Mining Charter III

Key insights

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

The process and mechanisms that shall ensure that all the products of the value chain, shall be provided for by the Minister, by the way of Government Gazette.

A holder of a new mining right must pay a minimum 1% of its annual turnover (whichever is higher) in the first financial year for Beneficiation activities. The holder may be required to pay an additional 2% in any given financial year. No holder may consolidate any benefits towards Beneficiation.

Housing and Living

Housing and living principles:
- 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

Sustainable Development and Growth

- Environmental management
- Research and Development spend
- Improvement of the Industry
- Health and safety performance

Principles of Working conditions
- Proper health care services
- Affordable and sustainable health system
- Proper nutrition requirements and standards

Principles of Housing conditions
- 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
- Meaningly 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 operating in the same area for maximum socio-economic developmental impact

BEE Compliant Ongoing Beneficiation contribution
- Black Owned companies
- Black Women Owned Companies
- Black Youth Owned Companies
- Benchmarks to be met by the end of 2022

BEE Compliant...

ESOPs
- Black people between the ages of 18 and 35
- Must have min 50% 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
- Most holders of Black person shareholding, including economic interest, to ensure that the party falls within the same category
- A holder who sells its mining assets must give Black-Owned companies a preference to purchase
- Black shareholding in new rights shall vest in no more than 10 years and by no less than 5% annually
- A holder of a new mining right must pay a minimum 2% of its annual turnover in the first financial year to the Black Person shareholders, prior to and over a period of 3 years
- A maximum of 2% of Leviable amount of MMR Product
- A holder of a new mining right must pay a minimum 2% of its annual turnover to the Black Person shareholders, prior to and over a period of 3 years
- A maximum of 2% of Leviable amount of MMR Product

Human Resource Development (HRD)

Mining Transformation and Development Agency
- Essential skills development for employees and non-employees, such as:
  - Artisan training
  - Bursaries
  - Literacy and numeracy skills
- South African Historically Black Academic Institutions for research and development initiatives:
  - Exploration
  - Mining
  - Processing
  - Technology efficiency
  - Beneficiation
  - Environmental conservation and rehabilitation

Employment Equity

- Inclusion of black females
- Reflective of demographics

Sustainable Development

- Environmental management
- Research and Development spend
- Improvement of the Industry

Health and safety performance
- Implementation of the 2019 Occupational health and safety Summit Memorandum while taking into consideration other health and safety factors into consideration

Principles of Working conditions
- Proper health care services
- Affordable and sustainable health system
- Proper nutrition requirements and standards

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

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

Submit Housing and Living conditions plan
**Human Resource Development (HRD)**

- **Measure**: HRD expenditure as % of total annual Leovable amount (excl. mandatory skills development levy)
  - **Target**: 4%
  - **Score Weighting**: 1%
- **Measure**: Essential skills development activities
  - **Target**: 50%
  - **Score Weighting**: 3%
- **Measure**: Mining Transformation and Development Agency
  - **Target**: 2%
  - **Score Weighting**: Yes/No (Ring-fenced element)
- **Measure**: South African Historically Black Academic Institutions
  - **Target**: 10%
  - **Score Weighting**: 1%

**Employment Equity**

- **Measure**: Ownership
  - **Target**: 50% BBBEE Ownership
  - **Score Weighting**: Yes/No (Ring-fenced element)
- **Measure**: Board
  - **Target**: 50%
  - **Score Weighting**: 3%
- **Measure**: Black Females
  - **Target**: 25%
  - **Score Weighting**: 3%
- **Measure**: Executive/Top Management
  - **Target**: 50%
  - **Score Weighting**: 3%
- **Measure**: Black Females
  - **Target**: 25%
  - **Score Weighting**: 3%
- **Measure**: Senior Management
  - **Target**: 50%
  - **Score Weighting**: 4%
- **Measure**: Middle Management
  - **Target**: 75%
  - **Score Weighting**: 3%
- **Measure**: Core and Critical Skills
  - **Target**: Black
  - **Score Weighting**: 88%
  - **Target**: Black Females
  - **Score Weighting**: 44%
  - **Target**: Black
  - **Score Weighting**: 60%
  - **Target**: Black
  - **Score Weighting**: 3%

**Mine Community Development**

- **Measure**: DMR Levels
  - **Target**: 3 ring fenced elements + 30-40%
  - **Score Weighting**: 2%
- **Measure**: Mine Community Development
  - **Target**: 3 ring fenced elements + 70-80%
  - **Score Weighting**: 2%
- **Measure**: Compliance with the approved Environmental Management Plans
  - **Target**: 100%
  - **Score Weighting**: 2%

**Sustainable Development and Growth**

- **Measure**: Sustainable Development and Growth
  - **Target**: Improvement of the industry’s environmental compliance
    - **Score Weighting**: A minimum of 70% of the right holder’s research and development budget must be spent in SA
  - **Target**: Percentage of research and development budget spent on SA Historically Black Academic Institutions
    - **Score Weighting**: 50% 2%
  - **Measure**: Elimination of Occupational Diseases
    - **Target**: Percentage of all exposure measurement results for respirable crystalline silica below the milestones
      - **Score Weighting**: 95%
    - **Target**: Percentage of all exposure measurement results for coal dust respirable particle below the milestone
      - **Score Weighting**: 95%
    - **Target**: Percentage of all exposure measurement results with respect to hazards that are currently a problem
      - **Score Weighting**: 55%
  - **Measure**: Elimination of Occupational fatalities and injuries
    - **Target**: Percentage of all eligible employees included in an Anti-Retroviral (ART) programme
      - **Score Weighting**: 100%
    - **Target**: Percentage annual reduction of fatalities
      - **Score Weighting**: 20%
    - **Target**: Percentage annual reduction of injuries
      - **Score Weighting**: 20%
  - **Measure**: Culture Transformation Framework
    - **Target**: 6 Pillars implemented
      - **Score Weighting**: 1%

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