Deloitte Mining Indaba 2015
Shaping the future of Mining through Innovation
Deloitte mining solutions
Deloitte footprint in Africa

**Strategy, growth & operations**
Operational Excellence
Modeling and decision support
Supply Chain Optimisation
Integrated planning
Production excellence
Maintenance and Asset Management
Management Control Systems
Safety Excellence
People, Performance and Culture
Sourcing and Procurement
Structural Cost Reduction

**Capital Projects**
Business case design
Capital efficiency
Portfolio optimisation
Project execution readiness
Operational readiness

**Risk Advisory Services**
Exploring risk, extracting value
Safety analytics
Tip-offs anonymous

**Corporate Finance**
Corporate Finance solutions

**Pre-configured SAP solutions**
IM Architecture
SAP Mobility solutions
Software Quality Assurance & Testing
IT Governance
Application integrity
Application Management Services

**Human Capital Services**
Human resource feasibility solutions
Strategic workforce planning
Talent development and assessment solutions
Outsourced recruitment solutions

**Learning Solutions for Mining**
e-Learning solutions

**Tax Solutions for Mining**
Tax management consulting
Global employer services
Tax efficient supply chain
Transfer pricing

**Legal Advisory Solutions**
Contract Management
Regulatory Compliance
Labour Solutions
Protection of Personal Information

**Mining Shared Services**

**Venmyn Deloitte**
Technical Advisory Solutions
The burning question for Mining companies globally and across Africa is how to grow sustainably and deliver a return to their stakeholders. Local mining companies and internationals with significant local assets manage unique African operational complexities while still operating in the context of global pressures. We believe a step change in every respect of the current business is required for survival.

Many of Africa’s and the world’s most successful mining ventures depend on Deloitte’s mining experts to advise them on complex business and industry issues they face on a daily basis. It is rapidly becoming clear mining companies need to embrace innovation to remain competitive, reduce people and energy intensity and increase mining intensity.

Deloitte offers our mining clients a broad range of services focused on complete and innovative solutions and value added results. Our subject matter experts have focused on providing you with mining specific strategic and business solutions to increase productivity, profitability and minimise loss. Our well-established network of experience in the mining industry allows us to help your organisation gain the competitive advantage it needs to be successful. With our extensive footprint and proven experience, Deloitte is your partner of choice for successful and sustainable business operations in Africa.

Being a global multi-disciplinary organisation, we have access to leading experts in the various fields of auditing, tax, consulting, financial advisory and corporate finance. As part of this pooled resource, all members are available for global deployment, supplying rapid and relevant responses to our clients’ needs. But even more re-assuring than this is the fact that the world’s top mining experts are to be found right here on home soil, to immediately help you with your company’s challenges.

We look forward to collaborating with you to build a sustainable mining industry across Africa and the rest of the globe.

Andrew Lane
Africa Energy & Resources Leader
Deloitte footprint in Africa

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<thead>
<tr>
<th>Country</th>
<th>Name</th>
<th>Email Address</th>
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<tr>
<td>South Africa</td>
<td>Andrew lane</td>
<td><a href="mailto:alane@deloitte.co.za">alane@deloitte.co.za</a></td>
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Strategy, Growth and Operations

- Operational Excellence
- Modeling and decision support
- Supply Chain Optimisation
- Integrated planning
- Production excellence
- Maintenance and Asset Management
- Management Control Systems
- Safety Excellence
- People, Performance and Culture
- Sourcing and Procurement
- Structural Cost Reduction
Operational excellence in mining

Operational Excellence is an all-encompassing set of offerings (or themes) which when moved towards best in class will allow Operational Mining Executives to improve costs per output unit in a sustainable manner.

The focus is thus on both cost containment, operational throughput and a stable work force. The objective is a management team who is equipped to operationalise business strategy, implement change in their organisation’s processes and systems, and maximise value over the life of the asset.

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Our proven approach used for an Operational Excellence engagement consists of three phases:

<table>
<thead>
<tr>
<th>Phase</th>
<th>Diagnose</th>
<th>Detailed Design and Implementation</th>
<th>Sustain and Control</th>
</tr>
</thead>
<tbody>
<tr>
<td>Time</td>
<td>6-8 weeks</td>
<td>3-12 months</td>
<td>1 week every 2 months for 12 months</td>
</tr>
<tr>
<td>Resources</td>
<td>5-7 people</td>
<td>3-5 people</td>
<td>1-3 people</td>
</tr>
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</table>
| Objectives | - Review and understand the full operational landscape across the OE themes  
- Identify the main pain points within each theme and quantify the value drivers  
- Identify the gaps and impacts on overall cost per unit output  
- Deep dive into agreed themes and gain a detailed understanding of the gaps and root causes  
- Develop solutions to fill the gaps  
- Develop business cases  
- Mobilise client task teams to own and implement the solutions  
- Adjust the business plan based on improved KPIs  
- To put controls in place to monitor and sustain the solutions and projects implemented in phase 2  
- Working the consulting team off site by adopting new systems and processes |
Deloitte’s Modelling and Decision support ensures that improvement initiatives are focused on opportunities that will yield the highest impact first. Predictive models are used to identify and prioritize improvement opportunities, while optimization models provide support for complex operational and tactical decisions such as blending, product mix optimization and mine planning.

**Description**

The complex nature of operating environments requires the coordination of many interdependent processes to achieve operational objectives.

Often, the coordination of these processes is suboptimal and decisions need to be taken without fully understanding their impact on the entire operational system.

Deloitte helps to improve the efficiency of your operations by improving alignment and coordination of operational activities. We do this by understanding your operating environment and equipping you with predictive and optimisation models to support and improve planning and decision processes.
Supply Chain Optimisation

**Business benefits**
Improved operational decision making capability in your organisation can realise the following benefits:
- Reduced inventory levels as process throughputs are aligned;
- Increased productivity by avoiding decisions that lead to lost time; and
- Increased revenue through improved throughput and an optimised product mix.

In addition to the bottom line benefits, good decision support also helps you to:
- Create a common understanding of the operational environment
- Set meaningful operating targets and
- Establish transparency and alignment between role players in the operating environment.

Predictive modelling is used to predict sensitivities and constraints, and identify high impact focus areas for improvement.
Optimisation and decision support models are used to find solutions to planning problems under specific objectives and resource constraints.

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Integrated Planning

The Deloitte integrated planning approach enables the organization to coordinate decisions and planning activities across its value chain and provides continuous assurance that business objectives can be achieved.

The planning process provides the baseline against which the performance of individual functions and processes across the business can be measured and tracked over time.

**Description**

Our integrated planning offering develops customised operational planning tools and processes that:

- Provides an integrated plan that coordinates activities across the internal value chain of the business. This includes matching supply and demand across the value stream and aligning operating and maintenance plans;
- Identifies potential bottlenecks and interventions to improve performance and exploit opportunities in bottleneck processes;
- Manage inventory levels to prevent stock-out and limit knock-on effects between processes.
- Helps to identify and manage risks that could prevent the business from achieving its objectives;
- Provides transparency by tracking performance against the plan and showing how the business will meet its operational objective; and
- Facilitates communication to align role players across the value chain and help them understand how they contribute to the business’ objectives.

**Business benefits**

An integrated planning process will help the business to align activities in its value chain, resulting in:

- Lower average inventory levels with fewer stock-outs;
- Improved equipment utilisation, resulting in lower unit costs, by actively managing workload; and
- Higher revenues due to improved productivity.

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Production Excellence

Production Excellence improves the capability of an operation to achieve business objectives by addressing production asset capacity constraints, execution systems and production processes.

Description
Current process performance is analysed to determine constraints and improvement opportunities. Initiatives targeting these opportunities are identified, prioritised and executed while enhanced production systems are designed and entrenched. Plans, operating philosophies and planning processes are reviewed to ensure alignment to business objectives and integration across the value chain.

Business benefits
• Ensure efficient and reliable execution of production plans
• Enable optimal utilisation of asset capacity
• Reduce cost through improved efficiency
• Optimise the value of your product portfolio

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Maintenance and Asset Management

The Asset Care Signature Solution is Deloitte’s approach to an effective asset maintenance strategy aimed at improving; preserving; and extending the performance of a client’s operational assets. It focuses on rapidly correcting and restoring basic maintenance practices and asset conditions, respectively and developing a maintenance policy that aligns the maintenance function to the client’s business strategy and goals.

Description
In order to achieve shareholder value an organisation must shift its thinking from resource management to asset management. This is by translating revenue growth, operating margin, customer service and sustainability into hard decisions about the physical asset base and the continued performance and reliability of those assets.

Business benefits
The benefits of this solution include:
- An improvement in asset availability and reliability and therefore utilisation which in turn will lead to an increase in product throughput, a reduction in safety incidents and an improvement in the product quality
- A reduction in maintenance costs through the implementation of preventive maintenance strategies and further reduction through the optimisation of the reliability maintenance costs
- An alignment of the maintenance practices across the organisation by describing how the maintenance function enables the business strategy, plans and targets of the organisation.

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Management Control Systems

Deloitte’s approach to Management Control Systems is aimed at bridging the gap between business strategy and operational excellence. By driving, measuring and reacting on the right metrics. The business is able to closely follow and exceed the required business plan.

Description
A Management Control System is a collection of management controls which enable effective management of KPI’s throughout all levels of an organisation driving a common goal towards the defined business expectations.

This bridges the systems and information gap between your business plan and operational controls on a daily basis, giving visibility of performance against target down to the face.

Business benefits
• Effective dissemination of the business plan metrics guiding detailed planning ensuring the link to business strategy is maintained
• Increased visibility and tracking of operational performance to business plan at all levels, allowing for immediate action when and where it counts
• Structured approach to performing root cause analysis with information at hand, and tracking of the benefits realised from initiated improvement projects
• Multi-platform information systems give your organisation operational visibility anytime, anywhere.

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Tools and Methods
Experts at combining creative design and technology to produce world-class solutions centered around the user experience.
Safety Excellence

An operation with safety embedded as a way of work is an efficient organisation; the discipline and the rigour of the organisation applies to safety translates to other areas of the organisation.

Description
Outstanding safety performance and continuous improvement will only be achieved when there is a culture in which the elements of the management system can flourish. To enable such transformation, Deloitte has developed a problem-solving methodology designed to supplement traditional approaches. It is a tailored and collaborative process that involves all levels of an organisation - from the C-suite to front-line workers.

Business benefits
- A radical and unique approach to address root causes of safety related problems to shift the focus from optimising current safety measures and programs to reinventing whole businesses in order to improve safety outcomes.
- Compelling safety strategy and implementation plan
- Data analytics to enable data informed decisions
- Tracking of safety leading indicators and interactive visual dashboards

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People Performance and Culture

One of the key drivers of a world class operation is a capable motivated workforce. The focus of this service offering is to develop capable teams that are highly focused on their goals to achieve superior business results.

Description
Alignment between the business objectives and the capacity and capability of the workforce to achieve these objectives.

Business benefits
• Supervisors that are equipped and effective in leading teams to achieve superior results
• Individual and team goals that are aligned to the overall business objectives
• Effective team meetings that will result in frontline teams that are more satisfied with their decisions and more committed to their implementation.

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Sourcing and Procurement

Deloitte’s Sourcing & Procurement proposition is focussed on identifying, delivering and sustaining financial and efficiency benefits, and establishing leading edge capability to drive competitive advantage for our clients. Deloitte has a proud history of delivering value to mining clients in the sourcing and procurement space.

Description
Opportunities to extract value can be found along each step of the procurement process. Deloitte goes beyond merely the identification of savings initiatives, and ensures a total cost methodology is applied through a philosophy known as Spend Management.

Business benefits
Reduced materials & services costs
- 5% to 30% for specific categories
Improved compliance
- Average of 2% to 5% savings benefits
- Average of 20% non-compliance for many organisations
Improved operating efficiencies
- 10% to 20% reduction in resources through streamlined processes and elimination of waste
- Reductions in processing error rates through focused service centres and transaction excellence
Improved service to end users
- Reduced cycle times through automation and streamlined processes
- Focused operations group on BU requirements
Improved quality
- Supplier programmes focussed on quality and performance – reduced error rates, late deliveries
- Focused Centre of Excellence on leading practice solutions, processes and skill capabilities

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Tools and Methods

iDISC extends the SCOR model to evaluate clients’ supply chains on holistic dimensions – strategy, process, technology, people, and metrics. The iDISC toolkit is used to determine if the procurement process for the commodity is relevant and whether there are improvement areas to stop value leakage.

The Spend Management equation allows us to focus on demand management, total cost, compliance, and process collaboration across the supply chain and broader organisation to identify and realise the maximum value for and impact on the organisation.

A contractual heat map is used in contract reviews and identifies and highlights key areas of concern which may potentially offer the highest value opportunities for contract re-negotiation.
Structural Cost Reduction

This solution assists organisations to understand, identify and implement improvements within the context of organisation simplification, service delivery and restructuring, in order to deliver significant net cost savings and higher operational effectiveness.

Description
In the current economic environment with low growth, tight margins and on-going cost escalations, organisations require support in re-examining their operating model to adapt to changing business priorities and imperatives, and to produce significant net cost savings and higher operational effectiveness.

Business benefits
- A detailed view, together with opportunities and business cases for the operational, overhead and support costs within the organisation and how effectively these costs support the business strategy and selected operating model
- Lean organisation with the ability to meet production targets with the “right size” workforce
- Consolidation and standardisation of support functions across operations into a shared service environment
- More efficient service delivery to operations allowing those functions to focus on core mining and beneficiation activities.

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Tools and Methods

**Business model review**

The business model chosen by an organisation will form the basis of the management structure, where decisions are made (governance), and how work is executed.

**Service delivery model framework**

The service delivery model framework allows analysis of the work driving cost and identifying potential cost management approaches.

**Global benchmarking center**

The Deloitte Global Benchmarking Center provides benchmarking services for all Sales, General & Administrative (SG&A) functions, as well as industry-specific and customised benchmarks.
Capital projects

- Business case design
- Capital efficiency
- Portfolio optimisation
- Project execution readiness
- Operational readiness
Capital Projects

Business Case Design

Challenges mining companies face
Mining companies constantly seek avenues to expand their asset base, increase revenue contribution and ultimately total shareholder return. Therefore, there is a constant need to scan and develop business cases for new areas of growth, while testing various scenarios in a quest to obtain optimal value.

How does the Deloitte solution address the business issue?
There are countless case studies of projects that have progressed through the initial project life-cycle stages, only to be recycled back to concept phase, as a result of sub-optimal option selection. The significance of making incorrect decisions in the early phases of the project development cycle normally result in the need for a rework and causes unnecessary delays. The application of a structured approach to the project definitions, termed business case design, could increase project ROI and prevent unnecessary rework.

Benefits to your organisation
Scanning various large capital investment business opportunities and their respected options and permutations thereof, can seem to be a daunting task. Decision makers can easily be misled on the wrong growth path without a well-structured and robust business case development approach. Value is added by providing decision makers with piece of mind that optimal value has been highlighted and key risks have been identified.

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Challenges mining companies face
Our experience has shown that every large capital project should include a detailed value improvement process coupled with a rigorous capital business case review. The need for a robust process has been highlighted by the current worldwide economic conditions where capital funding is constrained and it is crucial that projects deliver on the promised projected returns.

How does the Deloitte solution address the business issue?
Our approach encapsulates a detailed value improvement process coupled with a rigorous capital business case robustness review. Value enhancement is achieved by working closely with the project team, targeting areas of potential value through various techniques focusing on efficiencies, waste and new sources of value. The position of the project in the overall project lifecycle will determine the focus of the review and the warranted analysis. During the business case robustness review, the business case is evaluated, assumptions tested and validated, while risks are framed and key drivers are modeled stochastically providing a view on the uncertainty associated with the reported project return.

Benefits to your organisation
Big capital projects take a considerable amount of time to develop. During this time many configurations are tested and assumptions made on which decisions are based, while the business case is continuously updated and changed. Since the world can change significantly over the project study period a structured value improvement and business case robustness review could add value by providing decision makers with the peace of mind that the optimal value has been identified and that the project return numbers are sound.

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Portfolio Optimisation

Challenges mining companies face
Capital markets expect great things from corporate boards when it comes to capital planning. While stock exchanges follow companies’ short-term earnings guidance, they also value companies based on long-term strategic opportunities and capital spend forecasts. The challenge for an executive board arises when one considers the trade-offs between projects with competing strategic objectives, especially when funding requests exceed available capital or dramatically impact annual cash flows.

How does the Deloitte solution address the business issue?
Capital portfolio optimisation aims to determine which projects should be selected that would maximise the value objective for a certain funding level, while taking into consideration constraints and dependencies. Our approach firstly consists of understanding the corporate strategy and business objectives to optimise towards thoroughly, after which, project data is collated and analysed to insure robustness and consistency.
**Benefits to your organisation**

Advanced portfolio optimisation analysis has a broad spectrum of benefits for management when it comes to making the correct decision at the appropriate time. Through improving the speed of decision making it allows additional time for management to have executive conversations which unlock deeper insights into their own business. The resultant effect of this process is that managers and the board can be rest assured of the decisions they make on capital projects.

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Operational readiness

**Challenges mining companies face**
The high degree of uncertainty that accompanies operational readiness can often be mitigated, simply by identifying the challenges that the project can pose and the impact that these challenges could have on the projects.

Understanding the challenges and their potential impact on capital projects provides an indication of the preventative measures required in order to ensure that the project retains the maximum NPV possible. It is often the case however, that these challenges and impacts are not accounted for or factored into the operational planning process in the development phases, negatively affecting the return on investment.
<table>
<thead>
<tr>
<th>Challenges</th>
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<tr>
<td>People readiness</td>
<td>• Ineffective service delivery</td>
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<td>• Addressing skills and capacity</td>
<td>• Quality related issues</td>
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<td>shortages during transition</td>
<td>• Increased costs due to imported skills</td>
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<td>• Poor safety performance</td>
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<td>System readiness</td>
<td>• Inability to produce management reports</td>
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<td>• Ensuring management information</td>
<td>• Limiting management effectiveness</td>
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<td>Legislative compliance</td>
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<td>• Potential fines or shut downs for non-compliance</td>
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<tr>
<td>operate)</td>
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<tr>
<td>Services and infrastructure</td>
<td>• Inability to supply necessary services</td>
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<td>readiness</td>
<td>• Increased costs for temporary services</td>
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<td>• Peripheral services and external</td>
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<td>• Ensuring the timely commission-</td>
<td>• Slower ramp up</td>
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<td>ing and operability of new</td>
<td>• Inability to achieve design capacities</td>
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<td>equipment</td>
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How does the Deloitte solution address the business issue?
The Deloitte experience has shown that project teams have come to understand the capital project assurance imperative, usually applying rigorous focus to the technical design and build aspects of the project. A similar focus on operational readiness is often neglected from the outset, potentially leading to practical challenges in achieving the anticipated return on investment. Deloitte can assist your business in the following key focus areas in order to ensure maximum return on investment:

- Understanding the complexity of the operational readiness planning
- Defining accountability and ownership of projects
- Accounting for a ‘uniqueness’ factor in each project
- Establishing team integration
- Structuring the top level correctly
- Establishing suitable ramp-up plans for the project
- Establishing operational reporting and controlling investment.

Benefits to your organisation
Operational readiness planning requires consideration, planning and importantly, a budget from as early as the study phases of the project. An operational readiness project plan should be created and integrated into the overall project plan. Making the decision to integrate operational readiness planning into the project development process is the starting point. Effective operational readiness will benefit your business if managed correctly, building the Net Present value (NVP) of the project, improving the realisable value of large capital projects and ultimately increasing shareholder value.

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Risk Advisory Services

• Exploring risk, extracting value
• Safety analytics
• Tip-offs anonymous
Exploring risk, extracting value

Challenges mining companies face
Effective business strategies are created with the expectation to bridge the gap between reality and vision, caution and opportunity. The true test of these strategies and the tactics employed to inform and implement them, is whether they stand up to:

• The toil of daily business
• Increased competitiveness
• Shifting economic and environmental landscapes
• Times of dramatic and unanticipated change
• Cyber-attacks and sabotage.

Unfortunately, when crafting and executing strategy, most organisations do not have the foresight to predict the:

• Challenges they will encounter in achieving their goals
• Value they will create, protect, enhance or destroy when operationalising their strategy

The value that Risk Advisory provides
The value that Risk Advisory (RA) creates for organisations is synonymous with operational excellence. We maximise the performance of internal business operations by identifying, predicting, resolving and mitigating imminent threats and obstacles as well as enhancing the value of these operations.

Depending on an organisation’s specific challenges and threats, RA will ensure that the road to operational excellence is clear and adapted to the situation the organisation finds itself in.

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What is the Risk Advisory Approach

Our approach is to develop customised value propositions and solutions for organisation’s, through interrogating, analysing and understanding the organisations information assets, policies, procedures, risks, controls, current and future strategic objectives.

<table>
<thead>
<tr>
<th>Regulatory Compliance</th>
<th>Technology</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Integrated Governance, Risk and Compliance</td>
<td>• Technology Assurance and Advisory</td>
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<td>• Compliance</td>
<td>• Data Analytics</td>
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<td>• Integrated Reporting and Sustainability</td>
<td>• Cyber Risk</td>
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<td>• Internal Audit</td>
<td>• Application Integrity</td>
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<tr>
<td>• Regulatory Compliance</td>
<td>• Resiliency – Business Continuity and</td>
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<tr>
<td>• Tip-Offs</td>
<td>• Disaster Management</td>
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<tr>
<td>• Managed Forensic</td>
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# The Risk Advisory signature solutions

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<tr>
<th>RA Signature Solution</th>
<th>How does the RA Signature Solution address the business issue?</th>
<th>Benefits to your organisation</th>
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</table>
| **Integrated Governance, Risk and Compliance** | Our approach enables organisations to focus on value creation and preservation and to move from a siloed to an aligned, intelligent organisation. Deloitte’s solution enhances the integration and alignment of an organisations approach to managing risk within the context of an overall governance model, through appropriate control mechanisms, to support and achieve its strategic objectives. | • **Value creation and preservation** - Protection and creation of company value through identification and management of risks and future opportunities.  
• **Simplify – standardisation, centralisation and taking out complexity** - GRCS integrates, streamlines and leverages common Governance, Risk Management, Compliance and Sustainability processes and increases knowledge sharing and coordination across the organisation’s GRCS functions in order to optimise existing efficiencies and effectiveness.  
• **Stakeholder confidence** - Integrated GRCS assists the Board and management by enabling compliance with Corporate Governance standards and producing an integrated report for stakeholders.  
• **Reducing cost on sustainable basis** – Lowering cost on a sustainable basis by cutting and optimising spend on compliance activities through efficient and effective utilisation of resources, by applying the - assess once, test once, satisfy many principles inherent in integration. |
| **Integrated Reporting and Sustainability** | Deloitte has developed a holistic sustainability management process to assist clients in integrating and embedding sustainability into business practices. | • **Gathering Business Intelligence** – Effective stakeholder engagement is more than just ticking the box. It enables your business to gather and effectively utilise business intelligence that will inform your strategy and the business model and effectively provide you with a ‘license to operate’  
• **Enhanced risk management** - Identifying and understanding the strategic impact of material sustainability issues across the value chain will enable you to focus your activities in managing a fuller spectrum of business risk appropriately.  
• **Goal congruence** – Ensuring your sustainability strategies and initiatives are appropriately aligned to your business strategy will promote goal congruence.  
• **Identifying value** - Implementing robust and effective performance management systems and processes to facilitate the collation of appropriate key performance metrics will enable you to assess whether risk management initiatives are value adding.  
• **Increasing stakeholder confidence** – an integrated report demonstrating an integrated business strategy and performance management ensures stakeholder that you are managing your strategic risks appropriately .  
• **Streamlining processes** – by applying an effective combined assurance model you will achieve efficiencies in your assurance needs. |
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<td><strong>Internal Audit</strong></td>
<td>The Deloitte internal auditors’ roles include monitoring, assessing, and analysing organisational risk and controls; and reviewing and confirming information and compliance with policies, procedures, and laws. Working in partnership with management, we provide the board, the audit committee, and executive management assurance that risks are mitigated and that the organisation’s corporate governance is strong and effective. More importantly, we look at opportunities to create value. At Deloitte, Internal Audit = Assurance + Insights + Advice + Practicality. Organisational performance is top of mind.</td>
<td>The objectivity, skills, and knowledge of competent internal auditors can significantly add value to an organisation’s internal control, risk management, and governance processes. Similarly an effective internal audit activity can provide assurance to other stakeholders such as regulators, employees, providers of finance, and shareholders. Internal Audit should be synonymous with value creation and improved organisational performance.</td>
</tr>
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</table>
| **Technology Assurance and Advisory** | Specialising in technology assurance and consultation within IT control environments, Technology Assurance and Advisory assists businesses to identify and manage IT risk as part of their operations, in order to safeguard corporate IT strategy and maximise stakeholder value. At its core, Technology Assurance comprises an examination of the underlying controls and systems architecture within an organisation’s IT universe, to determine whether or not the systems are safeguarding the company information assets; available for business 24x7x365; maintaining data integrity and confidentiality; and operating effectively to achieve the organisation’s strategic goals or objectives. Technology Assurance reviews may be performed in conjunction with a financial statement audit, internal audit or any other form or combination of attestation engagement. | • **Reduce risk.** The planning and execution of an IT Assurance engagement is generally focused on identifying and assessing risks in an organisation’s IT environment.  
• **Strengthen controls and improve security.** After risks are assessed, controls are identified and evaluated. This allows for poorly designed or ineffective controls to be redesigned and strengthened.  
• **Facilitate communication between business and technology management.** The detailed procedures performed including interviewing, observing and testing result in valuable information in written reports and oral presentations, from which burning platforms and trends can readily be identified and action taken. |
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<td><strong>Data Analytics</strong></td>
<td>Data can be a lazy asset and is often undervalued. Data is full of potential. If organisations could organise and better understand all of the data they capture, it would help them make better business decisions, reduce risks and improve returns.</td>
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<td><strong>Data audits</strong> – Using sophisticated techniques to analyse data and transactions, we help to increase the effectiveness and efficiency of business process testing, gain new business insights and identify process improvement opportunities.</td>
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<td><strong>Segregation of duties data analysis</strong> – Analysing security data from multiple applications and platforms to identify potential segregation of duties conflicts.</td>
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<td><strong>Fraud detection</strong> – Through sophisticated data analysis of areas with specific fraud risk, we can help identify anomalies or “red flags” and quantify their potential impact as components of an overall anti-fraud strategy.</td>
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<td><strong>Cyber Risk</strong></td>
<td>Our solution helps organisations respond to evolving cyber and physical threats in a secure, vigilant, and resilient manner:</td>
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<td><strong>Secure</strong> - Enabling enterprise business innovation by protecting critical assets against known and emerging threats across the ecosystem. Executives must establish risk-prioritised controls to protect against known and emerging threats, and comply with standards and regulations.</td>
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<td><strong>Vigilant</strong> - Reducing detection time and developing the ability to detect the unknown. Organisations must establish situational risk and threat awareness across the environment to detect violations and anomalies. Protecting yourself from what you don’t know.</td>
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<td><strong>Resilient</strong> - Identifying “Single Points of Failure” to develop alternative back-up arrangements and strengthening your ability to recover when incidents occur. Leadership must establish the ability to handle critical incidents, quickly return to normal operations, and repair damage to the business.</td>
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<td>Our integrated multifunctional capabilities allow us to focus on shareholder value and to provide solutions in the following areas:</td>
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<td><strong>Reducing Costs</strong> - Identifying opportunities to reduce costs and cash outflows.</td>
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<td><strong>Increasing Revenue</strong> - Identifying opportunities to sell more, higher value goods and services, and bill the customer correctly.</td>
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<td><strong>Releasing Working Capital</strong> - Identifying opportunities to reduce the balance sheet, improve efficiency and accelerate cash inflows.</td>
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<td><strong>Enhancing Compliance</strong> - Identifying opportunities to improve the quality and effectiveness of internal controls.</td>
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- Proactively and effectively disarm the value killers
- Proactively address low-frequency, high-impact risks
- Understand and manage critical risk interdependence
- Improve incident and response management
- Applying a multidisciplinary approach focusing on responding to evolving cyber threats in a secure, vigilant, and resilient manner
- Appropriately apply robust vs. resilient control strategies
- Provide timely information on control factors
- Foster a strong, ethical control culture
- Improve decision-making and strategy by effectively using Information
- Focus on automation and analytics
- Unlock benefit realisation of good governance and compliance requirement.
The Risk Advisory signature solutions

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<tr>
<th>RA Signature Solution</th>
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<th>Enterprise Application Security:</th>
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<tr>
<td>Application Integrity</td>
<td>Our Application Integrity service area focuses on:</td>
<td>• Increase of security and protection</td>
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<tr>
<td></td>
<td>• Enterprise Application Security: As all current organisations have multiple systems on multiple platforms it has become imperative for companies to implement standardised access policies and procedures across the organisation.</td>
<td>• Immediate overview of user access rights</td>
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<td>• ERP-enabled Controls: Re-engineer the business processes to create efficiencies which in turn will allow the organisation to launch more competitive strategies.</td>
<td>• Efficient and reliable processes</td>
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<td>• GRC Technologies: Governance, Risk and Compliance service provides organisations with a structured approach as they address their governance, risk and compliance requirements. With its proven methodology, Deloitte can help clients in any industry implement a standards based risk management framework with quantitative monitoring ability. In short, the security GRC/metrics service provides a risk management process to support improved business and security decision making.</td>
<td>• Increase of trust</td>
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<td>• Identity and Access Management: Identity and Access Management is a highly complex business issue that goes far beyond the IT department. It encompasses the entire organisation, including business units, individual locations, systems, access points, business partners and customers.</td>
<td>• Automated monitoring</td>
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<td>Resiliency is an organisations ability to prevent, withstand, respond and adapt to disruptive events. Resiliency is a state that an organisation aims to achieve by having the capability to:</td>
<td>• Low operative IT costs</td>
</tr>
<tr>
<td>Resiliency – Business Continuity and Disaster Management</td>
<td>• Deflect a disturbance through understanding the environment, anticipating incidents and implementing controls to prevent significant disruption</td>
<td>ERP-enabled Controls</td>
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<td>• Withstand a disturbance by building in operational resilience into the day to day business processes</td>
<td>• Ensure integrity, reliability and availability of information</td>
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<td></td>
<td>• Respond and recover from a disaster by sound escalation structures and recovery plans</td>
<td>• Create and document a control environment</td>
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<td>• Continuously improve the processes through the evaluation of actual disruptions and testing of the resilience processes</td>
<td>• Establish common control and security</td>
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<td>Enables regulatory and governance compliance</td>
<td>• Facilitate ongoing sustaining compliance and/or ERM programmes</td>
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<td>Protects the organisations’ brand and reputation</td>
<td>GRC Technologies</td>
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<td>Protects the health and safety of staff</td>
<td>• Automate manual and fragmented GRC activities</td>
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<td>Ensures business continuity after major disruptions</td>
<td>• Align GRC strategy</td>
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<td>Establishes a competitive advantage in the market place</td>
<td>• Continuously monitor risks</td>
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<td></td>
<td>Protects the organisations profits/earnings</td>
<td>• Automatically identify and prioritise</td>
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<td></td>
<td>• Reduce costs, and complexity</td>
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<td>• Centralised reporting with GRC repository</td>
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Resiliency – Business Continuity and Disaster Management

Resiliency is an organisations ability to prevent, withstand, respond and adapt to disruptive events. Resiliency is a state that an organisation aims to achieve by having the capability to:

- Deflect a disturbance through understanding the environment, anticipating incidents and implementing controls to prevent significant disruption
- Withstand a disturbance by building in operational resilience into the day to day business processes
- Respond and recover from a disaster by sound escalation structures and recovery plans
- Continuously improve the processes through the evaluation of actual disruptions and testing of the resilience processes

Enterprise Application Security:

- Increase of security and protection
- Immediate overview of user access rights
- Efficient and reliable processes
- Increase of trust
- Automated monitoring
- Low operative IT costs
## The Risk Advisory signature solutions

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| Regulatory Compliance | Regulatory Compliance management is the management discipline of designing and implementing effective systems to ensure that an organisation actually complies with the laws’ regulations and codes of practice relevant to its operations. | • Increased coverage  
• Better risk identification  
• Covering all ambi of the COSO framework effectively  
• Consistency in approach  
• Quantification of exposure  
• Industry-agnostic  
• Projecting into the future |
| Tip-Offs | Deloitte Tip-offs Anonymous provides a whistleblowing facility that affords callers the opportunity to raise a concern regarding an incident of wrongdoing, fraud or unethical behaviour within the workplace, and report it to an independent party within the organisation. | • Immediate alert on urgent matters  
• Ethics culture improvements  
• Hotline industry specific trends  
• Assistance with awareness campaigns  
• Awareness insights  
• Value for money  
• Highest detection method of fraud is via tip-offs (42.2%)* |
| Managed Forensics | Mining companies are being targeted daily by syndicates and individuals, internally and externally, using highly sophisticated and ever evolving techniques with the exclusive intent of defrauding these organisations. Hence, the challenges have become bigger, involving higher stakes and can no longer be ignored. To help our clients investigate against the scourge of fraud and corruption, we have used hindsight to develop a comprehensive solution with insight, which we deliver to our clients with foresight – Known as “Managed Forensic”.  
Managed Forensic provides customised, client specific, end to end solutions to protect and preserve the assets and the value of our clients – driven by technology and preserved by Analytics. Fraud and Corruption are on the increase both globally and locally and no organisation is immune to the threat. | • Greater focus on what organisation’s know, rather than what they don’t know  
• Sophisticated fraudulent techniques and fraudsters, which makes the detection of fraud difficult  
• Impractical and expensive approach adopted and implemented  
• The inability to keep up-to-date with the latest trends and developments to mitigate fraud  
• The use of outdated methodologies and tools  
• Limited agility and access to specialist skills. |
Corporate Finance

- Corporate Finance solutions
Corporate Finance

Challenges Energy & mining companies face
Businesses face inherent risks in any merger or acquisition whilst funding requirements are invariably a major feature of any transaction. An increasing number of businesses are experiencing financial difficulties which represents a high level of risk to lenders who face potential non-payment. Some of the concerns businesses face include:

• Short term liquidity position of the business
• Future market prospects and sustainability of the business
• Options available to both the business and the lenders.
How does the Deloitte solution address the business issues?
Buy and sell side due diligence reviews. A due diligence highlights risk factors that could impact the pricing of the transaction, possible warranties to be included in the Sale and Purchase Agreement, and potential post transaction integration issues. The Deloitte due diligence offering comprises of financial, tax, legal, technical, commercial, IT and HR due diligence reviews.

The Deloitte readiness review
Corporate Finance performs a detailed readiness review that identifies key issues and interdependencies and establishes a plan of action that can be applied equally to the energy & resource sector as to other industry sectors. Corporate Finance performs the financial and transactional aspects of the readiness review and project manages other business units who may be utilised to assist with various aspects of the readiness review.

Debt Advisory
The Deloitte Debt Advisory team enables clients to take control of this vital process, to access a much wider spectrum of funders, to pitch competitively and execute the most effective deal that is RoE enhancing with the least amount of business constraints.

Valuation services
Value creation is the key to business success. Valuations require in-depth understanding of the market, the company and its competitors, the financial and non-financial information, as well as factors such as legal or regulatory environments. Deloitte offers business enterprise and equity valuations, model reviews for logical compilation and mathematical accuracy, and working capital reviews.
Listing services

The decision to list a company’s shares involves a greater introduction to outside shareholders and exposes the company to greater public scrutiny, imposing new responsibilities and demands on the business and its directors. In this major strategic decision Deloitte can assist and advise companies on all stages of the listing process, including:

• Initial assessment of suitability of the company;
• Assessment of company’s capital structure;
• Co-ordinating the preparation of the Prospectus;
• Drafting of listing documents;
• Road show support;
• Provision of expert reports on historic and forecast results.
Benefits to your organisation
The broad ranging advice, resources and expertise of Deloitte can make a significant difference in maximising value and reducing risks inherent in any merger or acquisition. Deloitte has a tax and legal team which is well positioned to assist in the implementation of a transaction.

The Corporate Finance suite of services Deloitte offers companies ensures that Deloitte is the ‘one point of call’ which encompasses every aspect of a transaction in the services offered. Together with other Deloitte services such as tax, consulting and legal, we provide a comprehensive solution to clients, using global best practice and our global and local network.

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Venmyn Deloitte

• Technical Advisory Solutions
Independent Technical Services and Valuation Services

Venmyn Deloitte
Venmyn Deloitte is a global business with professional expertise in the independent technical and economic assessment and review of mineral projects. Venmyn Deloitte generates compliant documentation for mineral companies either for on-going transactions or specific regulatory requirements. Venmyn Deloitte is associated with independence, compliance, competence and valuation.

Challenges mining companies face
There is:
• An increased market demand for independent technical and valuation assurance for mergers and acquisitions
• A requirement by mining companies for independent compliance monitoring
• A regulatory and statutory insistence on independent, qualified technical input and sign-off on technical and economic estimation
• A need to value mineral assets on an annual basis for balance sheet and liquidity purposes
• A need for a trustworthy and globally recognised opinion
• A requirement for quality documentation with recognised assurance
• A need for investor-friendly technically-accurate graphics and documentation.
**Benefits to your organisation**

**Venmyn Deloitte:**
- Bridges the divide between technical evaluation and economic valuation of mineral projects to create a new industry standard in mineral project assurance
- Can provide technical and financial knowledge related to mineral projects from a single entity, saving the client time
- Has staff who are fellows or members in good standing of the relevant international industry bodies governing mineral reporting
- Participates in the writing of codes relating to mineral resource estimation and valuation and applies its knowledge of the codes to its techno-economic reports to produce reports that regulators and shareholders can rely on
- Has staff who can be deployed globally and compile documentation compliant with international mineral resource estimation and valuation codes
- Has knowledge and competence across the entire project lifecycle from exploration and prospect evaluation through to mine construction and production
- Has experience in precious metals, base metals, precious and gem stones, industrial minerals, energy related commodities and rare earth elements
- Has completed a number of Competent and Qualified Persons’ Reports for company listings on various international stock exchanges as well as other regulatory reporting
- Is known for its high-quality and comprehensive documentation
- Provides deep insights into the industry that clients will leverage best practice from, making them more competitive
- Prides itself on delivering on time and on budget
- Undertakes projects on a turnkey basis
- Has in-house expertise in drawing maps and plant flowsheets for the minerals industry, the layout of technical reports and the compilation of technical diagrams for annual reports.

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Pre-configured SAP solutions

- IM Architecture
- SAP Mobility solutions
- Software Quality Assurance & Testing
- IT Governance
- Application integrity
- Application Management Service
Pre-configured SAP solutions for mining

Challenges mining companies face
Mining companies are facing tighter margins with information systems that lack the ability to access business information and are in need of a best practice mining specific solution which can be managed effectively on your own at a low cost.

Deloitte can deliver a dramatically reduced total cost of ownership system without any significant disruption to business with the Mining pre-configured solution which has been developed based on Deloitte’s many years of experience in the mining industry.

How does the Deloitte solution address the business issue?
Working in conjunction with SAP AG, our SAP Mining Practice has developed a pre-configured solution for the mining industry. This proven solution includes a fully pre-documentation and pre-configured SAP solution that can be rapidly deployed and adjusted to meet clients’ specific needs. Notably, the solution incorporates SAP’s Best Practices for Mining, which was developed with extensive input from Deloitte.

By speaking the industry’s language, the solution provides mining companies of any size with a means to implement SAP faster and smarter, using fewer resources resulting in fewer business disruptions.
Benefits to your organisation
Deloitte’s pre-configured SAP Mining Solution can help your company quickly establish a platform for growth. You’re up and running 50% faster than conventional systems, plus, the software package helps you simultaneously address the operational challenges and capacity constraints that your company could be facing during these challenging times and at all times provide you with the flexibility you require with an ERP system.

Information Management
Challenges mining companies face
The Mining industry faces the increasingly difficult quest to achieve sustainable profitability. Achieving this profitability involves managing and tightly controlling the cost of identifying, extracting and processing the highest yielding ore body through optimised and streamlined operations. In order to achieve this, mining operations are increasingly reliant on accurate and real-time information related to their exploration, extraction and processing activities. With the industry facing these tighter constraints, immediate and accurate information is recognised as an increasingly critical and essential asset, crucial to any mine’s survival.

With the multitude of information solutions available to the industry, it is essential that a mining operation selects and invests in the most appropriate information solutions, which when implemented, will effectively support the mine’s informational needs.
Information Management

Challenges mining companies face
The Mining industry faces the increasingly difficult quest to achieve sustainable profitability. Achieving this profitability involves managing and tightly controlling the cost of identifying, extracting and processing the highest yielding ore body through optimised and streamlined operations. In order to achieve this, mining operations are increasingly reliant on accurate and real-time information related to their exploration, extraction and processing activities. With the industry facing these tighter constraints, immediate and accurate information is recognised as an increasingly critical and essential asset, crucial to any mine’s survival.

With the multitude of information solutions available to the industry, it is essential that a mining operation selects and invests in the most appropriate information solutions, which when implemented, will effectively support the mine’s informational needs.
How does the Deloitte solution address the business issue?
Deloitte brings a blend of a number of key capabilities in addressing this challenge:
• In-depth knowledge of the mining industry
• A track record of successful deployment of information solutions to the mining industry
• A globally established and mature Information Management practice
• An impressive array of advisory assets available for use in advising mines in their quest to select the best Information solutions
• A mature Application Management capability supported by professionals who hold both deep technology and mining expertise
These capabilities, when blended, provide a unique value proposition to assist mines in managing their critical information assets

Benefits to your organisation
This value proposition will allow your organisations to:
• Identify, source and deploy the most appropriate information solutions to meet your unique mining needs
• Manage these solutions in the most cost effective manner while allowing your mining operations to optimally benefit from the information provided by these solutions

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Challenges mining companies face
Enterprise mobility is becoming more and more of a reality for business leaders today. Employees are increasingly mobile and are placing more demands on the business to empower them to work where and when they want. Smartphones and tablets have been at the forefront of this mobile revolution enabling employees to get more done in less time and to do their jobs better.

How does the Deloitte solution address the business issue?
Enterprise mobility solutions that are truly effective are a delicate balance between the needs of the end user as well as the enterprise. The Deloitte solution considers the user’s as well as the business’ needs:

- Strategy
- People
- Process
- Applications
- Security
- Architecture
- Devices

Benefits to your organisation
There are many reasons why organisations should consider laying down a corporate strategy for enterprise mobility before making investments in mobile technologies. It is imperative though that the business calls for enterprise mobility as a way forward. Mobility should not be undertaken lightly as a “me too” strategy. Rather, the decision to go mobile should be underpinned by a concrete underlying business imperative to unlock competitive advantages or efficiencies within the business. Metrics should be established to track the cost and benefits.

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Software quality assurance & testing

**Challenges mining companies face**
Quality Assurance (QA), including testing, is a critical component of the software development process. Yet the complexity and effort to ensure quality are often underestimated.
For those not directly involved in QA, the activities appear straightforward. From their perspective, the hard part is design and development. As a result, QA often is not given the time or resources to complete the work properly.

**How does the Deloitte solution address the business issue?**
Deloitte has helped hundreds of companies in South Africa and around the world implement a more rigorous and comprehensive approach to software quality assurance. Our consulting services include: diagnosing problems with existing software development processes; developing comprehensive QA strategies and plans; establishing organizational structures and career paths for QA; and engineering solutions for performance. We also help companies conduct software testing and manage software quality, using a mix of onshore and offshore resources to reduce costs and accelerate development through around-the-clock testing.

**Benefits to your organisation**
Studies show that one hour invested in quality assurance generally saves three to 10 hours in downstream costs. Moreover, defects introduced during the requirements phase – if not found until final testing – cost 50 to 200 times more to correct than detecting and resolving them immediately.

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Challenges mining companies face
CXO’s want to and should know the return on investment (ROI) of IT in their business. This informs future IT investment decisions as well as current actions that may need to be taken in IT. It is also important to understand what the critical systems are to the business and whether sufficient focus, time and resources are being applied to these systems.

It is also important to assess how these may be impacted by cost rationalisation efforts. IT governance, which is receiving increased attention from shareholders and the board as a result of recent legislation, and other areas, are key to the CXO. How well aligned are the business objectives with our IT strategy?

How does the Deloitte solution address the business issue?
Our approach is a good component of an approach to IT governance. Our approach recognises that cost optimisation is a journey and our tool output provides the first step in that direction. The tool is aligned with COBIT® (Control Objectives for Information and related Technology) and is facilitated through a half-day workshop.

The tool has been developed in conjunction with Gary Hardy, an advisor to Deloitte and the ITGI (IT Governance Institute), a recognised leader in IT governance thinking and a key contributor to COBIT®.

Benefits to your organisation
The tool output is designed to assist management in achieving:
• Cost effective management of IT assets
• Well managed IT processes
• Optimised use of human capital

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Application Integrity

**Challenges mining companies face**
As organisations rely ever more heavily on application information and information and communications technologies, the firm wide risks associated with them escalate rapidly.

Data accuracy and protection; the gathering and use of financial and other sensitive data; and control over internal and external access to software applications are some of the most crucial concerns of today.

In addition to organisation wide risks there are the practical software-related risks and concerns to be mitigated. Compliance with changing regulatory and legal requirements is a constant and growing pressure. Competitive use of new technologies and the speed with which they can be deployed is critical in attaining early mover advantages.

Given these pressures, the business case for investing in a strong, highly automated internal security and control environment grows stronger all the time.
How does the Deloitte solution address the business issue?
Every application system (new or existing) has its own unique parameters and requirements. That’s why our approach is practical, risk-based and modular – enabling us to tailor our approach to meet your specific needs.

Our Application Integrity services include:

**Application security**
Assess, design and implement application security controls for the automated business processes. Security accelerator templates provide guidance related to role definition and applicable Segregation of Duties. This process includes security set-up, maintenance, administration and operations for all environments, as well as development, quality assurance, training and production.

**Business process controls**
Assess, design and implement internal control frameworks that leverages a cost-effective mix of automated and manual controls embedded in the automated business processes. These controls may include internal controls over financial reporting as required by Sarbanes-Oxley and other similar regulations and potentially other operational, compliance and privacy-related controls, depending on management’s requirements.

Interface and data migration controls
Assess, design and implement controls that manage the risk in the accuracy and completeness of interfaces and data conversions between newly built, legacy and third-party software applications.

**Compliance tools**
Assess, design and implementation of “smart” tools for Sarbanes-Oxley and other compliance considerations. These services encompass the people, process and technology transformation aspects to help you improve the cost of compliance through automation as well as embrace long-term sustainment approaches.
Benefits to your organisation
The benefits of a robust software-based internal controls programme are evident. With these controls in place, you can:

- Reduce the potential for fraud and problems around financial reporting
- Comply with laws and regulations, including those relating to corporate governance, internal controls, risk management and privacy, among many others
- Reduce the risk of asset or resource losses
- Optimise business decisions with higher quality, more timely information
- Improve operating inefficiencies.

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Application Management Services

How does the Deloitte solution address the business issue?
Our Deloitte Application Management Services (AMS) practice delivers functional and technical capabilities across a global platform to continuously deliver on client specific business objectives. We are relentlessly focused on driving down costs, improving quality, and accelerating value in every aspect of our services.

Our Application Management Services (AMS) span the entire continuum from up-front advisory services through application optimisation and innovation.

• Globally Delivery Network
  - A Global footprint serving our clients where they work. Over 600 practitioners focused on AMS in the US alone, combined with over 7 000 practitioners performing AMS services worldwide.

• Services
  - A full suite of application management services offerings
  - advisory through maintenance, optimisation and innovation.
Benefits to your organisation
We leverage deep expertise from our industry, technical and functional competency centres to deliver differentiated application management service results:

• **Industry**
  leveraging industry specific insights and intellectual capital across 27 industry segments, allowing us to make better, faster, more informed application management decisions

• **Technical/functional**
  bringing to our clients market recognised expertise and deep partnerships with SAP and Oracle, allowing us to face off against our clients most complex, multi-dimensional application challenges.

• **Technologies**
  A comprehensive coverage of outsourced applications - information management, custom applications and ERP application, tools, techniques and related disciplines

• **Delivery Structure**
  An ability to provide the right resources at the right price in the delivery modes and business models that best meet our clients objectives

• **People**
  A broad and deep bench of resources, spanning technical, functional and industry domain expertise differentiated by a strong business acumen

• **Methods and tools**
  A globally standardised methodology and integrated out-of-the-box toolkit to accelerate the build, configuration, execution and realisation of value from AMS

• **Value Level Management**
  Tying the performance and accountability of the AMS organisation to the objectives and business outcomes of our clients.

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Human Capital Services

- Human resource feasibility solutions
- Strategic workforce planning
- Talent development and assessment solutions
- Outsourced recruitment solutions
Challenges mining companies face
Predictability and accuracy of labour data and cost in capital projects and daily operations is a key concern across the mining industry.

The Human Resources (HR) cost impact on capital projects is summarised in strategic workforce and labour plans and is generally contained in the HR chapters of the feasibility studies. With cost sensitivity in the mining sector rising, it has become increasingly important to understand and predict HR related impacts and cost models comprehensively and as accurately as possible.

How does the Deloitte solution address the business issues?
Our HR Feasibility and Strategic Workforce Planning Solutions ensure that the HR impact of a capital project or current operation is predictable, accurate and comprehensive, including labour and labour related social, market, country, cultural and statutory compliance data and cost elements. Deloitte supports our mining clients from initial data collection, standardization and sanitization, through detailed analysis to compiling the HR data and cost models for capital projects and current operations.
Strategic Workforce Planning Solutions

Challenges mining companies face
Labour dynamics and skill shortages continue to challenge the mining industry. Yet, despite the relative predictability of both workforce dynamics and persistent global skill shortages, a large part of the industry continues to respond in the same manner each year while expecting different results.

Globally, critical talent and skill shortages remain across the industry, compounded by mobility challenges and a dynamic surge in statutory requirements.

Traditional responses to the talent gap remain valid. However, as market pressure increases, progressive companies are deploying strategic solutions that allow them to become more pro-active in managing their workforce challenges.

Strategies to consider:
• Apply science to workforce planning
• Introduce industry level cross training
• Build a global culture around mobility, flexible and growth oriented career models, pro-active succession management.

Africa, today, is one of the emerging markets that most companies are exploring and expanding into. Africa exhibits risks and opportunities seen in countries like China and India during the early 1990s. Back then, few global players knew how to react when these countries opened up their markets for business. Success into Africa will depend on your ability to strategically plan and manage your workforce in this competitive space.
How does the Deloitte solution address the business issues?

Deloitte has leading methods and tools in the fields of Actuarial Analysis, Technology, and Human Capital Management. Deloitte’s data driven approach to workforce planning combines internal and external data sources with supply and demand projections to perform repeatable reporting and scenario planning that help influence talent strategies. With a multi-year horizon, the strategic workforce planning and modelling strategy supports sustainable long term value creation, in addition to providing short term results.

Applying science to workforce planning:

• As competition for talent heats up across the mining sector, strategic workforce planning has become increasingly sophisticated.
• Companies bound to win the race are those capable not only of identifying their global resource requirements, but also of understanding where to source their human capital supply.
• This extends beyond identifying replacement workers for people preparing for retirement to factoring in turnover rates, absenteeism and the impact of disease, the number of graduating candidates, requisite leadership skills and potential supplier gaps in each planned or operational geography.
Exploring risk, extracting value

Benefits to your organisation

• Reduces people-related costs associated with misalignment of workforce demand and supply
• Identifies optimal workforce mix strategies by evaluating whether to buy, build, borrow, or rent talent (e.g., leverage tools, on/offshore mix, use of contingent workers)
• Enables greater savings in operations and infrastructure planning by providing long-term headcount forecasts and business strategy context (e.g., recruiting staffing, IT user provisioning, real estate investments)
• Talent strategies based on relevant and future oriented rather than purely historic data outperform generic talent management and HR solutions.

The results for a Strategic Workforce Planning engagement will enable a collaborative approach to design the most appropriate, effective and cost-efficient portfolio of Human Capital interventions to be deployed in a company specific context. A prioritised plan and roadmap of suggested human capital strategies designed to address the projected skills and talent gaps will ensure direct impact on productivity and shareholder value.

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Talent Development and Assessment Solutions – making your people more effective at work

Challenges mining companies face
Training and development are integral to the success and competitiveness of mining companies. Significant effort and investment is made into developing skills and promoting experience across technical and behavioural skills, driven by operational requirements, a changing workforce, talent mobility, growth and statutory requirements. As cost and labour market pressures increase, effectiveness, efficiency and value for money are becoming the drivers for Human Resource functions in planning their future development and training strategies.
How does the Deloitte solution address the business issue?

Deloitte has a broad and fully integrated set of human capital solutions covering recruitment and assessment, development, succession- and performance management.

At the heart of our solutions lies a defined set of competencies, made up of comprehensive competency definitions at entry-, supervisory and leadership level. A fully integrated suite of tools and services utilise this behavioural and technical competency library to support targeted selection and recruitment, assessments across all levels, development solutions per level and tailored leadership development programmes. In addition, Deloitte provides individualised and customised assessments, graduate development programmes and managerial/leadership development programmes.

As the sole Africa partner for Development Dimensions International, DDI, Deloitte provides the deepest, broadest and freshest competency based learning programmes and technology to help you make your people more effective at work.

Benefits to your organisation

Deloitte works with you to connect your talent development strategy with your business strategy:

- Consistent and effective people development
- Efficient and rapid deployment of repeatable and standardized competency based selection, assessment and development solutions
- Cost effective assessment and development
- Classroom based, virtual classroom, and e-Learning programmes
- Mining specific customisable supervisory and management development programmes.

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Recruitment Solutions

Challenges mining companies face
Mining companies, similar to those in other industries face ever increasing challenges in the strategic talent attraction and retention arena. The very recent economic downturn underscored the importance of strong, skilled leadership and a resilient, energetic management team. Having the right talent on board and holding onto your most valued and scarce skilled people, not only to maintain current business operations, but also to turn the tide, manage challenges and capitalise on opportunities, is paramount. Finding and retaining the right people with the right attitude, skills and experience is more critical than ever.

How does the Deloitte solution address the business issue?
RecruiTalent, the recruitment division in Deloitte offers search and selection services by a team of industry specialists with both local and international experience. Recruiting the best is a key success factor in any organisation. We partner with clients in understanding and fulfilling their exact recruitment needs, with due consideration of appropriate experience, skills, qualifications, and importantly, culture fit.

RecruiTalent specialise in sourcing people with top talent in professional services from junior entry level to senior executive leadership, on an interim management/temporary, temporary with the view to assessing suitability for permanent, and permanent placement basis. We have successfully recruited quality mining professionals for our clients in the mining industry.
Our focus areas include sourcing of financial staff and management including:

- CXO level - including CEO, COO, CFO, CIO
- Financial Managers and Executives
- Chartered and Management Accountants
- Internal Auditors
- Taxation professionals
- Accounts payable and receivable clerks
- Bookkeepers.

We also source staff and management in, but not limited to:

- General Management
- Information Technology
- Management Consultancy
- Human Resources
- Project Management
- Procurement
- Change Management
- Personal Assistants
- Data Capturers
- Administration.

The Deloitte brand is a magnet for top talent. We have strong strategic relationships and leverage our extensive networks for continuous access to top candidates including previously disadvantaged individuals. We foster strong long term client relationships with an in-depth understanding of each client and its unique requirements which assist us to continually provide potential “right-fit” candidates.

Our ability to search for top executives is further strengthened by our extensive networks and alumni (ex Deloitte employees), database of qualified Chartered Accountants and other specialist skilled candidates. We commit ourselves to providing you with the best talent as well as support from our solid, knowledgeable and capable service delivery team.
**Benefits to your organisation**

Using the philosophy of “One Deloitte” we optimise the multi-disciplinary capability of our firm to add value to our clients. We are in a unique position to leverage a far wider team of professionals and their networks, where required, in sourcing top candidates

- Sound track record of recruiting for a variety of clients nationally in both the private and public sector
- A standardised and consistent recruitment process that is fully supported by our state of the art recruitment system
- An experienced and diverse team, which has specialist experience in recruitment and selection
- Our processes are fair and non-discriminatory and comply with company policies and current labour legislation
- Our global and national footprint strengthens our position, as we are able to synergise with our local and international offices, to draw on the best talent and networks in order to fulfil your recruitment needs
- Efficient service and turnaround times
- Highly competitive fees.

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Learning Solutions for Mining

- e-Learning solutions
Learning solutions for mining

**e-Learning Solutions**

**Challenges mining companies face**
In the mining industry the cost of training and the number of shifts lost due to training attendance are two of the biggest concerns for leaders. On the other hand, bigger awareness of safety also highlights the need for high quality training. Leadership’s challenge is to find the right balance. In addition, employers and employees needs are often not met due to insufficient training and development programmes, which do not integrate with other forms of learning to accommodate the needs of highly diverse and busy employees.

**How does the Deloitte solution address the business issue?**
The value of training starts with people. Our focus is not to advance people technologically, but to advance people through technology. We partner with organisations to help them achieve their strategic objectives through their people by developing and implementing world class learning and development strategies and optimising learning delivery and management through proven adult learning methodologies and approaches using innovative technologies, systems and processes.

Deloitte has a full development capacity to develop e-learning tools and solutions. We have vast experience in developing custom e-learning solutions in the Health & Safety Environment, as well as Community Learning and technical Training for various mining groups.

Our mining programmes include:
- Blasting Assistant
- Rock Drill operator
- Red Permit
- Opencast Mining Inductions
- Lateral Transport
- Mining Layouts etc.

We have proven that our methods not only save time, but are also the best way to meet and prove compliance with Mine, Health and Safety Authority (MHSA).
Benefits to your organisation
We assist in creating a new culture where knowledge is treated as an asset by people and the organisation becomes a lifelong learning organisation. This happens when the whole learning path is provided for with theory and practical learning opportunities.

Learning with Deloitte becomes a driver of the business strategy, rather than a service, due to the alignment of the business strategies.

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Tax Solutions for Mining

- Tax management consulting
- Global employer services
- Tax efficient supply chain
- Transfer pricing
The members of our Mining Tax Group at Deloitte pride themselves on being mining industry experts and specialists in their respective tax fields. Our mining tax specialists include recognised experts in Corporate and Mining Tax, Indirect Tax, PAYE, International Tax, M&A Transaction Services, Transfer Pricing, Carbon Taxes and government grants and incentives.

We have found our clients in the mining industry require specialists to service them in the following main areas:

**Mining Tax**
There is a special tax dispensation for the mining industry which is contained in Sections 15 and 36 of the Income Tax Act. We assist clients to optimise the deductions with a specific emphasis on capital expenditure.

**Tax Technology**
We have developed a specific mining tax module for our corporate tax software solution, Corpsmart. This software solution facilitates the completion of your tax return.

**Global Employer Services**
With expanding into new markets, there are many tax and permit related matters that need to be carefully planned for the employees. We offer a comprehensive expatriate tax and permit service, especially into Africa, to ensure these risks are mitigated.

**Merger and Acquisition Advisory**
We advise on the most tax effective structuring in M&A deals and provide due diligence services on mining acquisitions.

**Tax Compliance**
We provide specialist services on Income Tax Return compliance to the mining industry.

**Value added Tax**
Our VAT team adds value to the mining industry in the main areas of compliance with the diesel rebate scheme compliance, identifying opportunities of overpayments of VAT due to under claims of input tax deductions and cross-border VAT compliance. are paid by careful upfront planning.
**Customs**
The mining industry exports a significant portion of its output. We offer a comprehensive export compliance service to ensure all opportunities are identified and risks mitigated in the export supply chain.

On the import side many raw materials, consumables and capital equipment are imported for use on the mines. Our customs team will ensure that the correct customs duties are paid by careful upfront planning.

**Government Grants and Incentives**
Apart from the Mining Tax dispensation, we believe the industry can benefit from the many government grants and incentives on offer from the South African government and overseas government agencies.

Our government Grant Initiatives team specialises in maximising these grants and incentives in the following main areas, namely, research and development, infrastructure competitiveness enhancement and major capital expansion plans.

**Transfer Pricing**
Many mining companies are part of large multinational groups and they have significant cross border transactions with connected parties in the group. Our transfer pricing team will ensure these transactions are carefully planned to minimise any transfer pricing exposures.

**Carbon taxes and Clean Development Mechanism**
The mining industry is a large user of electricity and therefore has a large carbon footprint due to South Africa’s almost total reliance on coal for power.

We recommend that the industry carefully review its plans to reduce its reliance on coal powered electricity through the effective use of carbon credits and other grant mechanisms. Our Climate Change Solutions team will assist to navigate this complex area.
Tax Management Consulting

**Challenges mining companies face**
The recent global economic crisis has resulted in state intervention all over the world and in numerous industries. Mining houses are forced to keep abreast of the many changes in tax legislation regarding the mining industry as well as staying focused on the running of day to day business operations.

Tax compliance in general, has inevitably become a potential tax minefield.

**How does the Deloitte solution address the business issue?**
Deloitte mining tax specialists apply their specific expertise to corporate tax issues in the mining industry. Our main expertise lies in tax planning and the ability to assist with preparing or reviewing tax returns and year-end tax accruals.

In addition to the above, due to the complexities and murkiness surrounding the calculation of the mining royalty payable by mining houses, our mining tax specialists have:
- Developed a highly skilled knowledge base regarding the interpretation of the controversial legislation around the mining royalty
- formulated a means to assist with the calculation of the actual royalty payable.

**Service Offerings:**
- Consulting
- Compliance
- Mining Royalty Calculations;
- Restructuring, including advice on implementation and drafting of legal agreements
- Indirect Tax Advice;
- International Tax Advice
- Tax strategy
- Tax technology and systems integration; and
- Government Growth Initiatives.
Benefits to your organisation:
You will enjoy the distinct advantage of obtaining the very best advice from leading professionals in each area of tax who can all be found under one roof- from legal advisers to thought leaders who will strive to assist you to identify the optimal financial, practical and most tax effective mechanisms that will see your company not only prosper but flourish.

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Tax Efficient Supply Chain

Challenges mining companies face
One of the greatest opportunities to unlock value in the mining industry is to plan across the entire supply chain. Since the major markets for African commodities include Asia, the US and Europe, companies need to identify efficiencies beyond their own borders. This includes the careful management of risks across different jurisdictions.

How does the Deloitte solution address the business issue?
Business Model Optimisation ("BMO") enables companies to obtain operating and tax efficiencies. This includes four steps:
1) Realign for business transformation
Operational changes are usually required to move the business model and the tax plan into harmony. Defining a new operating model to improve operating margins and grow revenues in a tax compliant manner can generate increased after-tax earnings and enhanced cash flows. Shifting components of the physical value chain to more tax-efficient jurisdictions is part of the solution, as is the strategic relocation of intellectual property.

2) Reconfigure Information Technology (IT) systems
As governance structures, supply chains, and other parts of an enterprise realign to capture more value, the information systems that support those functions must evolve as well. As a result, the IT systems should be reconfigured to support the new operating model. In addition, the IT function is itself a source of potential new efficiency through centralization, shared service centers, and economies of scale.

3) Ready human resources
BMO initiatives have human capital implications across the organization. After all, moving functions and risks means moving people, and that can trigger leadership challenges, potential disruption to the business, and loss of talent. These challenges, which can also create opportunities, need to be managed carefully with a command and control project management structure, strong communication plans, and dynamic change management.
4) Re-organise legal, finance, and tax structure
BMO goes beyond narrowly defined tax questions – but those questions remain at the heart of any worthwhile solution. A new legal structure and transaction flows often result from a BMO transformation as a means of managing tax and trade risks in the local countries as the legal entity structure aligns with the new operating model. Finance aspects, cash flows, and customs duties and other indirect tax implications of the new business model need to be considered within the new management and reporting structure.

Benefits to your organisation
The risks inherent in the mining industry present unique opportunities for companies to reduce their effective tax rate. This can be done by aligning the supply chain in a tax efficient manner. Furthermore, careful consideration of the business model can overcome additional economic and regulatory challenges, such as liquidity shortages and withholding taxes.

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Legal Advisory Solutions

- Contract Management
- Regulatory Compliance
- Labour Solutions
- Protection of Personal Information
**Legal Advisory Solutions**

**Challenges mining companies face**
Political and regulatory changes have long had a bearing on mining companies. Regulatory compliance is not negotiable and holds serious consequences if not fulfilled.

Mining companies therefore need to continuously ensure that new legislation is considered for impact on investment decisions and to ensure operations comply with the law.

Following the recent global financial crisis, government interventions and new legislation have reached new heights across the globe, including Africa. Examples include imminent data privacy law, new royalty and other resource tax legislation, tightening of permitting, beneficiation, changes in labour laws and competition law to mention a few.

**How does the Deloitte solution address the business issue?**
Through our Deloitte network of offices in Africa and our Global Legal Network, we provide advice to clients on cross-border M&A and regulatory requirements including:

- Country reviews including political, economic, social, technological, legal and environmental reviews and specific environment of business assessments
- Market reviews focussing specifically on competition and regulatory assessments
- Regulatory reviews including sector specific regulatory environment assessments and general corporate law
- Due diligence assessments on potential acquisition and/or joint venture targets
- Country specific compliance offerings addressing topics such as competition law, records management, electronic communication and transactions, labour law, royalty and social license requirements
- Legal agreements including cross-border M&A, expatriate employment contracts and general.
Benefits to your organisation
Deloitte Legal is represented in 47 cities in 30 countries throughout Africa. We therefore have on-the-ground knowledge of new legislative requirements ensuring that:
• Sound knowledge exists of the legislative requirements and that the ease and cost of doing business is assessed before entering a country
• The impact of new legislation is assessed and addressed in terms of financial performance or investment
• Companies keep abreast of the latest developments and legislative requirements
• Compliance with legislation and regulations
• Proactive action is taken to reduce cost of compliance
• Ethical risks to the company are understood and managed appropriately.

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**Contract management solution**

**Challenges mining companies face**

Next to regulatory compliance, contractual obligations make up the greater part of the legal risk which businesses must manage. In addition, as economic conditions get tougher each year and businesses must ensure they are extracting sufficient value from the contracts which they have entered into.

Extraction of value entails a number of aspects, including:

- Having an enterprise wide view of contract spend to understand supplier spend
- Contract optimisation through efficient price escalation and performance penalty enforcement
- Supplier performance level management through better utilisation of contract management systems and tools
- More strategic procurement through a long term view of contractual obligations.

Extraction of the maximum value from contracts and contractual obligations requires an appropriate contract management framework, organisation of contracts, eased day-to-day management through software utilisation and on-going training.

Deloitte has vast experience in providing these services, providing additional capacity and transferring knowledge and skills during the execution of such services. Our solution will accelerate compliance and empower on-going compliance while maximising value extraction from contracts.
How does the Deloitte solution address the business issue?

Our solution considers the entire contract lifecycle and the execution of our methodology ensures an appropriate customised framework, a sustainable solution and clear processes for contract optimisation.

Thus, our solution deals with four specific areas, each of which a business may or may not already be executing on or have in place, but all of which are essential for optimal contract management:

- **Contract management function**
  - This deals with setting up the necessary function for efficient contract management and reporting. Existing policies will be assessed for completeness and additional policies put in place if necessary. Fully understanding the requirements for an optimal contract management structure is imperative but documenting this is a clear, simple manner is what enables implementation of a culture of contract management throughout the organisation. Deliverables in this phase of the solution include recommendations on the reporting lines, contract management structure and staff numbers required to execute the function effectively.

- **Contract management framework**
  - Ensuring completeness of the framework under which contract management is conducted is key to reaching effective compliance. Deliverables during this phase of the methodology include drafting/amending the contract management policy, its accompanying procedure and processes and developing concept contracts and classifying contract clauses in light of editing rights.
• Contract Management Administration - The sustainability of any framework which is implemented is based on the practicality and on-going use of the systems put in place to manage contracts on a daily basis. This is best achieved through an electronic contract management system. Deloitte can assist with uploading contracts into a semi-electronic system and advise on and supply a fully automated contract management system. The system will provide, amongst others, automatic reminders for price increases, expiry and notice periods which enable efficient and automated contract management.

• Contract management audit and reporting - For management to procure strategically and to ensure on-going compliance, accurate and continuous reporting capability must be provided for within the system. This is enabled through on-going audits and assessment of the implemented contract management system.

Benefits to your organisation
Our approach will deal with the above areas through a phased methodology aimed at:
• Understanding the existing extent of contract management
• Developing the necessary supplementary processes and documentation to achieve the necessary level of contract management
• Providing a contract management tool
• Transfer of skills to the current staff to enable on-going compliance
• On-going training and skills assessment of staff responsible for contract management; and
• On-going reporting for strategic management of the overall contract risk to the organisation.

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Regulatory compliance

Challenges mining companies face
South Africa is becoming one of the most regulated countries in the world, with new and extensive legislation coming into force each year. It is now a business imperative for organisations to understand the extent of their compliance obligations as a first step. But this is merely the beginning, different industries have different regulatory universes, compliance obligations and reporting imperatives. Unpacking these compliance obligations is a complex process which results in a large number of obligations being identified which must then be managed on an on-going basis. Although identifying and unpacking these obligations is a once off exercise, the on-going management of compliance and providing for the on-going amendments to legislation is a huge challenge.

How does the Deloitte solution address the business issue?
The Deloitte approach is one which is:
• Self-regulating
• Holistic
• Proactive

Our solution covers people, process and technology with Deloitte expertise, relationships and international network access. The solution is also scalable, meaning that it can be customised to your organisation’s needs. Our solution has three phases, each aimed at deconstructing the steps required to achieve and maintain on-going compliance.
Benefits to your organisation
Our solution begins with determining the regulatory framework within which your particular entity must function. This involves developing the appropriate regulatory compliance policy and procedure, ensuring the correct organisational structure for sustainable and continued compliance and developing the regulatory universe appropriate for the industry within your organisation must operate and prioritising this in terms of likelihood and impact of noncompliance.

Once the regulatory universe has been documented and prioritised, the task of unpacking the obligations, either of the priority regulation or for all regulation, into task or action items which must be executed within the business must begin. This process includes determining the documentary proof which must be captured as proof of compliance and also assigning responsibility for each task or action item to be executed.

The second part of phase two of the execution of such a regulatory compliance project is to capture the tasks and action items in a format which enables and eases compliance. It is almost impossible to do this without an electronic regulatory management tool which can be customised to the requirements of the business. Deloitte offers a scalable electronic tool which can be customised to ensure automatic reminders for compliance, the ability to scan proof of compliance into the tool and a large number of reports on the extent of compliance on a number of criteria, such as compliance with a particular piece of legislation, compliance within a particular business area or compliance in a particular geographic area. The criteria on which reports will be extracted can be customised and decided with the business. The solution also provides for the incorporation of the changes to compliance obligations through regulatory amendments or changes.
The final phase of such a regulatory compliance project is the necessary awareness and training requirement to fully implement the new policy, procedures, processes and tools to ensure on-going compliance. Training on all aspects of the new regulatory compliance regime, including –
• training on the actual policy and processes
• training on any software tool which was implemented
• technical training on the regulatory content for those champions which are tasked with execution of the assigned tasks and action items.

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Labour solutions

Challenges mining companies face
It is estimated that approximately 3.9 million people are employed in South Africa in either a temporary, fixed term or labour brokered relationship. Some argue that this casualization of work is grossly unfair to employees, while others vigorously defend the operational need for a flexible workforce. No matter where you stand in this debate – amendments to our employment legislation are imminent. The amendments are likely to have a significant impact on the employment status, remuneration and benefits of the non-permanent workforce. It is now critical for organisations to analyse the potential risks and consequences of the proposed changes to legislation to manage them effectively, going forward.

The proposed amendments and its impact on the non – permanent workforce

Labour Broking
Unlike the 2010 bills the 2012 bills no longer seek to ban labour broking in general. However, additional protection is proposed for employees that earn below the BCEA earnings threshold. With reference to these brokered resources a client of a labour broker may:
- be deemed to be the employer of a brokered resource if the resource is employed for longer than six months and is not rendering temporary work for the client
- be obliged to grant remuneration and benefits to a brokered resource deemed to be its employee, similar to the remuneration and benefits of the clients other employees doing the same work
- be liable for the unfair termination of employment and unfair labour practices related to the brokered resource.
Fixed Term Employees
The proposed amendments will impact the appointment of certain fixed term employees as follows:
• An employer will be permitted to employ an employee on a fixed term contract or successive fixed term contracts for up to six months.
• Employees employed on a fixed term contract for more than six months may be deemed to be permanently employed and must be treated not less favourable than an employee on an indefinite contract performing the same or similar work, unless there is a justifiable reason for treating the employee differently.
• An employer must provide an employee employed on a fixed term contract with the same access to opportunities to apply for vacancies as it would provide to an employee employed on an indefinite contract of employment.

Independent Contractors
The most common mistake made in independent contracting relationships is to contract out of employment law and tax provisions and regard the relationship as a legitimate exclusion of such provisions. Ignoring the tax and employment law consequences exposes companies to potential under deductions of PAYE, skills development and UIF levies, as well as legal liability for work related illness and injuries and labour disputes with disgruntled contractors.

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How does the Deloitte solution address the business issue?
Deloitte has developed a comprehensive solution to help organisations in identifying, calculating and managing the employment law risks associated with a non-permanent workforce.

The solution follows a phased approach:
1. Phase one involves a comprehensive review and analysis of all the non-permanent workforce appointments within the organisation.
2. The second phase focuses on the identification of employment law risks, quantification of risks and equalisation of remuneration and benefits (if applicable) and recommendations to address and manage the risks.
3. The third and fourth phases involve a strategic design of a tailor made solution and the creation of an implementation roadmap to address and manage the risks identified.

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How does the Deloitte solution address the business issue?
The Deloitte PPI Solution includes the following modules:
• GAP analysis
• PPI compliance implementations
• Privacy and data protection strategy
• Training and awareness
• Building up an organisation-wide inventory and classification map of personal data
• Compliance with law enforcement requests
• Marketing and outsourcing programmes
• Cross border data transfers
• Building privacy controls into IT projects.

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Mining Shared Solutions
Challenges mining companies face
The mining sector is no stranger to boom and bust cycles. The global financial crisis has hit harder than most mining companies anticipated. Many companies now find themselves in a position of increasing production costs and high capital commitments, with lower commodity prices. As a result, cost management has been set as a top priority – not only as a way to offset softening commodity prices, but also in response to the ongoing high costs for development, materials and labour.

How does the Deloitte solution address the business issue?
The concept of Deloitte Mining Shared Services is to move all back office services to an integrated Deloitte environment. This will include:

- A pre-built ERP mining solution configured in either SAP or Sage X3
- Maintenance contract to continually enhance and maintain this solution and manage cost of ownership
- Financial transactional out/ co-sourcing for finance, payroll, HR and supply chain related processes
- Information technology outsourcing
- Tax, grant and incentive optimization services

In most mining companies the said activities are carried out from a number of different locations, performing the work in a variety of ways and using a range of systems. This unique service offering allows companies to focus on their core business while the non-core processes can be managed under a single service level agreement with Deloitte.

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