

### Ownership

#### New prospecting and mining rights holders

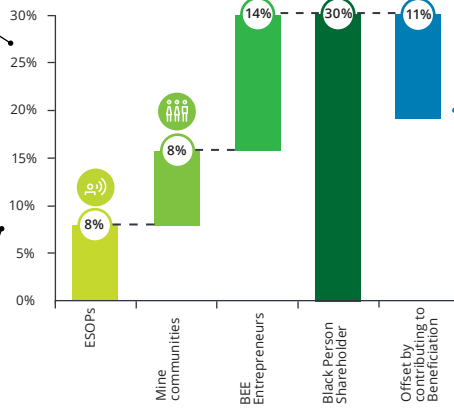
- Must have min **50%+1** Black person shareholding, including voting rights
- Must have min **30%** Black person shareholding, including economic interest and a corresponding percentage of voting right, in mine right or company

#### Existing prospecting and mining rights holders

- If **30%** or more Black person shareholding, the holder shall be allowed to maintain its existing structure (until exit or renewal)
- If **<30%** Black person shareholding, the holder shall be required to **Top Up** its Black Person shareholding to a minimum of 30% within **12 months**

#### Sale of South African Mining Assets

- Black person transferring shares must ensure that the party falls within the same category
- A holder who sells its mining assets must give Black Owned Company/s a preferential option to purchase
- Black shareholding in new rights shall vest in no more than 10 years and by no less than 3% annually



#### Beneficiation Criteria:

- Invested in Beneficiation since 2004
- Beneficiation activities in line with MPRDA definition
- Approval from the DMR
- Ongoing Beneficiation contribution

The process and mechanisms that shall determine the offset of each mineral value chain, shall be provided for by the Minister, by the way of **Government Gazette**.

A maximum of **11%** offsetting is permissible through investing and contributing to **BENEFICIATION** over and above the provisions of Section 26 of the MPRDA.

A holder of a new mining right must pay a minimum **1%** of its annual turnover in any given financial year to the Black Person shareholders, prior to and over and above any distributions to the shareholders of the Holder.

The shareholding of the Mine Community must be held in a trust created and managed by the **MINING TRANSFORMATION AND DEVELOPMENT AGENCY**.

### Human Resource Development (HRD)

Ring-fenced

5%\*

#### Mining Transformation and Development Agency

2%

#### Essential skills development for employees and non-employees, such as:

- Artisan training
- Bursaries
- Literacy and numeracy skills

2%

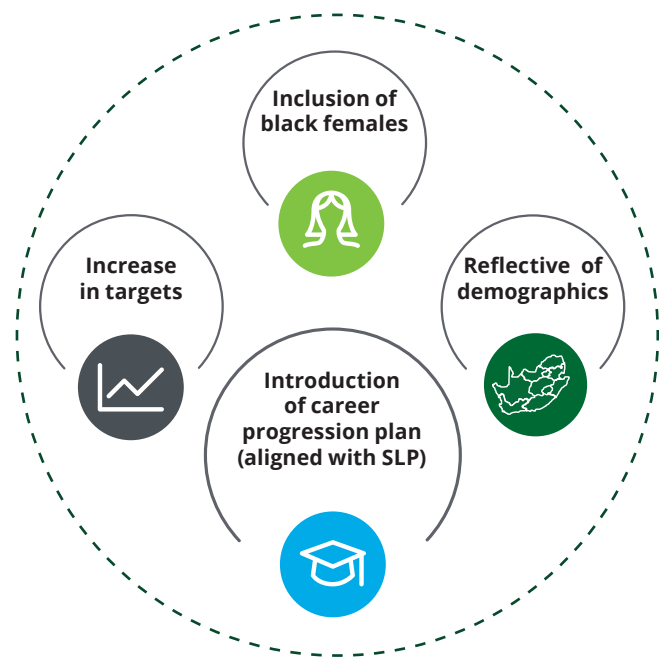
#### South African Historically Black Academic Institutions for research and development initiatives in:

- Exploration
- Mining
- Processing
- Technology efficiency
- Beneficiation
- Environmental conservation and rehabilitation

1%

\*% of Leviable amount (excl. mandatory skills development levy)

### Employment Equity



### Housing and Living



#### Principles of Housing conditions

- Decent housing standards
- Centrality of home ownership
- Social, physical and economic integrated human settlements
- Measures to address housing demand
- Involvement of employees in the housing administrative system
- Secure tenure for the employees in housing institutions



#### Principles of Working conditions

- Proper health care services
- Affordable equitable and sustainable health system
- Proper nutrition requirements and standards

#### Submit a Housing and living conditions plan

Consulted: Dept. of Housing, organised labour and Dept. of Human Settlement  
Approved: DMR

### Mine Community Development



Enterprise Development Projects



Infrastructure Projects



Income Generating Projects

- Priority projects are identified as per the approved IDP
- Holder's contribution towards MCD must be proportionate to the size of the investment
- Meaningfully contribute towards MCD in terms of its approved SLP
- Project management and consultation fees to be capped at 8% of the total budget
- Holders may collaborate on projects where more than one right holder operates in the same area for maximum socio-economic developmental impact

### Preferential Procurement & Supplier Enterprise Development (PP&SED)

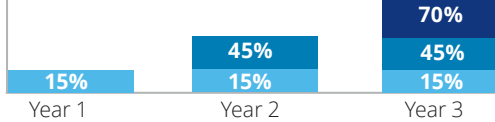
#### Targets

Category	Target
Mining Goods	70% RSA Manufactured Goods
	21% Black Owned Companies
	5% 50 +1% Black Women/Youth Owned Companies
	44% BEE Compliant Manufacturing Companies
Services	80% RSA Based Services
	65% Black Owned Companies
	10% 50 +1% Black Women Owned Companies
	5% 50 +1% Black Youth Owned Companies

#### Definitions

- Black Owned companies require at least **50 +1%** Black Ownership
- Proof of local content requires certification from SABS. Responsibility of proof lies with the supplier
- BEE Compliant Manufacturing Companies require **minimum level 4** and **26%** Black Ownership
- 100%** of samples to be analysed locally. Sample analysis from foreign companies requires written consent of minister
- Black Youth are defined as Black People between the ages of **18** and **35**

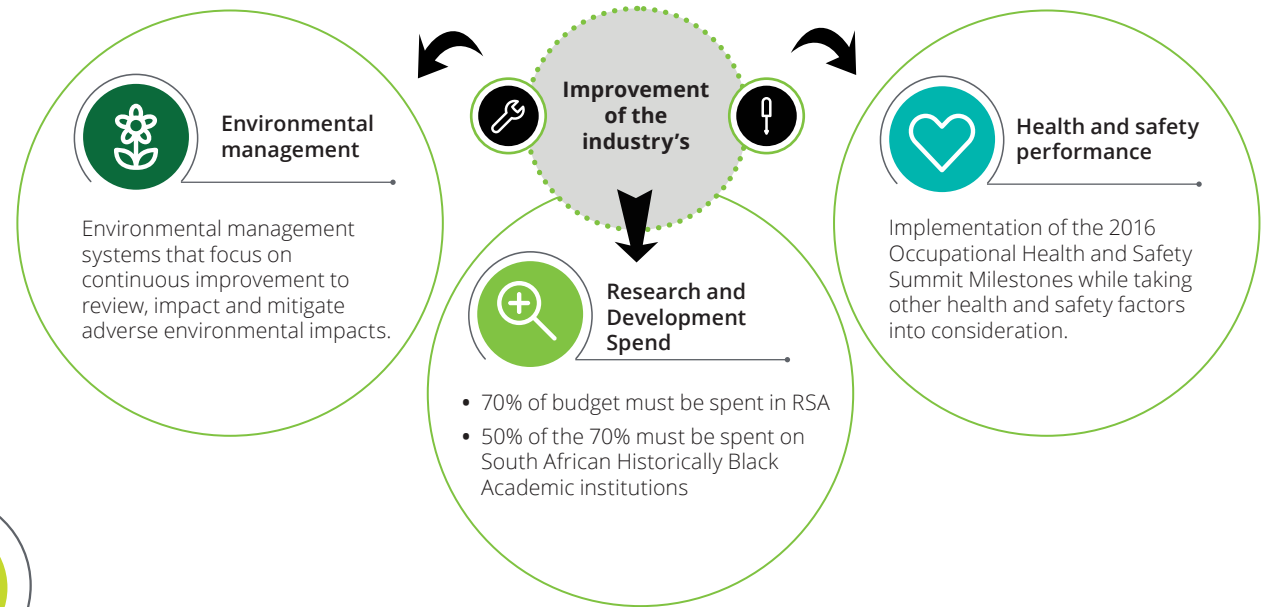
#### Transition Period



Additional 2 years may be requested

Submit report indicating implementation of the provisions made by the Mining Charter

### Sustainable Development and Growth



Environmental management

Environmental management systems that focus on continuous improvement to review, impact and mitigate adverse environmental impacts.



Improvement of the industry's



Research and Development Spend

- 70% of budget must be spent in RSA
- 50% of the 70% must be spent on South African Historically Black Academic institutions



Health and safety performance

Implementation of the 2016 Occupational Health and Safety Summit Milestones while taking other health and safety factors into consideration.

# Mining Charter III Scorecard

DMR Levels	DMR Scorecard	Compliance
Level 1	3 ring fenced elements + 100%	Compliant
Level 2	3 ring fenced elements + 80-100%	
Level 3	3 ring fenced elements + 70-80%	
Level 4	3 ring fenced elements + 60-70%	
Non compliant	3 ring fenced elements + 50-60%	<60% Non Compliant
Non compliant	3 ring fenced elements + 40-50%	
Non compliant	3 ring fenced elements + 30-40%	
Non compliant	3 ring fenced elements + 20-30%	
Non compliant	3 ring fenced elements + <20%	

## Ownership

Minimum target for representation of Black People Ownership (Africans, Indians, Coloureds)		
Measure	Target	Score Weighting
ESOPs	8%	30% BBEE Ownership Yes/No (Ring-fenced element)
BEE Entrepreneurs	14%	
Mine Community	8%	

Ring-fenced

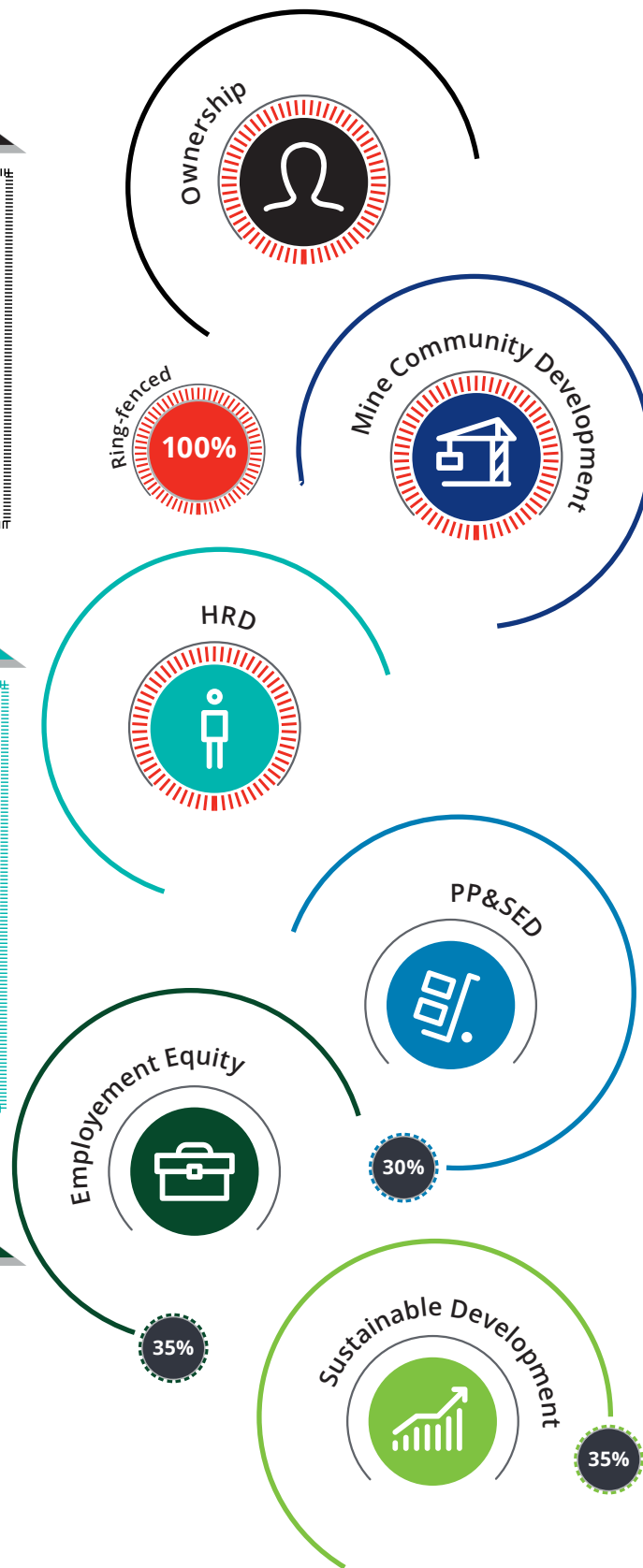
## Human Resource Development (HRD)

HRD expenditure as % of total annual Leviable amount (excl. mandatory skills development levy)		
Measure	Target	Score Weighting
Essential skills development activities	2%	Yes/No (Ring-fenced element)
Mining, Transformation and Development Agency	2%	
South African Historically Black Academic Institutions	1%	

Ring-fenced

## Employment Equity

Employment Equity Targets		
Measure	Target	Score Weighting
<b>Board</b>		
Black	50%	3%
Black Females	25%	3%
<b>Executive/Top Management</b>		
Black	50%	3%
Black Females	25%	3%
<b>Senior Management</b>		
Black	60%	4%
Black Females	30%	4%
<b>Middle Management</b>		
Black	75%	3%
Black Females	38%	3%
<b>Junior Management</b>		
Black	88%	1%
Black Females	44%	3%
<b>Core and Critical Skills</b>		
Black	60%	3%
<b>Disabilities</b>		
Black	3%	2%



## Mine Community Development

Element	Measure	Score Weighting
Implement locally approved community projects, which are aligned to the district, metropolitan and local municipality's IDPs of revenue projection for two and half years, applicable to a SLPs for five year cycle	Contribution towards mine community development must be proportionate to the size of the investment	Yes/No (Ring-fenced element)

Ring-fenced

## Preferential Procurement & Supplier Enterprise Development (PP&SED)

Measure	Target	Score Weighting
<b>RSA Manufactured Goods</b>		
Black Owned Companies	21%	5%
50 + 1% Black Women and/or Black Youth Owned Companies	5%	1%
BEE Compliant Manufacturing Companies	44%	9%
<b>Services</b>		
<b>RSA Based Services</b>		
RSA Based Service Companies*	65%	5%
50 + 1% Black Women Owned Companies	10%	2%
50 + 1% Black Youth Owned Companies	5%	2%

Measure	Target	Score Weighting
<b>Multinational Supplier Contributions</b>		
% of annual turnover generated from local mining companies towards the Mining Transformation and Development Agency	1%	3%

Measure	Target	Score Weighting
<b>Samples</b>		
100% of samples analysed using RSA based facilities	100%	3%

\*Scorecard reference differs from Charter write-up

## Sustainable Development and Growth

Measure	Target	Score Weighting
<b>Improve the industry's environmental compliance</b>		
Compliance with the approved Environmental Management Plans	100%	10%
<b>A minimum of 70% of the right holder's research and development budget must be spent in SA</b>		
Percentage of research and development budget spend in SA	70%	3%
Percentage of research budget spent locally and spend on SA Historically Black Academic Institutions	50%	2%
<b>Elimination of Occupational Diseases</b>		
Percentage of all exposure measurement results for respirable crystalline silica below the milestones	95%	1%
Percentage of all exposure measurement results for platinum dust respirable particulate below the milestone	95%	1%
Percentage of all exposure measurement results for coal dust respirable particulate below the milestone level	95%	1%
Tuberculosis incidence rate by 2024	Below National TB incident rate	2%
Percentage of employees offered HIV counselling and Testing (HCT) annually	100%	2%
Percentage of all eligible employees linked to an Anti-Retroviral Treatment (ART) programme	100%	2%
<b>Elimination of Occupational fatalities and injuries</b>		
Percentage annual reduction of fatalities	20%	7%
Percentage annual reduction of injuries	20%	3%
<b>Culture Transformation Framework</b>		
Culture Transformation Framework pillars aiming to significantly improve the culture towards Health and Safety across the mining sector, in accordance with agreed timelines	6 Pillars implemented	1%

## Contacts

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