



DEVELOP A PRODUCTIVE, SKILLED AND ENGAGED WORKFORCE

APPROACH

Sibanye places significant emphasis on open, honest and regular communication with employees in order to align the business and employees. One of the initiatives to address the trust deficit that has historically developed between management and employees in the South African mining industry has been the development of the People at Sibanye strategy (see page 34), aimed at winning the hearts and minds of employees and engendering a sense of ownership and pride in the Group. This strategy is an integrated and solution-based approach that seeks to address key employee-related issues by enhancing the employee value proposition.



PERFORMANCE

As at 31 December 2015, Sibanye employed a total of 46,269 people (2014: 44,411 people) – 86% full-time permanent employees and 14% full-time contractors. The slight increase in the number of employees since the beginning of 2015 is mainly in the production environment. Decreases in employment, particularly in the services areas, are due to a restructuring process undertaken in the last quarter.

Sibanye's employee complement will increase to more than 70,000 people in 2016 following the conclusion of the Rustenburg Operations and Aquarius acquisitions.

Permanent employees in 2015 comprised:

- **men:** 35,393 (2014: 35,453); 89% (2014: 90%)
- **women:** 4,332 (2014: 3,779); 11% (2014: 10%).

Contractors employed by Sibanye in 2015 comprised:

- **men:** 6,148 (2014: 4,766); 94% (2014: 92%)
- **women:** 396 (2014: 413); 6% (2014: 8%).

In terms of age, permanent employees comprised:

- **younger than 30 years of age:** 5,251 (2014: 5,798); 13% (2014: 15%)
- **between 30 and 50 years old:** 27,017 (2014: 26,460); 68% (2014: 67%)
- **older than 50:** 7,457 (2014: 6,974); 19% (2014: 18%).

Contractors, in terms of age, comprised:

- **younger than 30:** 1,890 (2014: 1,756); 29% (2014: 34%)
- **aged 30 to 50:** 3,805 (2014: 2,821); 58% (2014: 54%)
- **older than 50:** 849 (2014: 602); 13% (2014: 12%).

OUR CORPORATE CULTURE

is founded on the values of CARE, which underpin our business strategy, and promote competitiveness and success. These values have been embedded through continuous communication, transformation, education and training. They are supported by our safety, health and wellbeing strategy, which has five key pillars:

- compliance with safety rules is essential
- workplace and process risks must be identified and engineered out
- employee wellbeing is fundamental to success
- staying fit and healthy is a joint responsibility
- relationships are important and should be based on mutual respect – managers and employees need to share goals and engage with teamwork underpinning what we do – we seek motivated and competent teams

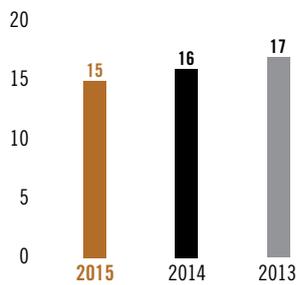
NUMBER OF EMPLOYEES AT 31 DECEMBER 2015

	2015			2014			2013		
	Permanent employees	Contractors*	Total	Permanent employees	Contractors	Total	Permanent employees	Contractors	Total
Corporate office	3,054	1,018	4,072	2,895	897	3,792	248	–	248
Beatrix	7,618	1,362	8,980	7,444	806	8,250	7,963	565	8,528
Cooke	5,236	2,084	7,320	5,570	2,051	7,621	–	–	–
Driefontein	10,772	949	11,721	10,425	672	11,097	11,860	775	12,635
Kloof	10,192	941	11,133	9,791	695	10,486	10,469	766	11,235
Other**	2,853	190	3,043	3,107	58	3,165	3,628	–	3,628
Total	39,725	6,544	46,269	39,232	5,179	44,411	34,168	2,106	36,274
	86%	14%		88%	12%		94%	6%	

*Excludes 'free' contractors (receive a fee for service irrespective of the number of contractor employees on site – they are not compensated on a fee-per-head basis but on a fee for the service or work performed)

**Includes all services (Property, Sibanye Gold Academy, Sibanye Gold Shared Services, Sibanye Gold Protection Services and Sibanye Gold Health Services) as well as Burnstone

Lost days due to absenteeism (%)



Absenteeism includes mine accidents, sick leave, occupational health, unpaid leave, absent without permission (AWOP), training, annual leave and other/miscellaneous.

HUMAN RIGHTS

Sibanye's employees, including security personnel, are trained to uphold human rights, and to respect all cultures and customs. Training is provided in terms of our human rights policies and procedures as part of the return-from-leave and new-engagement processes. A well-articulated and fair system is in place to deal with discrimination and breaches of human rights.

Training of security employees was included in the Workplace Skills Plan (WSP) for 2015. A service provider, Maccaulei Learning Academy, was appointed to provide training in human rights to Protection Services, and trained 62 employees.

The WSP is a strategic training document, published annually, which articulates an employer's approach to training and development needs in the workplace. It is governed by the Skills Development Act, 1998 (Act No 97 of 1998) and the Labour Relations Act, 1995 (Act No 66 of 1995), compiled jointly by the employer, employee representatives and non-unionised employees.

All significant investment agreements and contracts that include human-rights clauses were screened in 2015.

Our human capital policies also address risks related to human rights, child labour or forced labour at any of our operations or among our suppliers, employment equity and employee relations, including discipline and recognition.

A total of 118 (2014: 18) incidents relating to corruption were reported in 2015. These incidents involved dishonesty with the intention to obtain cash and assist illegal miners. A total of 173 (2014: six) employees were charged – 27 criminally and disciplined in terms of Sibanye's Code of Ethics.

SAFE, PRODUCTIVE AND FAIR EMPLOYMENT

Our employment practices and policies are governed by South African labour legislation and regulations, as well as various collective-bargaining and recognition agreements.

New employees are increasingly drawn from local communities. A number of operations signed MoUs with local government and community leaders in 2015 in respect of fair and transparent recruitment processes. Of the 2,217 employees recruited by Sibanye in 2015, 75% were classified as local (permanent residents within the communities surrounding our operations).

Absenteeism is a major issue affecting productivity and several initiatives were implemented to address this with some success. Absenteeism has fallen by about 7% year-on-year, which has had a positive impact on the availability of employees at work.

SKILLS DEVELOPMENT

Developing a productive, skilled and engaged workforce requires a significant investment in training and educating employees. By identifying, recognising and developing employees' expertise, skills and talents, the business is able to run more efficiently and profitably, and employees tend to be more fulfilled and engaged. Training has also been made available to community members. In 2015, the Group spent R385 million (2014: R353 million) on human capital development, representing a total of 7.93 million hours of training (2014: 7.85 million hours).

SIBANYE GOLD ACADEMY

The Sibanye Gold Academy, located in Westonaria, Gauteng, supports human capital development by developing employees' skills and knowledge through training and experiential learning, for the benefit of Sibanye, employees and the broader society. The Academy is fully accredited by the Mining Qualifications Authority and its programmes have been approved by a number of Sector Education and Training Authorities. Satellite campuses, managed by the Academy, are located at each operation.

ADULT BASIC EDUCATION AND TRAINING

Portable-skills training equips employees with practical skills that will stand them in good stead for life after mining, and equips community members with skills they can utilise for employment and self-employment. In addition to the South African Qualifications Authority-recognised qualifications in mechanical, electrical and construction trades, training is now provided in agriculture, clothing and textile manufacturing.

To improve employees' skills and to provide opportunities for community members to enter the mining industry, learnership programmes are offered as a combination of study and on-the-job training. Learnerships play an important role in advancing employees' careers as they lead to recognised qualifications. Sibanye invested R81 million in learnerships in 2015 (2014: R77 million).

TRAINING AND DEVELOPMENT

Training and development is aligned with our business needs, and our talent pipeline is maintained through adult basic education and training (ABET) for community members, portable-skills training, learnerships, internships, study assistance, and core skills and leadership development. ABET is offered to employees and community members on a full-time and after-hours basis. Learners are examined by the nationally recognised Independent Examinations Board.

As the SLP ABET targets for the five-year cycle were achieved, in terms of 2016, the ABET approach will focus on not having new intakes but allowing learners enrolled in 2015, who are in training, to continue with classes for full-time, part-time and community ABET levels 1-3. A limited number of learners will continue with ABET Level 4 in line with business needs.





DEVELOP A PRODUCTIVE, SKILLED AND ENGAGED WORKFORCE CONTINUED

ADDRESSING INDEBTEDNESS

High levels of indebtedness are not unique to the mining industry, and this continues to be problematic. Sibanye therefore launched a personal financial-education programme – CARE for iMali/ Khathalel'imali/Hlokomela chelete (meaning 'care for money' in isiXhosa and Sesotho) – in 2014, aimed at curbing indebtedness and providing financial planning and rehabilitation to employees.

In Phase 1 (2014 to May 2015), more than 12,000 employees and community members attended training sessions. Training extended to community members in the Eastern Cape, a significant labour-sending area, and to visiting spouses, retiring employees and local schools. An external service provider audited and validated garnishee orders, assisted employees in managing their debt, returned significant amounts incorrectly or fraudulently debited to employees, and stopped the erroneous application of garnishee and emolument attachment orders. During Phase 2 (June 2015 to December 2016), 18,000 employees and community members will be trained.

A total of 11,468 employees and community members attended CARE for iMali sessions during 2015. A CARE for iMali industrial-theatre production and song, reinforcing the principles of financial accountability, have been developed for employees and local communities. Employees under debt stress are supported by CARE for iMali coaches and they can choose debt consolidation on manageable terms.

HUMAN CAPITAL DEVELOPMENT

	Expenditure (Rm)	Number of learners	Total training hours**	Average hours per employee
Internships	31.5	107	215,712	
Bursaries	17.5	216	435,456	
ABET (employees)	46.0	1,276	444,048	
ABET (community)	8.5	1,325	1,017,600	
Engineering learnerships	41.0	386	778,176	
Mining learnerships	39.9	367	739,872	
Portable skills (employees)	2.2	828	39,744	
Portable skills (community)	3.7	945	90,720	
Leadership development (including electives)	6.4	845	33,800	
Core skills training	146.7	62,927*	4,027,328	
Coaches/mentors training	2.8	705	5,640	
Employee indebtedness	5.6	11,468	91,744	
Community maths and science	0.5	120	14,400	
Support and research	8.0	0	0	
Other	23.6	0	0	
Total	383.9	81,515	7,934,240	97.3

*Learners counted per course

**Number of learners x average training days per learner

COLLECTIVE BARGAINING AND REMUNERATION

The mining sector is highly unionised with entrenched collective bargaining. At the end of 2015, around 93% (2014: 86%) of our total permanent workforce was unionised. Currently, four unions are recognised by Sibanye, namely AMCU, NUM, Solidarity and UASA.

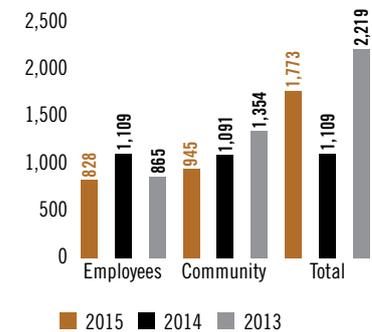
Gold wage negotiations under the auspices of the Chamber of Mines began in June 2015 and a three-year settlement (effective from 1 July 2015) was reached with three unions in late October. Negotiations were particularly challenging, given prevailing economic circumstances, excessive wage demands and union rivalry. All parties, including government, pressed for job preservation. Other gold companies signed agreements with three unions – NUM, Solidarity and UASA – on 2 October 2015. Sibanye continued to engage with all four representative unions. Every effort was made to reach an agreement with AMCU but this was not possible. An agreement was reached between Sibanye and NUM, UASA and Solidarity on 21 October 2015.

No employee was disadvantaged by union affiliation and, to keep industrial peace, all employees in the bargaining unit received benefits. The increases were substantial, above inflation and aimed to make a real difference for employees, their families and mining communities, and will ensure the sustainability of the industry as far as possible. Details of the three-year wage agreement can be found on page 30.

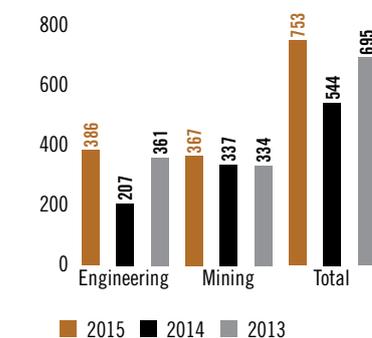
FUTURE FOCUS

In 2016, we will focus on transformation, creating a performance-driven culture, improving internal stakeholder relationships and implementing initiatives identified in our People at Sibanye project (see page 34).

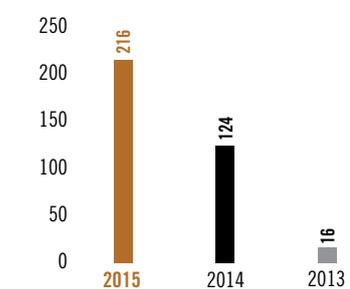
Portable skills training



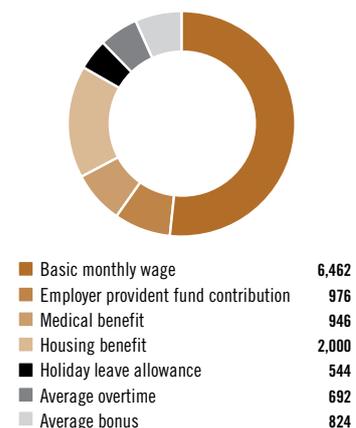
Learnerships



Bursaries



Salary and benefits of an entry-level underground employee as of 15 September 2015 (R)



Wages and employee benefits paid to employees by Sibanye amounted to R7,345 million (2014: R6,665 million) in 2015. Employee costs comprised around 45% (2014: 47%) of total operating costs.