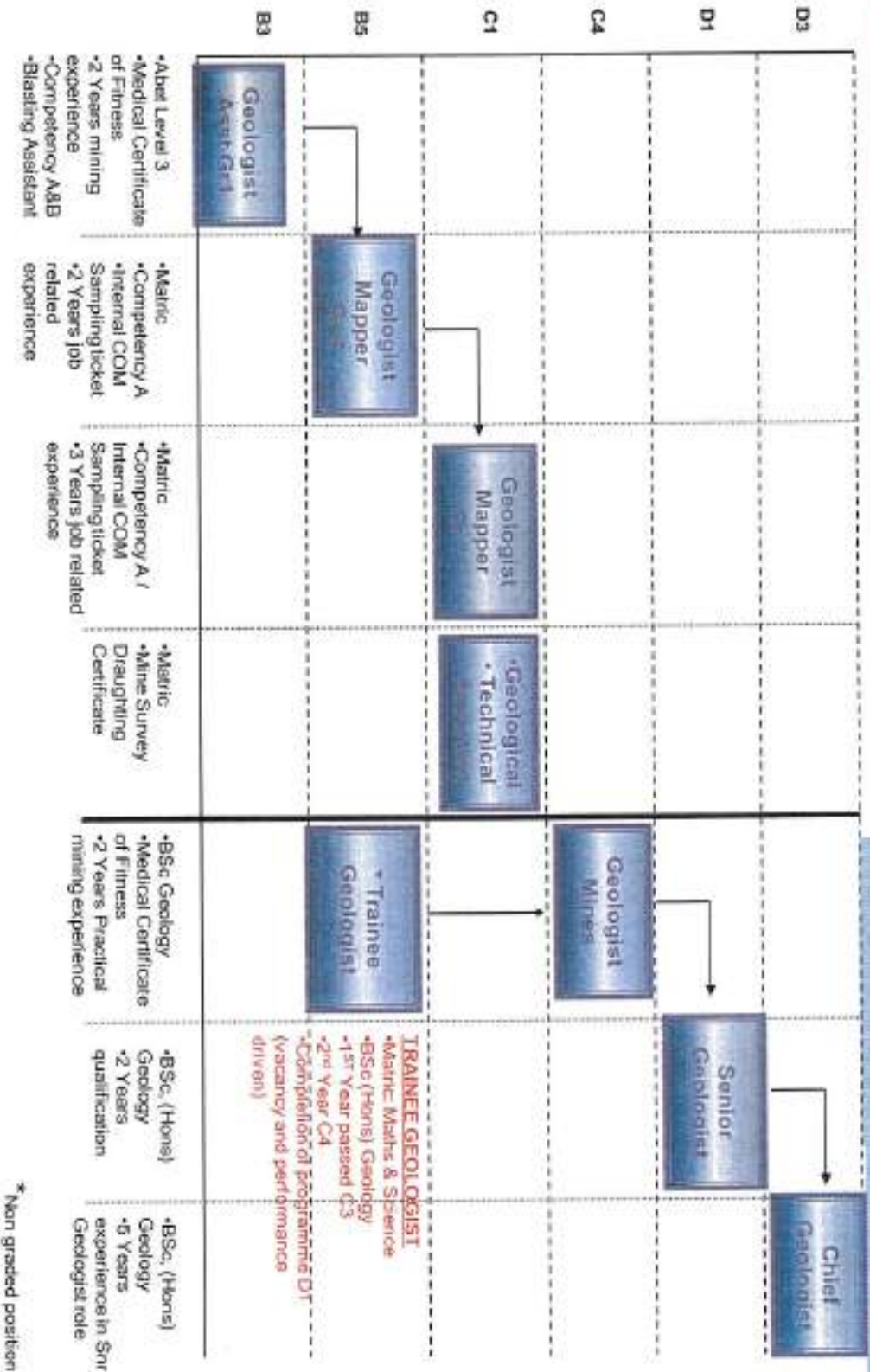


Figure 22: Best Practices (SHEQ management) development matrix

GEOLOGY



* Non graded position

Figure 23: Geology development matrix

2.4.1 Individual development plans

Individual Development Plans will be developed between the employee and their immediate supervisors. These plans will be reviewed annually as part of the overall performance management and skills development process. Employees require assistance and support in understanding the specific career paths applicable to their core area as well as other areas in the business.

These development plans will be designed taking into consideration the HDSA and WIM targets as well as retention and succession planning.

Career development remains a priority as many employees are recruited into areas that they may not see a future in. This process will assist the company, and more specifically, supervisors to understand the overall vision employees have for themselves. By nurturing and directing this vision, the employee is then more focused, motivated to succeed and efficient in the workplace.

Specific assessment tools will be utilised to determine the skills development requirements of all employees. The Training and Development Policy clearly stipulates that all training and development interventions taken, need to be in line with an understood and clarified need in the workplace as well as having a long term vision with regards the future of employees.

2.4.2 Talent pool to be fast tracked

The purpose of the Talent Development Pool is to provide designated employees with the opportunity to develop to their maximum potential to meet current and future business needs with focused development and support. The objectives of the Talent Pool are:

- To match individuals to appropriate roles based on current and future capability;
- To identify employee development needs in line with likely career progression and company objectives

- To identify companywide development needs;

This enables the organisation to develop a pipeline of talent through which candidates can be sourced for current and future vacancies. This will increase the effectiveness of appointments as such decisions are more accurate when candidates are from within the organisation.

Growth of talent is facilitated, thereby providing opportunities for all employees to contribute to their full potential. The talent pool will be reviewed and updated to ensure transformation commitments are achieved.

Table 14: Update on the talent pool (as at 30 June 2016)

	NAME OF EMPLOYEE	DESIGNATION	RACE	GENDER	CITIZEN	CORE/SUPPORT
1	Medlala, Z ✓	Geologist Mines	Black	Female	South Africa	Support
2	Khomoatsiana, T	U/G Instrument Technician	Black	Male	South Africa	Support
3	Shivun, S ✓	U/G Electrical Foreman	Black	Male	South Africa	Support
4	Lengau, ES	Financial Administrator: Accounts	Black	Male	South Africa	Support
5	Modisane R	Plant Leader	Black	Female	South Africa	Core
6	Waterboer, JR	U/G Plater	Coloured	Female	South Africa	Support
7	Matabana BR	Senior Buyer	Black	Male	South Africa	Support
8	Mugwedi D	Lab Analyst	Black	Male	South Africa	Core
9	Mashole GD	Sectional Surveyor	Black	Male	South Africa	Support
10	Ganda ET	Sectional Ventilation Officer	Black	Male	South Africa	Support
11	Thabathe M ✓	Senior Geologist	Black	Male	South Africa	Support
12	Modisane MR	Shift Boss	Black	Female	South Africa	Core
13	Sibulilo SB	Shift Boss	Black	Female	South Africa	Core
14	Bantsha, P ✓	Underground Manager	Black	Male	South Africa	Core

Letšona

	NAME OF EMPLOYEE	DESIGNATION	RACE	GENDER	CITIZEN	CORE/SUPPORT
15	Xaba, S	Sectional Engineer	Black	Male	South Africa	Support
16	Mphahle, V	Underground Manager	Black	Male	South Africa	Core
17	Mashile, SC	Senior Rock Mechanics Engineer	Black	Male	South Africa	Support

2.5 Mentorship and Coaching

Mentorship and coaching has been identified as an essential component of employee growth and career development. Taking into consideration the unique nature of the mining sector, employees face many challenges and hurdles in their growth, specifically women in mining. Mentorship implemented by suitable and appropriate mentors and coaches is invaluable and a critical part in dealing with and overcoming these challenges.

Mentoring is focused on management level development. The focus of mentoring would be to develop leadership skills necessary for dealing with the day to day responsibilities of a management role.

Coaching will be focused on supervisory level and below, with specific interventions focusing on key technical skills, knowledge transfer as well as people management and leadership skills.



Figure 24: Mentoring and Coaching Model

Key areas have been identified wherein mentorship and coaching will be focused. The individual development plans finalised with line management will be used to determine specific mentorship and coaching needs.

Once identified, mentors and coaches will be reviewed to determine their suitability for specific candidates and will undergo regular training to be aware of the unique needs of their mentees and coachees as well as the constantly transforming culture in the workplace. Mentors and coaches will at all times be fully supportive of and committed to equity and transformation of the workplace.

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Mentoring focus:

- D-levels supervisors and specialists
- Individuals in the talent pool
- Bursary beneficiaries; and
- Interns.

Coaching focus:

- Supervisors (C-levels)
- Team leaders; and
- Learnership Incumbents.

All of these will form part of the programmes and these will be recorded and administered consistently.

Table 15: Mentorship and coaching targets (2016-2020)

Field/ Training area	2016	2017	2018	2019	2020
Coaching	0	30	40	50	50
Mentoring	0	30	40	50	50
Executive coaching	0	3	3	3	3
Budget		R2160000	R2380000	R2600000	R2600000

2.6 HRD Management system

2.6.1 HRD Management system and educational material

An HRD management system will be implemented in 2017 to support Northam Platinum on reporting and managing of HRD targets.

The HRD management system is designed and configured to manage the end to end process of training, keeping track of all training events including permanent staff, contractors and community learning. Detailed records will be available on training hours per individual as well as the associated costs involved for the training initiatives.

An internal skills audit will form the basis of the HR Management system to ensure the input data into the new system is credible and a true reflection of the workforce educational levels.

2.6.2 Infrastructure upgrade

To accommodate and capacitate Northam for the increase in amount of learning and development, capital investments will be made throughout the 2016 to 2020 period to upgrade current infrastructure and build new infrastructure to be able to execute current HRD commitments.

2.6.3 Marketing and change management

The new commitments in the HRD plan will take dedicated change management and preparation of the workforce. The change management plan around the new HRD programme will include the following:

- Update of learning and development policy, including selection criteria for training and development

- Engagement with various stakeholders on HRD Programme commitments
- Commitment on reporting meetings and meeting structure
- Roadshow to inform workforce on new training commitments and obtain buy in
- Marketing material for training interventions

2.7 Employment Equity

In terms of the MPRDA, REGULATION 46 (b) (v): "The contents of a Social and Labour Plan must include a human resources development programme which must include the employment equity statistics which must be completed in the form of "Form S" contained in Annexure II and the mines plan to achieve the 10 percent women participating in mining and 40 percent historically disadvantaged South Africans (HDSA) participation in management within 5 years from the granting of the right or the conversion of the old order right".

The Current Mining Charter stipulates: "Workplace diversity and equitable representation at all levels are catalysts for social cohesion, transformation and competitiveness of the mining industry. In order to create a conducive environment to ensure diversity as well as participation of HDSA at all decision making positions and core occupational categories in the mining industry, every mining company must achieve a minimum of 40% HDSA demographic representation at all levels by 2014. In addition, mining companies must identify and fast track their existing talent pools to ensure high level operational exposure in terms of career path programmes.



Northam Platinum has and continues to embrace the opportunity to transform the composition of the company's workforce and management to reflect the demographics of South Africa. This is a business imperative to ensure the company taps into the entire skills base of the South African population and shares value across its employee base.

The following principles guide the way in which employment equity is implemented at Northam in support of EE plans and strategies:

- Compliance with the Employment Equity Act and all other legislation establishing a culture that embraces equity, dignity, diversity and respect;
- Identifying talent pools and designing strategies towards selecting, developing, training and retaining talent;
- Conducting skills audits across all disciplines in order to address skills gaps and enable continuous growth and development of employees;
- Ensure proactive recruitment and advancement of people in line with Economically Active Population (EAP) targets, as proposed in the Draft Reviewed Mining Charter;
- Grant employment opportunities to disabled persons;

- Training all levels of management to monitor employment equity and transformation processes, raising concerns where appropriate;
- Ensuring on-going transparent consultation processes on the employment equity plan;
- Analysing the workforce profile in order to align and support the achievement of the employment equity plan;
- Regular interaction and updates with employee representatives on transformation processes, challenges and opportunities.

Table 16: Employment equity status (Form S)

Occupational Levels	Male				Female				Foreign National		Total	HDSA %	WIM %	Black HDSA %	Black Females %	Disabl	
	African	Coloured	Indian	White	African	Coloured	Indian	White	Male	Female						Male	F
Top Management (Board)	5	0	0	5	1	0	0	1	0	0	12	58.3	16.7	60.0	8.3		56
Senior Management	3	1	0	5	1	0	0	2	0		12	58.3	25.0	33.3	8.3		
Middle Management	23	1	0	32	2	0	0	9	1		68	51.5	16.1	31.9	2.9		
Junior Management	83	2	1	92	13	0	1	9	5		206	49.0	9.7	44.6	4.8		
Core Skills	2263	7	0	107	252	0	1	7	1515	24	4176	61.0	6.2	60.4	6.1		
Total	2377	11	1	241	269	0	2	28	1521	24	4474	55.6	15.2	46.4	6.1		1.3%

*table reflects workforce data as indicated by form S (excluding support/ semi-skilled and unskilled)

The above table reflects current performance levels as at September 2016 for top, senior, middle, junior management and core skills.

According to the MPRDA, "historically disadvantaged person" at present means:

- (a) any person, category of persons or community, disadvantaged by unfair discrimination before the Constitution took effect;
- (b) any association, a majority of whose members are persons contemplated in paragraph (a);
- (c) any juristic person other than an association, in which persons contemplated in paragraph (a) own and control a majority of the issued capital or members' interest and are able to control a majority of the members' votes

The table below indicates the progress achieved thus far (2013 – 2020) in growing the presence of HDSA's in management at Northam Platinum. As is evident, Northam Platinum has progressed and, as at 2016, achieved compliance with the 40% target as HDSA across top, senior, middle and junior management as well as core skills.

Table 17: HDSA in Management

Element	Description	Measure	Target compliance	Progress achieved by					Target				
				2013	2014	2015	2016	2017	2018	2019	2020		
Employment equity	Diversification of the workplace to reflect the countries demographics to attain competitiveness	Top management (Board)	40%	83%	80%	55.6%	70%	60%	60%	60%	60%		
		Senior Management	40%	14%	25%	33%	44.4%	64%	64%	64%	64%		
		Middle Management	40%	31.9%	39%	42%	45.8%	48%	51%	54%	57%		
		Junior Management	40%	42%	45%	47%	49%	51%	53%	55%	57%		
		Core Skills	40%	62%	62%	62%	61%	62%	62%	62%	62%		

With the imminent publishing of a Reviewed Mining Charter, a draft of which has been released for comment, Northam Platinum plans to continue to improve its transformation at all levels taking into consideration the proposed increase in targets, the inclusion of black females and the application of economically active population metrics.

The Draft Reviewed Mining Charter intends to amend the definition of HDSAs to that of 'black' people in line with the definition of the BBBEE Codes of Good Practice, which includes Black Africans, Coloureds and Indians –

- (a) Who are citizens of the Republic of South Africa by birth or descent; or
- (b) Who became citizens of the Republic of South Africa by naturalisation;
 - (i) Before 27 April 1994; or
 - (ii) On or after 27 April 1994 and who would have been entitled to acquire citizenship by naturalisation prior to that date;

In addition, the Draft Reviewed Mining Charter also references a future need to use economically active population (EAP) as a further measurement criterion for employment equity. EAP is defined in the Draft Reviewed Mining Charter as, all those between the ages of 15 and 64 who either work or wish to be employed. Given the youthfulness of the black population the EAP includes many black teenagers who have never obtained a matric or worked at any job at all.

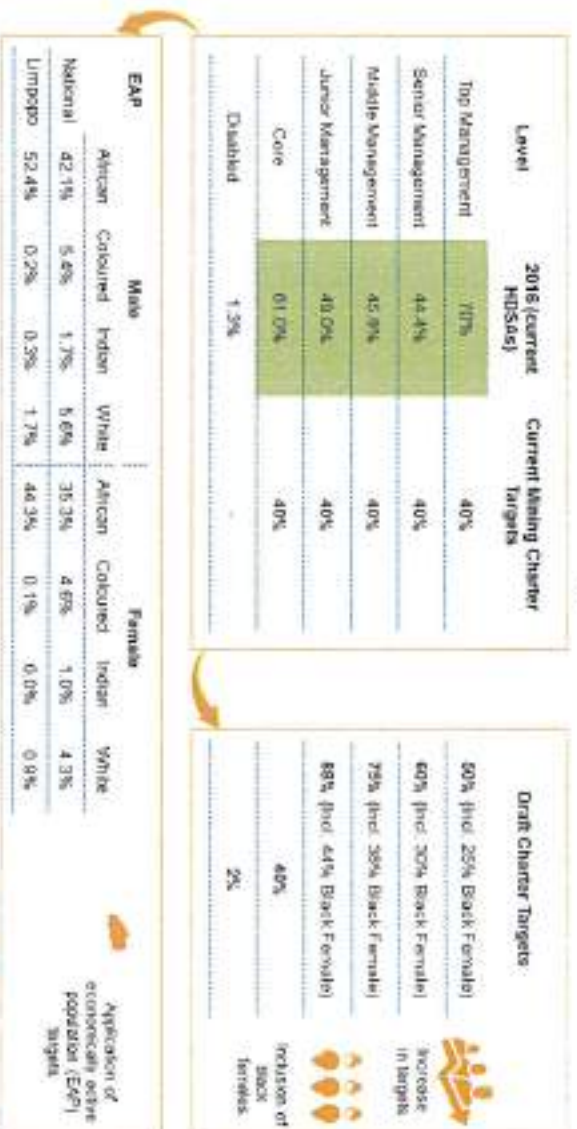


Figure 25: Current compliance and new considerations emanating from the Draft Reviewed Mining Charter

Once applicable Northam Platinum will apply the relevant EAP targets, being those of the National footprint or Limpopo, where Northam Platinum is located.

2.7.1 Representation Women in Mining

Mining has traditionally been considered an exclusively male activity, with most operational requirements being demanding physically, historically performed with very little mechanisation. Legislation prohibited women from working underground until as recently as 1997. However, due to the advancement of technology and mechanisation of mining, women can increasingly participate in mining activities as this makes the employment of women and the use of their skills a priority for the mine of the future.

The Mining Charter requires 10% participation in mining by women. Northam Platinum has prioritized the creation of employment opportunities for women, and as of September 2016 Northam employs a total of 476 women (excluding foreigners). In total, females represent 8.2% of the workforce at Northam Platinum. Measures are being taken to reach the mining charter target of 10% within the SLP period.

Northam Platinum will continue to focus on addressing the HDSA and Women in mining. Recruitment and talent planning will aim to achieve black representation for males and females in line with the new draft mining charter.

The mine has embarked on an external recruitment drive, whereby suitably qualified women from the surrounding local communities are identified, trained and employed. During the recruitment process counselling and physical capability testing is conducted. It is anticipated that this approach can contribute substantially to the achievement of the Women in Mining targets. Certain barriers and challenges that Northam identified with regards to women in mining are discussed below along with ways in which Northam addressed these issues.

Table 18: Interventions identified to overcome barriers and challenges for WIM

Barriers and Challenges	Interventions implemented by Northam
Scarcity of skills in the management category	<ul style="list-style-type: none"> Active sourcing of women for bursaries and learnerships
Identification of positions suitable for females	<ul style="list-style-type: none"> A talent pipeline aimed at developing women for positions in which they are under - represented
Perceptions about women in mining	<ul style="list-style-type: none"> Changing perceptions using training programmes for a diverse workforce
The suitability of protective equipment for the needs of women	<ul style="list-style-type: none"> Sourcing suppliers able to provide suitable protective equipment for female employees
Underground facilities for women in the workplace	<ul style="list-style-type: none"> Identifying and discussing women's requirements and establishing appropriate arrangements and facilities

2.7.2 Encouraging women to enter mining professions

Northam will encourage women's participation in all levels of the mining and processing operations by:

- Encouraging women to further their education in mining occupations, in order to qualify to fill vacant or newly created positions
- Providing bursaries to promote mining-related educational advancement, prioritising the fields of mathematics and science

- Including female employees in management and leadership training, as described under the HDSA fast-tracking plan in the employment equity section
- Supporting young female students at high school and university level through bursaries

2.7.3 Development programmes for the existing WIM

The shortage of adequately skilled workers for the mining industry may be addressed by focusing on women in mining. Northam Platinum will address the skills gaps for women in mining, in conjunction with the education authorities such as the MQA, by:

- Formulating comprehensive skills development strategies
- Creating various skills training and related development opportunities
- Develop a strategy to encourage women who have chosen a career in mining to stay and advance their mining careers.

To achieve these objectives, Northam Platinum will consider the following:

- Identify potential female employees who have demonstrated an interest and ability to further their careers in mining
- Preference will be given to females in acting/relieving positions
- Identify the training and technical needs of women miners and organize the resources required to meet these needs
- Provide bursaries to promising young women students to study for a commercial or technical degree, with a view to making a career in mining
- Enhance training programmes for women.

2.7.4 Internal succession and promotion of WIM

Internal succession planning and promotions will be used to help achieve greater representation of women at all levels of responsibility on the mine. Furthermore, ongoing skills development and promotions will be used to empower female HDSAs for existing and future management positions, starting with creating awareness of careers in mining within the local community. Special focus will be applied to black females as per the Draft Reviewed Mining Charter.

2.7.5 WIM Targets

Northam is committed to compliance of 10% of women in mining across all levels within this SLP period, and improving woman representation at junior and middle management. Currently we are standing at an 8.2% of female representation in the workforce. Northam will provide all employees with the opportunity to participate in training and development that will improve their workplace competency and chances for future upward mobility. Northam is also committed to developing employees through appropriate recruitment, retention and development initiatives. An emphasis is placed on identifying potential talent, mentoring and personal development planning and accelerated development, specifically employees who were previously disadvantaged, and to retaining these talents. Additional emphasis will be placed in this regard on developing junior and middle management HDSA and WIM.

Table 19: Current WIM performance (2013 – 2016)

Occupational Level	2013		2014		2015		2016	
	Total	%	Total	%	Total	%	Total	%
Top management	2	33%	1	20%	1	11%	2	20%
Senior Management	1	14%	1	12.5%	2	22%	2	25%

Middle Management	6	8%	7	10.6%	9	13%	13	18.1%
Junior Management	16	8%	16	8%	18	9.6%	18	9.7%
Core	246	4.8%	237	4.9%	251	5%	284	6.2%

Table 20: WIM Targets including whole workforce (2016 – 2020)

Occupational Level	2016		2017		2018		2019		2020	
	Total	WIM %	Total	WIM %	Total	WIM %	Total	WIM %	Total	WIM %
Top Management	2	20.0%	2	20%	2	20%	2	20%	2	20.0%
Senior Management	3	25.0%	4	30%	4	30%	4	30%	4	30.8%
Middle management	13	18.1%	14	19.2%	16	21%	20	21%	20	19.2%
Junior Management	19	9.7%	20	10.6%	20	10.6%	20	10.6%	20	10.6%
Skilled	42	10.5%	42	10.5%	42	10.5%	42	10.5%	42	10.5%
Semi-skilled	140	4.6%	157	5.1%	165	6%	222	7.1%	305	8.1%
Unskilled	258	12.6%	258	12.6%	258	12.6%	258	12.6%	235	12.6%
Grand Total	478	8.2%	497	8.5%	527	9%	562	9.6%	667	10.1%

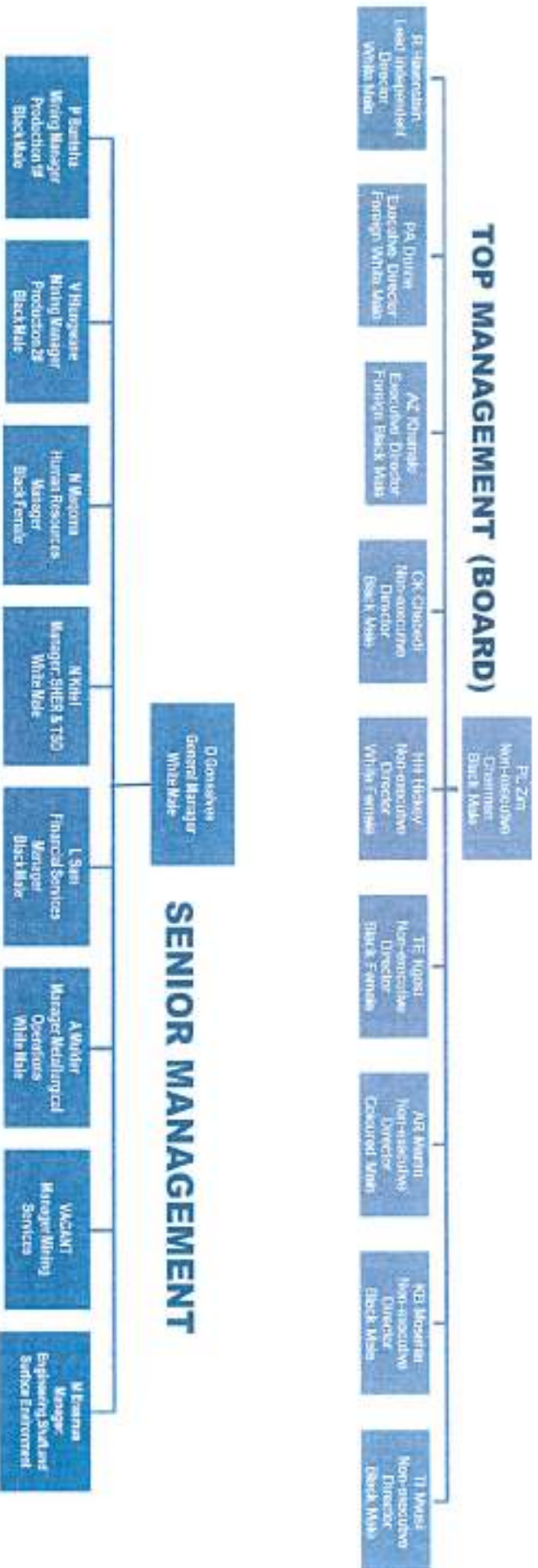
*excluding foreign nationals

Recruiting of females is a challenge. Specific areas such as head-hunting, talent management and coaching will be emphasized in addressing the current shortfalls in HDSA and Women in Mining targets. Recruitment priority will be given to HDSA and women candidates. All efforts will be made to identify suitable candidates and ensure that the uniqueness of this company is adequately projected to attract them.



The Employment Equity and Training Committee will also participate pro-actively in the implementation of the above to ensure complete transparency and efficiency in approach. The Recruitment and Selection Policy as well as the Learning and Development Policy will be followed without exception. This structure also assists with identification of key issues that could impact on retention and attraction of HDSA and women candidates and thereby provide clear direction in respect of areas that need to be addressed. The company commitment is also based on upliftment and growth of existing individuals in the company but where necessary, external candidates will be sought to ensure consistent productivity, efficiency and professionalism in the workplace.

2.7.6 Management Structure



2.7.7 Draft Reviewed Mining Charter

Northam Platinum's objectives from 2016-2020 are to plan towards improving its transformation at all levels taking into consideration the Draft Reviewed Mining Charters new targets.



Figure 26: Current Progress against Mining Charter targets

The reviewed targets are significantly higher across all levels of management and the inclusion of specified black female targets necessitate a period during 2016 and 2017 of review and strategy development as to how to begin the road to progression towards compliance with these new targets.

SECTION 3

MINE COMMUNITY AND LOCAL ECONOMIC DEVELOPMENT (MCD / LED)

3. MINE COMMUNITY AND LOCAL ECONOMIC DEVELOPMENT

The mining industry is required to both legally, via the Minerals and Petroleum Resources Development Act (MRPPDA), and ethically as responsible corporate citizens, to actively contribute towards the upliftment, growth and development of specifically their labour sending areas and affected mine communities. This is through, but not limited to, the alignment, consultation and review of the community's Integrated Development Plans (IDP's), Provincial growth and development strategy (PGDS) and the National spatial development strategy (NSDS).

Northam Platinum recognise the importance of the mine and labour sending communities in the sustainability of its Zondereinde mining operation, and wish to move from a culture in the mining industry of corporate social responsibility to one of sharing value across the ecosystem in which it operates.

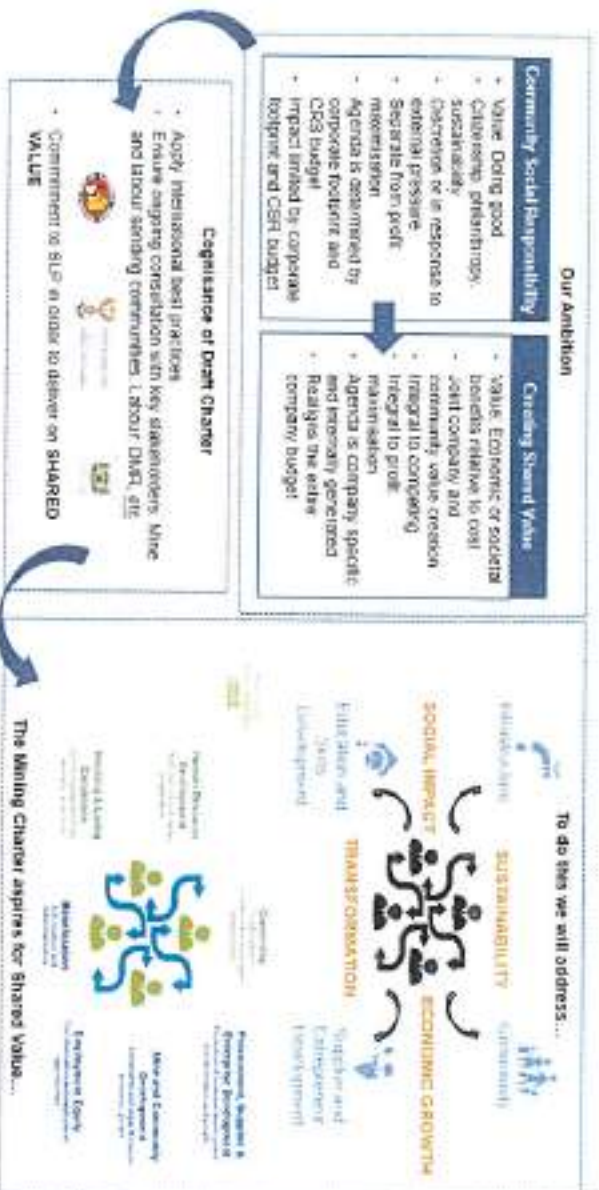


Figure 27: creating shared value

The Mining Charter

The **Broad Based Black-Economic Empowerment Charter for the South African Mining and Minerals Industry** (Mining Charter) emphasises a mines' position within the communities they operate where a balance between mining development and mine community socio-economic development must be created. It states that:

"Mining companies must meaningfully contribute towards community development, **both in terms of size and impact**, in keeping with the principles of the social licence to operate." In doing so, mine right holders must:

- Be consistent with international best practices in contributing towards shared value and meaningful community requirements;
- Conduct meaningful consultations and co-ordination between themselves, communities and local municipalities, thereby understanding the needs of the mining communities in line with the IDP's, PGDS and NSDS where necessary

Furthermore, the Charter requires the mine or production operation to consult communities (both mine and labour sending) and the relevant authorities to provide a plan that is in line with the IDP's of the communities. The social and labour plan agreed upon details specific requirements for the mines to deliver towards local economic development.

In line with **Regulation 46 (c) (iii) of the MPRDA**, it is required that the contents of a social and labour plan must contain a local economic development programme which must include:

- i. The social and economic background of the area in which the mine operates;
- ii. The key economic activities of the area in which the mine operates;
- iii. The impact that the mine would have in the local and sending communities;