

SOCIAL AND LABOUR PLANS: SUMMARY OF PROJECTS IN SOUTH AFRICA (2018)

WORKING TO DELIVER ON THE SUSTAINABLE DEVELOPMENT GOALS

The intended outcomes of our socio-economic strategy and the local economic development projects implemented in terms of our social and labour plans (SLPs) are aligned, either directly or indirectly, with these United Nations Sustainable Development Goals (SDGs):



Learners benefit from a maths and science laboratory at the Mamello Senior Secondary School near our Beatrix gold operation in South Africa

Local economic development projects are undertaken in accordance with the implementation plans agreed in the specific SLPs of each mining right. The primary aims of these projects are to:

- implement sustainable socio-economic programmes in host communities and labour-sending areas
- promote enterprise development
- implement skills development programmes aimed at promoting employability and alleviating poverty
- assist with the development of social infrastructure (such as schools and clinics/healthcare infrastructure)
- improve community environmental management and food security
- contribute to improved academic performance in mathematics and science

The following projects are at varying stages of implementation, depending on their scopes and SLP provisions. The projects are either part of the current SLPs, backlogs inherited from acquired companies or yet to be implemented if the Department of Mineral Resources has not yet approved the SLPs.



Communities benefit from the REAP WHAT YOU SOW agricultural co-operative



A school hall and related facilities were built at Taiwe Senior Secondary School for our Beatrix host communities

SOCIAL AND LABOUR PLANS: SUMMARY OF PROJECTS IN SOUTH AFRICA CONTINUED

GOLD OPERATIONS

| PROJECT | STATUS 2018 | OUTCOMES | BENEFICIARIES | IMPACTS | BUDGET/SPEND*** |
|---|---|--|---|--|---|
| EASTERN CAPE | | | | | |
| Driefontein, Kloof and Beatrix | | | | | |
| Livestock development¹ | | | | | |
| Building and equipping shearing sheds to enable subsistence farmers in labour-sending areas of the Eastern Cape to participate in the commercial wool production value chain | <ul style="list-style-type: none"> Construction of four shearing sheds have been approved Assessment report determining and confirming areas where shearing sheds will be built was compiled by Chris Hani Development Agency Memorandum of agreement for Chris Hani District Municipality compiled and circulated to parties for signatures | Access to wool industry | Subsistence farmers in Sakhisizwe, Intsika Yethu and Engcobo local municipalities | <ul style="list-style-type: none"> 25 jobs during construction Additional income stream from wool production | <ul style="list-style-type: none"> Total budget: R8.6 million Spend in 2018: 0 (SLPs not yet approved by Department of Mineral Resources) |
| Great Kei Skills Academy¹ | | | | | |
| Establishment of agriculture and maritime skills centre to be funded by several parties for unemployed youth and other community members in line with identified growth trajectory of Amathole district | <ul style="list-style-type: none"> Department of Higher Education provided models that could be explored Community college concept adopted | Community College | <ul style="list-style-type: none"> Unemployed and unskilled youth Residents of Great Kei Short-term jobs during construction | Youth equipped with necessary skills to access job market | <ul style="list-style-type: none"> Total budget: R8.8 million Spend in 2018: 0 (SLPs not yet approved by Department of Mineral Resources) |
| Skenjana Senior Secondary School² | | | | | |
| New school required to replace dilapidated facilities in Idutywa, a labour-sending area, to create an environment conducive to learning | <ul style="list-style-type: none"> Backlog not completed in the previous SLP Building plans submitted to Mbashe municipality for approval so construction expected to begin in 2019 | <ul style="list-style-type: none"> Approximately 1,600 learners from five feeder schools Local community will benefit from job and business opportunities during the construction of the school Local hardware stores | <ul style="list-style-type: none"> Provide encouraging learning environment Temporary employment of local community members during construction | <ul style="list-style-type: none"> Approximately 1,600 learners from five feeder schools Job and business opportunities during construction Local hardware stores | <ul style="list-style-type: none"> Total budget: R41 million Spend to date: R11.7 million (includes R362,604 in 2018) |

SOCIAL AND LABOUR PLANS: SUMMARY OF PROJECTS IN SOUTH AFRICA CONTINUED

GOLD OPERATIONS

| PROJECT | STATUS 2018 | OUTCOMES | BENEFICIARIES | IMPACTS | BUDGET/SPEND*** |
|--|--|---|--|--|---|
| GAUTENG | | | | | |
| Kloof, Cooke and Driefontein | | | | | |
| Eradication of invasive alien species² | | | | | |
| Development of SMMEs to control alien vegetation growth (charcoal plant not commissioned but will be relocated to suitable site in Venterspost) | Charcoal kilns moved to safe storage pending environmental authorisation of new site | Establishment of charcoal manufacturing plant | Four local SMMEs | Job creation and enterprise development | <ul style="list-style-type: none"> Total budget: R9.5 million (including R500,000 in 2018) Spend to date: R10.8 million Spend in 2018: 0 |
| Driefontein, Kloof and Cooke | | | | | |
| Brick manufacturing and incubation centre¹ | | | | | |
| Establishment of incubation hub to train SMMEs in manufacture of supplies for construction industry in partnership with Department of Small Business Development (focus on tool manufacturing, steel, wood, cement and paint) | Continued from previous SLP, SMMEs trained to progress to manufacturing phase in current SLP | SMMEs incubated with tool manufacturing and production skills | 30 SMMEs established in West Wits host communities | <ul style="list-style-type: none"> Skills development Enterprise development Local manufacturing capacity | <ul style="list-style-type: none"> Total budget: R15 million (previous SLP: R7 million and current SLP: R8 million) Spend to date: R10.1 million Spend in 2018: 0 (SLPs not yet approved by Department of Mineral Resources) |
| Kloof | | | | | |
| Westcol Technical and Vocational Education and Training (TVET) College² | | | | | |
| Sibanye-Stillwater, in partnership with local municipality, West Rand Development Agency, Gold Fields South Deep mine, Westonaria Community Trust, South Deep Education Trust and Department of Higher Education, committed to co-fund establishment of TVET college in Westonaria to provide relevant skills for economic activities (backlog project in 2012-2016 SLP) | <ul style="list-style-type: none"> Commitment letters for additional funding secured from Sibanye-Stillwater, Westonaria Community Trust, South Deep Education Trust and South Deep mine Construction due to begin in 2019 | Skills development relevant to alternative economy in region | Communities of West Rand district | <ul style="list-style-type: none"> Education infrastructure Cost savings and convenience for local students Temporary job creation during construction Permanent jobs for teaching and administrative staff when operational Skills development | <ul style="list-style-type: none"> Total budget: R10.0 million and 14 hectares (Sibanye-Stillwater contribution) Spend to date (since 2015): R4 million Spend in 2018: 0 |

SOCIAL AND LABOUR PLANS: SUMMARY OF PROJECTS IN SOUTH AFRICA CONTINUED

GOLD OPERATIONS continued

| PROJECT | STATUS 2018 | OUTCOMES | BENEFICIARIES | IMPACTS | BUDGET/SPEND*** |
|--|---|--|---|---|---|
| GAUTENG continued | | | | | |
| Kloof (previously included in Cooke SLP) | | | | | |
| You Reap What You Sow Agricultural Co-operative² | | | | | |
| To reduce poverty and unemployment through sustainable agricultural activities within Rand West City Local Municipality | The project is complete and ready for handover and the co-operative has received a township agricultural economy award. | Produce sold to community, local and other businesses in Gauteng | 13 co-operative members permanently employed and 30 seasonal workers | <ul style="list-style-type: none"> • Business skills development • Food security for families • Poverty alleviation • Social upliftment | <ul style="list-style-type: none"> • Total budget: R6.8 million • Spend to date (since 2015): R7.9 million • Spend in 2018: R1.1 million |
| Aredirisaneng Agriculture Co-operative² | | | | | |
| To reduce poverty and unemployment by establishing sustainable agricultural activities | <ul style="list-style-type: none"> • Project was operational but faces challenges with weeds preventing sustainability • Operating model under review | Produce sold to local community | <ul style="list-style-type: none"> • 12 seasonal jobs • Permanent jobs for eight co-operative members | <ul style="list-style-type: none"> • Business skills development • Greater food security for families • Poverty alleviation • Social upliftment | <ul style="list-style-type: none"> • Total budget: R4.85 million • Spend to date (since 2015): R5.32 million • Spend in 2018: R200,000 |
| FREE STATE | | | | | |
| Road infrastructure¹ | | | | | |
| Towards local economic development, various infrastructure development projects will address priorities articulated in Matjhabeng municipality Integrated Development Plan | In planning stages, construction is due to begin in 2019 | Improvement of local road infrastructure | <ul style="list-style-type: none"> • Community members • Local businesses | <ul style="list-style-type: none"> • Improved Infrastructure for local communities • Job creation during construction • Skills development | <p>Total budget: R27 million</p> <p>The administrative processes are being finalised and implementation is expected to begin in 2019.</p> |
| Road infrastructure and water reticulation projects in Masilonyana municipality | Implementation of projects expected to begin in 2019 | | Masilonyana community members | <ul style="list-style-type: none"> • Improved Infrastructure for local communities • Job creation during construction • Skills development | <p>Total budget: R27 million</p> <p>Project scoping is being finalised and construction is expected to begin in 2019.</p> |

SOCIAL AND LABOUR PLANS: SUMMARY OF PROJECTS IN SOUTH AFRICA CONTINUED

PGM OPERATIONS

| PROJECT | STATUS 2018 | OUTCOMES | BENEFICIARIES | IMPACTS | BUDGET/SPEND*** |
|--|---|---|---|---|--|
| NORTH WEST PROVINCE | | | | | |
| Kroondal operations | | | | | |
| Ramochana Early Childhood Development² | | | | | |
| Sibanye-Stillwater supports construction of early learning centre at Ramochana settlement on behalf of non-profit organisation | Project is 97% complete (new contractor employed to address challenges for accommodation of children from 2019) | Access to early childhood education for communities around Ramochana and Sunrise Park | <ul style="list-style-type: none"> Seven permanent jobs Capacity to accommodate 200 children | <ul style="list-style-type: none"> Critical foundation for children's future academic development 44 temporary jobs during construction Minimum of seven jobs when operating | <ul style="list-style-type: none"> Total budget: R4.3 million Spend to date: R4.6 million Spend in 2018: R92,125 |
| Ikemeleng brick-making project^{2,4} | | | | | |
| Development of brick-manufacturing business to generate income for local unemployed community members | <ul style="list-style-type: none"> Sibanye-Stillwater continues to provide mentoring and sustainability support, having secured site and infrastructure, equipment and training Contracts secured to supply bricks for all infrastructure | <ul style="list-style-type: none"> About 40,500 maxi bricks or 80,000 stock bricks, depending on orders, every month Monthly average revenue of R45,000 for beneficiaries | <ul style="list-style-type: none"> Five members of co-operative Nine members of local community | <ul style="list-style-type: none"> 14 full-time jobs for community members Sustaining livelihoods of 14 families Community members can buy bricks locally and save transport costs | <ul style="list-style-type: none"> Total budget: R4.2 million Spend to date: R4.2 million Spend in 2018: 0 |
| Rustenburg operations | | | | | |
| Phatsima farming project¹ | | | | | |
| Commercial fruit and vegetable production farm for market gap in Rustenburg areas of Phatsima, Boschoek and Ledig | Due to challenges in the fruit and vegetable production, the intention is to convert the project for essential-oil production and to market the products. | <ul style="list-style-type: none"> Farm site allocated by Rustenburg Local Municipality Beneficiaries identified, infrastructure developed, equipment purchased and training provided to co-operative members | 14 co-operative members from community | Permanent employment to sustain livelihoods of 14 families | <ul style="list-style-type: none"> Total budget: R6 million Spend to date: R3.48 million Spend in 2018: R534,540 |
| Boitekong Piggery¹ | | | | | |
| Existing project (required intervention to meet market demand and generate sustainable revenue) | Development of breeding facility planned | <ul style="list-style-type: none"> Sustainable and received national award for best caucus Recognised by Productivity South Africa as most improved business | Seven co-operative members | <ul style="list-style-type: none"> Supports growth of existing piggery co-operative to improve revenue generation and sustainability Job creation and poverty alleviation | <ul style="list-style-type: none"> Total budget: R3.4 million Spend to date: R1.28 million Spend in 2018: R1.28 million |

SOCIAL AND LABOUR PLANS: SUMMARY OF PROJECTS IN SOUTH AFRICA CONTINUED

PGM OPERATIONS continued

| PROJECT | STATUS 2018 | OUTCOMES | BENEFICIARIES | IMPACTS | BUDGET/SPEND*** |
|--|---|---|-------------------------|--|--|
| Rustenburg operations <small>continued</small> | | | | | |
| Boitekong Technical School ¹ | | | | | |
| Conversion of dilapidated school in Boitekong into technical school with workshop for technical training | In second phase, 95% complete with funding from Department of Education | 11 classrooms renovated and workshop built | 1,100 learners | <ul style="list-style-type: none"> Job creation during construction Safe learning environment | <ul style="list-style-type: none"> Total budget: R7.3 million Spend to date: R7.3 million Spend in 2018: R5.25 million |
| Boikagong Primary School ¹ | | | | | |
| Dilapidated building demolished and replaced with ablution facilities, new classroom and offices | 95% complete | Three classrooms, administration centre and ablution facilities built | 1,200 learners | <ul style="list-style-type: none"> Job creation during implementation of project Safe learning environment | <ul style="list-style-type: none"> Total budget: R5.5 million Spend to date: R5.2 million Spend in 2018: R5.2 million |
| Mfidikoe sewerage ¹ | | | | | |
| Waterborne sanitation in Mfidikoe in line with national standards co-funded by Sibanye-Stillwater and Rustenburg Community Development Trust | 35% complete (implemented since September 2018 - Sibanye-Stillwater's contribution to be used in first quarter of 2019) | Waterborne sewerage for 200 households | 2,466 community members | Improved social infrastructure | <ul style="list-style-type: none"> Total budget: R15 million Spend to date: R10.7 million (Rustenburg Community Development Trust) Spend in 2018: 0 |

¹ New or current SLP

² Backlog from previous SLP

³ Amounts have been rounded to millions in most cases for reporting purposes only

⁴ The Ikemeleng brick-making project has been completed but, to ensure sustainability, we budgeted R800,000 for 2019 to assist in acquiring a generator and a delivery vehicle

- Numbers quoted exclude value-added tax (VAT)
- Sibanye-Stillwater awaits completion of the construction of the Simunye Secondary School in order to fulfil its obligation to equip the science laboratory. Construction is due to be completed by the end of 2019
- The personal protective equipment (PPE) manufacture project, implemented in terms of the Cooke 1, 2 and 3 SLPs, experienced financial and operational challenges, and has since been rescope and will continue to be supported by the organisation until it is sustainable

For more information on our social upliftment and community development, refer to our 2018 Integrated Annual Report.