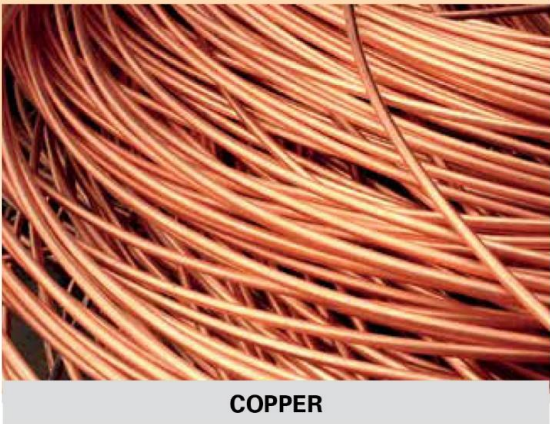


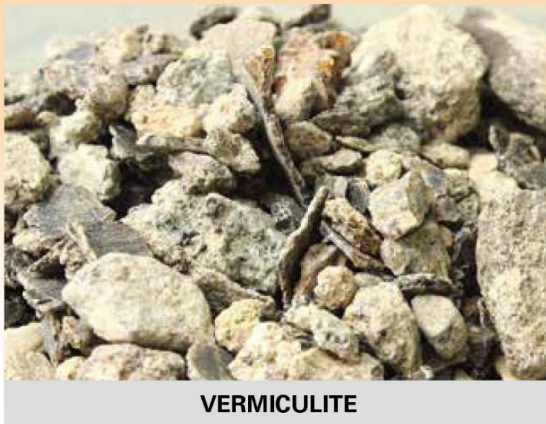


Building Sustainable Communities Together

ABOUT PALABORA MINING COMPANY



COPPER



VERMICULITE



MAGNETITE

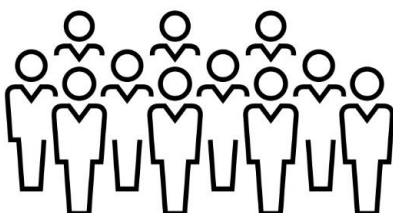
Palabora Mining Company (Pty) Limited (PMC) is a major producer of refined copper and operates an underground block cave mine, smelter and refinery complex. The primary products are Copper, Magnetite and Vermiculite.

COMPANY SHAREHOLDING

OWNERSHIP

Palabora Copper (Pty) Limited (PC), an operative subsidiary of PMC, came into operation in 2013 following the advent of a Broad-Based Black Economic Empowerment (BBBEE) transaction that commenced within PMC.

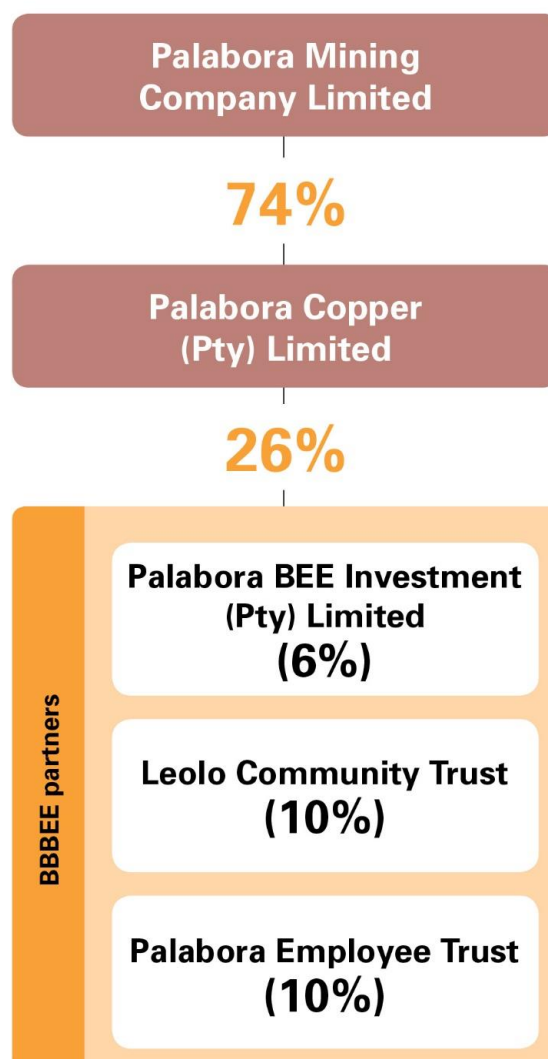
EXECUTIVE MANAGEMENT



11
Executive Members

60%
Black South Africans

PALABORA GROUP STRUCTURE



The mine is located within the small mining and wildlife town of Phalaborwa, within South Africa's Limpopo province. Of the eight (8) Ba-Phalaborwa communities, five (5) are rural: Mashishimale, Majeje, Selwane, Makhushane and Maseke. Additionally, there are two (2) townships, namely Namakgale and Lulekane as well as Phalaborwa town.

PMC is an enduring symbol of opportunities and prosperity for the Ba-Phalaborwa community, who recognise that not only is the mine the biggest employer in the area, but also a source of pride and part of the shared identity of the town.

As a good corporate citizen, we abide by the constitution of South Africa, laws and legislations in reference to "Freedom of Movement". We have taken into consideration that every citizen of the country has the right to seek employment and work anywhere in the country. However, we have endeavoured to prioritise locals for employment in Ba-Phalaborwa in order to address local economic conditions.

It is for this reason that Palabora Copper has initiated various community projects to continue building strong relationships with the surrounding communities and key stakeholders working together to build a sustainable future for all.

OPPORTUNITIES FOR OUR COMMUNITIES

As a good corporate citizen, we abide by the constitution of South Africa, laws and legislations in reference to “Freedom of Movement”. We have taken into consideration that every South African has the right to seek employment and work anywhere in the country.

However, we have endeavoured to **prioritise locals** for employment and development opportunities in Ba-Phalaborwa in order to address local economic conditions.

LOCAL EMPLOYMENT OPPORTUNITIES

PC Recruitment 2014 – 2018



Contractor Employees On-boarded 2014 – 2018



* This is the total of all levels including the 3 012 unskilled and semi-skilled.

SKILLS DEVELOPMENT

All the qualifications issued by Palabora Copper (Pty) Limited Training and Development Department are nationally recognised by the Department of Higher Education and Training.

Our development programmes include, but are not limited to:

- Scholarships
- Bursaries
- Skills programmes
- Learnerships
- In-service training
- Vacation work
- Internships and graduate development programmes

Intake into the programmes from 2014 – 2018

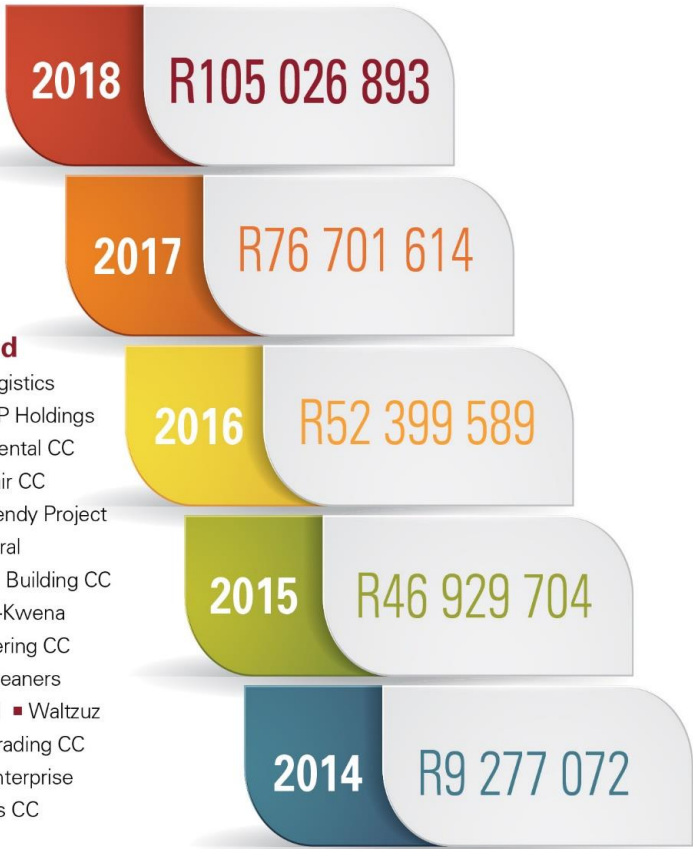
Year	Scholarship	Bursary	Vacation worker	In-service training higher institution	In-service training TVET	Graduate programme	Internship programme	Artisan development learnerships	Non-artisan learnerships	Total
2014	5	0	0	4	0	4	6	23	0	42
2015	2	14	0	11	12	5	4	19	0	67
2016	0	1	21	22	14	4	34	28	62	186
2017	2	0	4	2	11	6	22	28	36	111
2018	6	0	0	7	20	8	15	30	0	86
Total	15	15	25	46	57	27	81	128	98	492

PROCUREMENT SPENT WITH LOCAL SUPPLIER DEVELOPMENT COMPANIES

TOTAL SPEND
R290 334 872

Local suppliers who have benefited

- Abanang Logistics CC
- Bakone Projects and Logistics (Pty) Limited
- Dikelo Trading Enterprise CC
- GMP Holdings and Investments (Pty) Limited
- Homus Environmental CC
- Laelo Construction and Projects CC
- Makaselair CC
- Mangena MRP Welding and Design CC
- Johnrendy Project (Pty) Limited
- Maphurunyane Trading Paint General
- MJJ Main Road Radiators
- Moagi Electrical and Building CC
- Modupi Mining Suppliers (Pty) Limited
- Motho-Kwena Projects
- Noyongo Developers CC
- PCB Engineering CC
- Sicom Catering and Design
- Springbok Super Cleaners
- Thinavhuu (Pty) Limited
- Vexovax (Pty) Limited
- Waltzuz Projects CC
- Kenco Engineering
- Madyayimile Trading CC
- Mpule Sekedi Trading CC
- Jankwana Trading Enterprise
- Koshline Multi Trading
- TSJ Trading and Projects CC
- Moyele Trading CC



COMMUNITY PROJECTS – 2014 TO 2018

Our local Economic and Social Development Programmes are focused on education, health care, infrastructure development, social wellbeing as well as enterprise and supplier development.

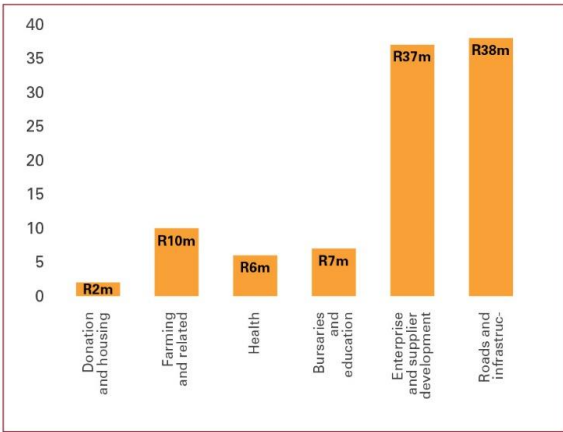
R209 million

Spent on social and economic projects from 2014 to 2018.

Over 800 indirect jobs

Were created as a result of community development initiatives.

Economic and Social Development Programme spend (million)



Health Care Community Projects



Phelang Wellness and Disease Management Centre located in Namakgale township

- **Services:** Health Care Services to people mostly affected by HIV and AIDS and communicable diseases.
- **Completed:** 2014.
- **Serving:** +1 200 people receive medical attention at the centre every month.
- **Jobs created:** Eight (8) people currently employed.



MarulaMed 24-Hour Health Centre located in Phalaborwa CBD

- **Services:** 24-hour medical practice and specialised services privately run by medical practitioner to render medical services to all community members. PC is an enabler to the establishment of the medical centre as part of the Supplier Development Programme (ESD).
- **Completed:** April 2018.
- **Serving:** All communities.
- **Jobs created:** 23 people were employed during the construction phase of the projects and a 100% black woman owned company (Laelo Construction and Projects) from Phalaborwa was appointed to do the job.
- Seven (7) people are employed full-time by MarulaMed.



Education Community Projects



Nyakelang Early Childhood Learning Centre located in Selwane

- **Services:** Early learning developing centre/crèche.
- **Completed:** Early 2014 and was officially handed over March 2019 after new renovations and modifications.
- **Serving:** Over 200 children.



Matome Malatji High School

- **Services:** Renovations and refurbishment of Block C school building (four classrooms).
- **Completed:** January 2019 and handed over March 2019.
- **Serving:** Local community and surroundings.
- **Jobs created:** 10 people were employed. A local contractor, Thom Twine Trading, was awarded the tender to revamp a block of four dilapidated classrooms.



Lepato High School

- **Services:** Renovations and refurbishment of the school building.
- **Completed:** January 2019 and handed over March 2019.
- **Serving:** Local community and surroundings.
- **Jobs created:** 14 people were employed. A local contractor, Tharolesa Trading, was awarded the tender to paint and fix the school.



Makhushane Primary School

- **Services:** Building of a new kitchen for cooking and feeding learners.
- **Completed:** The project started in November 2018. Still under construction. Estimated completion date is June 2019.
- **Serving:** Local community and surroundings.
- **Jobs created:** 10 people were employed, a local contractor, Itirele Mosadi was awarded the tender to do the job.



Community Edu Centre

- **Services:** A PC contractor, Sandvik, renovated the now called Edu Centre as part of extending PC's Training and Development community initiatives.
- **Completed:** 2017
- **Serving:** Local community and surroundings.

COMMUNITY PROJECTS – 2014 TO 2018 continued

Road and Infrastructure Projects



Namakgale Roads and Potholes Project

- **Services:** As part of the Integrated Development Plan (IDP), four (4) main roads out of 19 roads were captured as critical in the Namakgale township, PC was requested by the Local Municipality to rehabilitate some of the roads in the area spanning about 15 kilometres.
- **Completed:** The project started in 2013 and was completed in 2016.
- **Serving:** Local community and surroundings.



Bus Shelters

- **Services:** PC built 19 bus shelters in all eight (8) communities. This project was taken from the Municipal Integrated Development Plan.
- **Completed:** The project started 2018 and was handed over in March 2019.
- **Serving:** Eight (8) local communities and surroundings.
- **Jobs created:** 18 people were employed. Three (3) local companies were awarded a tender to complete the job: Mangena Welding, LSW Civil & Constructions and Mathicks Construction.



Community Relations Stakeholder Engagement

In a quest to address the communication gap and strengthen relations with our stakeholders, we facilitate regular meetings across the community spectrum and government relations.

The stakeholders we meet on a regular basis are:

- Five local traditional leaders from Selwane, Mashishimale, Makhushane and Majeje. In absentia Maseke.
- Ba-Phalaborwa Local Municipality.
- Leolo Community Trust.
- Ba-Phalaborwa Community Forum (BCF).

Enterprise and Supplier Development



Enterprise and Supplier Development Programme (ESD)

- **Services:** PC initiated an intensive Enterprise and Supplier Development Programme (SDP) aimed at developing 37 local suppliers into potential suppliers of large companies such as PC itself and other organisations within Ba-Phalaborwa area. With this ESD Programme, the company aims to support SMMEs that have a potential to supply anywhere else in the country and indirectly create jobs. Currently, there are 37 beneficiaries of ESD collectively employed approximately 600 people from the local area.
- **Completed:** The project started 2018 and will continue for three years as per agreement.
- **Serving:** Eight (8) local communities and surroundings.
- **Jobs created:** Currently, there are 37 beneficiaries of ESD. Collectively they employed approximately 600 people from the local area.



We have monthly meetings with BCF and quarterly meetings with traditional leaders to provide updates on community projects, employment and business opportunities. The engagements allow our stakeholders to make meaningful contributions towards community expectations and needs. Ad hoc meetings are also held from time to time to address matters of mutual interest.

Two Community Liaison Officers (CLOs) are permanently employed at PC to serve as a liaison mechanism between the local communities and the business.

Donations, Poverty Alleviation and Social Cohesion



Donations

- **Services:** PC made various donations in 2018 to different organisations. The biggest highlight is the scientific calculators that were donated to 1 500 grade 11 and 12 maths and science learners.
- **Completed:** 2018.
- **Serving:** Eight (8) local community high schools for grade 11 and 12 maths and science learners.



Soccer Tournament

- **Services:** In 2017, PC supported youth development by hosting a soccer tournament that was aimed at boosting PC's visibility in the communities and at the same time support social cohesion.
- **Completed:** 2017.
- **Serving:** Eight (8) local communities.
- **Jobs created:** Local caterer (Chef Mo and local suppliers: Dorisign Pty Ltd, Julian Thom Outfitters & Sports) were hired to provide services.



Poverty Alleviation

- **Services:** PC purchased food for vulnerable children that are supported by community drop-in centres.
- **Awarded:** 2018.
- **Serving:** 15 drop-in centres in the first quarter of 2018.