

## Delivering on our strategy

**Our aim is to constructively engage our stakeholders for an enabling policy and social environment for the mining sector to ensure that it is stable, competitive and predictable to promote investment and transformation.**

Our Board approved a revised strategic plan at the September 2023 Board meeting after a strategic review in June 2023, resulting in the following four strategic goals (from five strategic goals previously). These new goals are aligned with our previous strategic plan, and this report has been structured to reflect progress under this new strategic plan.



**An enabling policy should be:**

1

- Stable, form clear intentions and outline expected long-term outcomes

2

- Competitive, distinguish the industry attractiveness in relation to safety of capital and returns

3

- Predictable, engaging on expected changes through policy impact assessments and hence promote investment and sustainable growth and transformation



### STRATEGIC GOAL 1

**Drive the development of a shared vision for a globally competitive mining industry that is a significant contributor to South Africa's economy and supported by all stakeholders.**



### STRATEGIC GOAL 2

**Advocate and lobby for a policy, infrastructure and social environment that is conducive to investment and growth of the industry and maximises the benefit for the country from its mineral endowment.**



### STRATEGIC GOAL 3

**Communicate progress and impact of aggregate EESG performance and adoption of leading practices.**



### STRATEGIC GOAL 4

**Ensure continuous improvement of the effectiveness and service of the Minerals Council to members.**

# STRATEGIC GOAL 1 – Driving the development of a shared vision for a globally competitive mining industry that is a significant contributor to South Africa’s economy and supported by all stakeholders



## STRATEGIC GOAL 1

### Our objectives:

#### Objective 1.1

Lead the industry agenda for structural change, ethical leadership and good governance to arrest the decline and stabilise volume output to position the industry for growth, through partnerships for business advocacy and impact.

#### Objective 1.2

Build and promote a positive image and reputation of the mining industry and deploy the Minerals Council brand for a reimagined mining industry integral to growth and development.

#### Objective 1.3

Successfully alleviate and prevent the negative impacts of mining legacy issues (viz. migrant labour, poor living conditions, social wage, acid mine drainage, derelict and ownerless mines, mine rehabilitation, outstanding payments of compensation for OLDs and pension funds) in collaboration with stakeholders.

#### Objective 1.4

Promote RD&I to modernise the mining sector through adoption of relevant technology applications.

Material matters	Principal risks	SDGs
<ul style="list-style-type: none"> <li><b>Zero harm:</b> developing strategies for improving employee health and safety, encouraging the sharing of learning between members, and adopting leading practice</li> <li><b>Community development:</b> supporting members in developing structures and strategies to improve the socio-economic welfare of communities, today and in the future</li> <li><b>Skilled, engaged workforce:</b> supporting the industry in attracting and retaining talent, and developing a skilled and engaged workforce</li> <li><b>Crime and corruption:</b> addressing and eradicating all forms of corruption, including through enhanced security, and eliminating organised crime</li> </ul>	<ul style="list-style-type: none"> <li><b>Community engagement:</b> encouraging and facilitating practices for community engagement and support – social licence to operate</li> <li><b>Reputation:</b> preserving and enhancing the reputation of the industry. Improving the understanding of the critical contribution mining makes to society and the economy</li> <li><b>Infrastructure and services:</b> supporting processes to improve access to efficient, reliable, affordable infrastructural services – water, logistics (road and rail) and electricity (especially renewables)</li> </ul>	<ul style="list-style-type: none"> <li><b>Risk to investment in South Africa</b></li> <li><b>Policy and socio-economic risks</b></li> <li><b>Health and safety risks</b></li> </ul>
		<ul style="list-style-type: none"> <li><b>SDG3:</b> Good health and well-being</li> <li><b>SDG6:</b> Clean water and sanitation</li> <li><b>SDG8:</b> Decent work and economic growth</li> <li><b>SDG9:</b> Industry, innovation and infrastructure</li> <li><b>SDG10:</b> Reduced inequalities</li> <li><b>SDG16:</b> Peace, justice and strong institutions</li> </ul>

### Our performance:

#### Promoting ethical leadership and good governance

In 2023, we continued to work closely with organised business in South Africa and the ICMM at a global level in setting a business agenda for transformative change and good governance. We also strengthened and formed new relationships with key business, labour, community, government, parliamentary and religious groupings to establish mechanisms for ongoing collaboration and engagement on strategic country and mining industry matters.

All our member companies are signatories to the Minerals Council’s Membership Compact, which is regularly assessed, and modifications are considered to align with changing issues and circumstances.

#### Management of legacy issues pertaining to occupational lung diseases

The ODMWA 78 of 1973 governs the lifelong monitoring and surveillance of current and former miners and provides for the evaluation of both former and active miners for possible compensable OLDs (TB, silicosis and four other OLDs):

- The surveillance of an active miner is stipulated under the MHSA and is the responsibility of the employer
- The certification of the defined compensable diseases is done by the MBOD. The bureau falls under the DoH

- The office of the CCOD, also under the DoH, is responsible for the payment of compensation for occupational diseases
- ODMWA stipulates that all employees should be monitored for silicosis by undergoing two benefit medical examinations a year. Even when miners leave the employment of the mines, the MBOD must ensure that the examinations continue to be done twice a year.

An employee who develops silicosis qualifies for compensation, depending on the degree of lung impairment, the employee is compensated for first- or second-degree impairment. Qualification for second-degree impairment, either at work or at home, entitles the employee to higher compensation.

ODMWA only covers compensation for the heart and lung impairment of current mineworkers (approximately 480,000) as well as for former mineworkers both in South Africa and outside the country as per historical recruitment practices (estimated at about 1.5 million).

- Other health-related concerns for mineworkers (and the rest of the approximately 15 million employees in other sectors in South Africa) are covered by the Compensation for Occupational Diseases Act (COIDA). COIDA is administered by the DEL and is implemented by Rand Mutual Assurance on behalf of the DEL in the mining industry.

- Since 2019, the Minerals Council and its members have provided funding in excess of R600 million for the enhancement and optimisation of business efficiencies at the MBOD/CCOD.

This funding over the past five years has resulted in several benefits to current and former mineworkers as well as to Minerals Council members:

- For current and former mineworkers: efficient service delivery and improved benefits
- For member companies: cost reflective levies and good governance

#### Resolving issues relating to foreign employees

Migrant labour is an important part of South Africa’s mining industry. A matter that needs full resolution in respect of foreign labour relates to visa requirements to enable companies to continue employing migrant workers. In 2023, we continued our engagements with the DHA and DEL to convert from the old system of an indefinite corporate permit to one of a three-year corporate visa.

Following the 2018 amendment of the Unemployment Insurance Act to cater for Unemployment Insurance Fund (UIF) contributions by foreign nationals, the industry has been seeking to prevent a new set of outstanding legacy claims arising from the non-payment of UIF benefits to foreign former

## STRATEGIC GOAL 1 – Driving the development of a shared vision for a globally competitive mining industry that is a significant contributor to South Africa’s economy and supported by all stakeholders *continued*

mineworkers as they were not contributing to the UIF prior to the Act amendment.

Employees from Botswana, Lesotho, Eswatini and Mozambique cannot access UIF benefits in their countries due to the absence of UIF systems and infrastructure there. The Minerals Council presented a proposal for TEBA to act as an agent of the UIF and utilise its footprint and infrastructure in these countries for the processing and payment of benefit claims. The UIF agreed to consider the proposal but has not yet given a response. The Minerals Council plans to obtain a seat on the UIF Board to try and influence matters from within.

The Minerals Council also dealt with the challenge regarding access by family members to the estates of deceased former mineworkers from Botswana, Lesotho, Eswatini and Mozambique. The law regarding the administration of estates of foreign nationals is quite stringent and presents a barrier for surviving family members. The Minerals Council engaged with the Master of the Bloemfontein High Court, TEBA and the Lesotho District Administrator (DA) to explore solutions to identified challenges. The parties agreed to cooperate and conclude a MoU covering monetary thresholds, guidelines for the DA’s office, communication and outreach campaigns and capacity building. Engagements are ongoing in respect of Botswana, Eswatini and Mozambique.

We finalised the Nedlac engagements on the Employment Services Amendment Bill in the second half of 2023, with a Nedlac report completed. While the Minerals Council did not achieve all that we set out to achieve, the final product reflects a balanced compromise between the various interests. The next step is for the Bill to be tabled in Parliament. Meanwhile we are continuing with engagements on the national labour migration policy framework.

In 2024, we will focus on:

- Resolving the tax issue for Mozambican employees
- Ensuring the smooth conversion from the old corporate work permit to the new corporate visa regime

- Addressing the factors constraining corporate visa applications by our members
- Fostering cooperation with the South African Master’s office and TEBA to resolve the issues impacting the finalisation of former mineworkers’ deceased estates
- Shaping policy decision making on key labour legislation to ensure a favourable labour relations operating environment for the industry
- Promoting labour peace and stability in our members’ operations through constructive dialogue with organised labour and other key stakeholders

### Accommodation and living conditions

The Minerals Council initiated engagements with the National Housing Finance Corporation (NHFC) to address some of the key constraints encountered in accessing the national housing subsidy scheme. The scope of the subsidy has been extended to cover home ownership on tribal land. This is an important development as it will enable employees to build their own homes in the labour-sending areas and on unproclaimed land. The NHFC and the Minerals Council agreed to explore areas for cooperation.

The Minerals Council also engaged with the North West Department of Human Settlements to address members’ concerns regarding the application process for the province’s government housing subsidy scheme. The Minerals Council developed a guideline to assist members with subsidy applications, which will help to fast track the application process. In addition, we developed an income template which we submitted to the department. The template was approved and is now being used by the department to assess subsidy applications.

In 2024, we will focus on:

- Resolving subsidy-related constraints to the promotion of home ownership
- Promoting the visibility of members’ housing initiatives through appropriate and relevant messaging

### Fostering collaboration through MIASA

The annual in-country MIASA meeting was hosted in Antananarivo, Madagascar, in September 2023 at which critical minerals were a topical issue. The collective of chambers of mines reported on how their governments were dealing with related issues such as the export of critical minerals without local beneficiation. The Namibian government had recently followed the Zimbabwe government in banning the export of unprocessed critical minerals. It was recognised by the collective that it was important for the region to get the most out of the critical minerals boom for the benefit of the region. It was decided that it was imperative for MIASA to develop a position on critical minerals, focused on the SADC region, and informed by individual country imperatives and the collective of its members.

The various chambers of mines’ country representatives also shared mining industry data and learnings from their countries relating to health, safety, logistics, economic performance, minerals legislation, royalty taxes, environmental sustainability, transformation and modernisation.

In 2024, we will focus our efforts on compiling and adopting a SADC region-appropriate critical minerals position.

### Driving innovation and RD&I in the mining industry

The Minerals Council continued its five-year (2022-2026) strategic partnership for people-centred modernisation with the Research Institute for Innovation and Sustainability (RIIS) aimed at strengthening South Africa’s mining innovation ecosystem. This partnership is guided by the RIIS Modernisation Partnership Project Charter, which in 2023 focused on:

- Fostering leadership consensus and innovation
- Strengthening the mining innovation ecosystem: *A Mining Innovation Ecosystem Review* was released in 2023 to understand the status of the ecosystem and recommend ways to strengthen it further
- Supporting cluster partners
- Demonstrating the value of inclusive modernisation processes and tools

### Supporting cluster partners

Mining cluster acceleration through climate change action technology integration: The Mpumalanga Climate Change Technology 30-Year Futures Plan study stands out as a hallmark project that recognises the pressing need to address the challenges posed by climate change. This initiative was developed to gain a deeper understanding of the social and economic dynamics of an energy transition as well as climate change efforts in Mpumalanga.

This study was used to explore opportunities to deal with climate change through technology. It identified opportunities for technology applications such as energy efficiency and floating solar technologies to achieve the 2050 net-zero and decarbonisation targets, while addressing youth unemployment and reducing the impacts on the coal labour force, ensuring a just energy transition. Through an extensive review and technology scouting, the resulting technology roadmap offers a strategic focus on mitigation, adaptation and just energy transition.

Demonstrating the value of inclusive modernisation processes and tools: following the aftermath of the Jagersfontein TSF disaster, the Minerals Council initiated a comprehensive geospatial analysis project, leveraging advanced geographic information system (GIS) capabilities, high-resolution satellite imagery and machine learning algorithms to pinpoint high-risk TSFs and propose preventative measures. The initiative achieved a 91% accuracy rate in detecting complex land-cover features from remote sensing images (such as locating and identifying the composition of TSFs), highlighting the potential of earth observation data and AI to reinforce the safety and environmental stewardship of mining operations across South Africa, in a rapid and cost-efficient manner.

### The MMP

In 2023, the MMP team expanded its RD&I partner and collaborator pool, establishing and operationalising five South African Mining Extraction Research, Development and Innovation (SAMERDI) Research Centres (SRCs), one for each MMP programme at four participating universities.

## STRATEGIC GOAL 1 – Driving the development of a shared vision for a globally competitive mining industry that is a significant contributor to South Africa’s economy and supported by all stakeholders *continued*

The universities and number of research centres are as follows:

- University of the Witwatersrand one for research on real-time information management systems and another for research on successful application of technology centred around people (2)
- University of Johannesburg for research on extending the longevity of current mines (1)
- University of the Free State for research on advanced orebody knowledge (1)
- University of Pretoria for research on mechanised mining systems (1)

These universities were selected based on centres of excellence that already exist. As part of the agreements with the SRCs, the MMP has to involve historically disadvantaged universities in its work.

In its efforts to promote human capital development, the MMP has continued recruiting interns as well as including postgraduates on research projects.

An important project by the MMP was the establishment of an underground test facility to analyse, develop and demonstrate new technologies for the modernisation of mining. A rigorous feasibility study and legal framework was completed with positive outcomes, resulting in an MoU between Royal Bafokeng Platinum (now Impala Bafokeng), the CSIR and the Minerals Council. The focus going forward is to equip and operationalise the testing facility, although some low-risk testing and research is already underway.

In 2024, we will focus on strategic initiatives including:

- Commercialising research outcomes
- Completing a Critical Minerals Competitiveness Assessment
- Circularity through the newly launched South African Circular Minerals and Metals Initiative
- Leveraging additional funding
- Progressing the underground test mine to test MMP innovations

- Developing human capacity and capability through universities and other institutions

### Improving social performance and licence to operate

In 2023, we continued planning and implementing member-led collaboration initiatives in high-priority mining areas in Limpopo (Far Eastern Limb - FEL), North West and the Northern Cape.

- In the FEL, the focus continued to be on the funding of significant infrastructure projects, the most advanced being a more than R100 million steel bridge replacement project. Other projects included upgrading old or building new water treatment works and three police stations. The industry and members of the Lebalelo Water Users Association continued exploring extension of access to water by both the industry and communities.
- In the North West, the industry is supporting Magalies Water on the Brits Water Treatment Works in Madibeng Municipality.
- In the Northern Cape, the viability of additional socio-economic development initiatives was conducted by The Impact Catalyst, a multi-stakeholder structure and the industry.

### Regional offices providing support

Our work through the regional offices in Mpumalanga and the Northern Cape focused on improving stakeholder engagement to improve industry relationships with stakeholders and foster collaboration between members operating in the same regions. In the Northern Cape, our engagements with the Office of the Premier have been institutionalised, paving the way for proactive engagements on issues of mutual concern.

To ensure that regional collaborative work between mining companies is a priority, the Northern Cape office also facilitated and led the drafting of terms of reference for collaboration on current, approved SLPs. In line with MPRDA Regulations, these terms of reference make provisions for the amendment of SLPs which generally run over different periods for different mining operations.

The Minerals Council continued driving initiatives in the Northern Cape through The Impact

Catalyst, a non-profit entity that was established by member companies.

The Vaal Gamagara Water Supply Scheme continued to be the most significant and challenging collaborative project for the mining industry. The scheme’s aim is to supply water from the Vaal River to the arid areas of the Gamagara Valley, starting with the diamond mines at Lime Acres through Postmasburg and northwards to the rest of the iron ore and manganese mines around Kathu to Hotazel – as well as to host communities in those areas. The industry remains committed to funding 56% (R5.9 billion) of the cost of refurbishing that pipeline for Phase 2, and the remaining 44% will be provided for by the DWS and the Vaal Central Water Board (which is the result of the integration of Bloem Water and the dismantled Sedibeng Water).

Another major joint project that mining companies focused on in 2023 was the upgrade of a 42km stretch of the R380 road between Kathu and Hotazel. Other joint industry projects under the auspices of The Impact Catalyst, included:

- A waste tyre facility
- A cattle farming programme
- A project to provide Wi-Fi to seven schools
- A social employment fund programme supported by the Industrial Development Corporation
- The development of the Kathu Industrial Park

Our work in Mpumalanga continued to focus on engagements with all spheres of government,

particularly local and district municipalities and several provincial departments. Engagements now include discussions on the impact of climate change on host communities and possible mitigation measures. More importantly, alignment between industry and government on the appropriate institutional engagement framework, was a key focus area for the Mpumalanga office in 2023.

The introduction of the District Development Model (DDM) by the Department of Cooperative Governance and Traditional Affairs (CoGTA) has refocused development efforts by municipalities on the importance of planning. As a key player in the economic landscape, our regional office contributed to several DDM-focused discussions and workshops.

### Driving the skills development agenda

As an organisation that represents more than 90% of mineral production by value we are ideally positioned and recognised by the various national, regional and sectoral institutions, organisations and stakeholders as the voice of industry. As a result of this, we are members of the governance structures of various strategic skills development platforms like the Human Resource Development Council of South Africa (HRDC SA), National Skills Authority, MQA, Quality Council for Trades and Occupations (QCTO) and other significant platforms. These roles enable us to influence the narrative, strategies, policies, legislation and regulations on skills development for the sector and the broader business sector.



Royal Bafokeng Platinum - Housing project

## STRATEGIC GOAL 1 – Driving the development of a shared vision for a globally competitive mining industry that is a significant contributor to South Africa’s economy and supported by all stakeholders *continued*

Some engagements and initiatives in which we played a significant role during 2023 are:

1. Collaborating with the Department of Higher Education and Training (DHET) in reviewing and improving Technical Vocational Education and Training (TVET) learning materials for mining-specific engineering trades
2. Working with industry to unpack the challenges in the Annexure E Booklet, which is completed as a prerequisite to sit the DMRE Government Certificates of Competence examinations
3. Starting engagements with the DHET to partner and support TVET colleges that are identified as centres of specialisation in mining regions and mining specific occupational trades – this work continues in 2024

In 2024, we will largely focus on:

- Ensuring that the occupational qualifications and skills programmes that are relevant to the mining sector are developed and registered with the QCTO
- Ensuring the alignment of the draft MSHA Chapter 2 regulations with industry views and concerns, and advocating an industry friendly solution
- Through engagements with the MQA, advocating and lobbying for skills development policies, strategies, skills grant funding and incentives that would drive the skills development agenda of our members and sector

### Open and transparent communication with members, stakeholders and the public

The work of the Communications Department was informed by Strategic Goal 1 and Objective 1.2 to build and promote a positive image and

reputation of the mining industry and deploy our brand for a reimagined mining industry that is integral to growth and development.

Working within the Public Affairs and Transformation Team, the Communications function is responsible for conveying information about the Minerals Council and the mining industry to stakeholders in an honest, transparent and balanced manner. It ensures internal and external stakeholders are informed about the Minerals Council’s lobbying and advocacy roles and functions as well as the initiatives in which we are involved on behalf of our members. The relevance of mining and its positive impact on the country, society, employees and communities is the underlying theme in all our engagements.

The department regularly engages member companies’ communications practitioners to achieve alignment, understanding and comprehensive information sharing on industry-wide issues.

Media relations are open, engaged and transparent to ensure a fair reflection of, and reporting on, the work that we do on behalf of our members and the broader mining industry to ensure that we are a vibrant sector that contributes meaningfully to communities, society and the country as we strive to confirm that #MiningMatters.

Our narrative underwent a shift during the year under review to a more assertive tone, highlighting that mining matters to employees, communities, society and the economy, after our Board approved our revised strategic goals and objectives/strategic plan and changed the vision statement of the organisation to “mining matters for South Africa” (#MiningMatters) from “making mining matter for South Africa” (#MakingMiningMatter).

Key documents related to this position include the *Facts and Figures Pocketbook 2022* released in February and the *Comprehensive Facts and Figures 2022* in November. These sought-after publications clearly outline the total contribution of mining to the economy and society as well as

a breakdown by commodity. Communications stress the cooperative and collaborative nature of our engagements with stakeholders as we strive to create a globally competitive mining industry that is a significant contributor to, and partner in, the economy.

Our communications share progress on our strategic objectives and include telling good news stories to highlight the positive impact and relevance mining has on the economy and society. Our communication initiatives remain evidence-based and highlight industry proof points through a wide variety of platforms.

Following the Chamber of Mines renaming, rebranding and repositioning in 2018, we commissioned an audit in late 2022 to assess the Minerals Council’s brand health and reputation among key stakeholders in the mining industry, mine communities and the general public. The brand health and reputation audit was conducted by HKLM and included a strength, weakness, opportunities and threats (SWOT) analysis as well as recommendations that formed the foundation for our media strategy and plan for 2023 and beyond.

In April 2023, the findings released indicated that our brand is well-defined, with a good, strong reputation and that the organisation is still relevant. The Minerals Council is recognised as the principal voice and champion for the mining industry in engagements with the Government, industry partners and, more broadly, because we have the best interests of the sector and South Africa at heart.

One of the key findings in the HKLM report was the need to use more positive stories to illustrate mining’s contribution to communities, society and the economy. The Board adopted the four revised strategic goals and associated objectives with the vision statement: #MiningMatters, which will form the bedrock of our communications in 2024.

During 2023, health and safety were an area of critical focus after the industry recorded its lowest number of fatalities in 2022. The mining industry reported its first fatality-free month in January 2023. The year was marked by various safety and health campaigns, particularly towards the end of the year, to supplement the campaigns of member companies or as stand-alone campaigns for smaller companies not in a position to develop



## STRATEGIC GOAL 1 – Driving the development of a shared vision for a globally competitive mining industry that is a significant contributor to South Africa’s economy and supported by all stakeholders *continued*

their own. The Khumbul’ekhaya year-end safety and health awareness campaign for the final weeks of the working year as well as for the festive season travels, along with the Masoyise Health Programme various campaigns, were translated into five languages and various forms of communication for member companies to use.

At the onset of the cholera outbreak in South Africa, we prepared a cholera awareness campaign for member company use, which included posters, animations and fact sheets in five languages coupled with a social media campaign in June. Through our social media campaign, we reached an estimated 840,000 people, while our related materials were downloaded 451 times from the Minerals Council website.

We also launched the inaugural FOGAP quarterly newsletter in May, to keep the industry and our stakeholders informed of developments, initiatives and programmes to reduce fatalities and injuries resulting from falls of ground. This newsletter has been well received with nearly 4,000 downloads of the three 2023 editions, which excludes the wide dispersal of the newsletter by email to member companies, the media and industry stakeholders. On the back of the success of the FOGAP newsletter, we introduced a WiM newsletter to update our internal and external stakeholders about our work and that of our members in this area.

The Minerals Council was a consistent champion of the three workstreams on energy, transport and logistics, and crime and corruption within the Presidency and B4SA, including high levels of mining industry participation on the Corridor Recovery Teams. While the provision of energy, and rail and port services deteriorated further during 2023, we continued to support the public-private sector collaboration which, in the latter part of the year, began delivering much-anticipated green shoots of regulatory reforms. We did not shy away from highlighting the negative consequences on the mining industry of disrupted electricity supply and rising costs, and dysfunctional rail and

port services. We welcomed the appointment of the new Transnet board in July 2023 after being at the forefront of engagements with the Government and the previous board to arrest the decline of Transnet’s services.

The role the mining industry is playing in the private sector’s renewable energy initiatives was highlighted. This presented an opportunity to highlight the positive role the sector plays in decarbonising South Africa’s economy, mitigating the risks arising from local and foreign carbon taxes, and greening mining operations while securing predictable energy supply and prices.

We welcomed the appointment of Mzila Mthenjane as Minerals Council CEO during the 2023 AGM in May. Towards the end of the year, using the Joburg Indaba in October as a platform, the new CEO’s profile was raised in public through print, online and broadcast interviews, editorials and social media.

Our communications during the year ensured that our voice was heard as a critical and positive contributor to debates of national, provincial and municipal importance. We worked with all levels of government, SOEs and business organisations to address the various challenges. An example was the partnership between the Minerals Council and our members in the Northern Cape to complete the first phase of the project to refurbish the Vaal Gamagara Water Supply Scheme to ensure water is supplied to communities, mines, agriculture and other businesses in the province. With water disruptions becoming an increasingly critical factor in South Africa, this will be a key area of our communications in 2024.

We have maintained communications, events and awareness of the WiM initiative and the national challenge of GBVF. A sub-site within the Minerals Council’s website was established and populated with material and information during the year to provide ready access to all our WiM initiatives, literature and actions by member companies. As safety is a critical aspect of the mining process, we sought to celebrate women who have made a

remarkable contribution to making mining safer in their respective organisations by highlighting the WiM Safety Heroes, thus promoting the role of women in a traditionally male-dominated industry.

Communications focused on going beyond the traditional communications channels of media statements and social media by using public events like conferences to articulate our position on key structural issues that are constraining the economy, safety, women in mining, the junior and exploration sector and the modernisation of mining. In 2023, these included partnerships with the Hyve Group’s Investing in African Mining Indaba, as well as Resources 4 Africa’s five annual conferences, including the Joburg Indaba. The Minerals Council’s messages delivered at these events were positively conveyed in a broad range of media.

### Communication channels

Usage statistics increased as our website continues to be an important communications tool. During 2023, there were more than 52,200 downloads of media statements, various publications, fact sheets and presentations compared to a total of 23,030 downloads in 2022. The single largest download for the year under review was the *Facts and Figures Pocketbook 2023* with 10,000 downloads. Website users downloaded the media statement about Mzila Mthenjane’s appointment 3,400 times, making it the second-most popular media statement after the statement about the *Facts and Figures Pocketbook 2023* launch with 5,200 downloads.

Of the top 20 downloads, media statements made up half of the total, with the *Integrated Annual Review 2022*, the new corporate profile, the climate change fact sheet, the innovation ecosystem review, the WiM Safety Heroes, the FOGAP and WiM newsletters making up the balance. This was a far more balanced range of downloads compared to the previous year when 14 of the top 20 downloads were media statements.

The Minerals Council realised an advertising value equivalency of R197.5 million during 2023, a 7.3% increase compared to 2022. The number

of media clips for the year were steady at 2,708 compared to 2,738 the year before.

On our X (formerly Twitter), LinkedIn and Facebook social media platforms, there were notable engagements on our cholera awareness campaign, which was by far the most read on LinkedIn and Facebook, as well as the #StopAbuseOfWomen campaign. This suggests Minerals Council’s users access these platforms for informational and educational purposes. There was also a high level of interest in the media statements we issued across all three platforms.

Over the course of the year, we executed a diverse array of campaigns on social media ranging from awareness initiatives to educational endeavours, informative updates, media releases and more. These posts generated significant engagement and responses from users, with an overall positive reception from the online community. Complemented by our routine website updates, our social media channels have effectively served as a central information hub, delivering consistent updates, valuable insights and industry news to our users and followers regarding the Minerals Council and the mining sector.

## STRATEGIC GOAL 2 – Advocating and lobbying for a policy, infrastructure and social environment that is conducive to investment and growth of the industry



### STRATEGIC GOAL 2

#### Our objectives:

##### Objective 2.1

Engage government (and other stakeholders) on relevant policies, legislation and regulations to create an enabling environment that is stable, competitive and predictable to promote and facilitate mining investment and growth.

##### Objective 2.2

Partner with government, regulators, SOEs, labour and communities to resolve infrastructure challenges (electricity supply and prices, rail, ports and water); social development in mining communities (housing, schools, clinics); and crime (as it affects mining through illegal mining, product theft, theft of mining supplies, criminal syndicates).

Material matters	Principal risks	SDGs
<ul style="list-style-type: none"> <li><b>Skilled, engaged workforce:</b> supporting the industry in attracting and retaining talent, and developing a skilled and engaged workforce</li> <li><b>Illegal mining and ASM:</b> Supporting efforts to address illegal mining and supporting small-scale mining</li> <li><b>Regulatory and political risk:</b> navigating regulatory and political risk in the interests of the industry, our members and society</li> </ul>	<ul style="list-style-type: none"> <li><b>Community engagement:</b> encouraging and facilitating practices for community engagement and support – social licence to operate</li> <li><b>Regulation and compliance:</b> anticipating and influencing new regulation and supporting members in achieving compliance</li> <li><b>Infrastructure and services:</b> supporting processes to improve access to efficient, reliable, affordable infrastructural services – water, logistics (road and rail) and electricity (especially renewables)</li> </ul>	<ul style="list-style-type: none"> <li><b>Risk to investment in South Africa</b></li> <li><b>Policy and socio-economic risks</b></li> <li><b>Health and safety risks</b></li> </ul>
		<ul style="list-style-type: none"> <li><b>SDG3:</b> Good health and well-being</li> <li><b>SDG6:</b> Clean water and sanitation</li> <li><b>SDG12:</b> Responsible consumption and production</li> <li><b>SDG13:</b> Climate action</li> <li><b>SDG15:</b> Life on land</li> <li><b>SDG16:</b> Peace, justice and strong institutions</li> </ul>

#### Our performance:

As a mining industry advocate and lobbying organisation, the work we have done over the years has contributed to more certainty on the Mining Charter. In addition, we have strengthened our relationships with stakeholders such as communities, government and regulators. In 2023, we continued to engage government on legislation that advances investment and is inclusive of mining industry growth.

Working with member companies in the Northern Cape, we engaged government, community groupings and business forums to diffuse discontent and establish good rapport between all stakeholders. These engagements will culminate in the establishment of an inclusive stakeholder engagement framework. In Mpumalanga, we and our members in the region eased mounting tensions by providing Emalaheni Local Municipality with a much-needed electrical transformer.

As part of a broad review of the MPRDA, the Minerals Council conducted a deep dive on the myriad of challenges faced by the mining sector. Along with a comparative legal review, this work will inform recommendations to the DMRE on major policy issues that need to be addressed for the mining sector to realise its full potential.

In the freight logistics area, sustained pressure for change from the Minerals Council culminated in the resignation of senior management at

Transnet. In 2023, the mining industry had fruitful engagements with the interim Transnet leadership and the new board about collaborating to stabilise the operational performance of Transnet freight, rail and the ports.

#### Legislative and policy interventions

Advocacy and lobbying for enabling legislation are a primary and enormous area of focus. Key legislative and policy engagements included the following;

##### *National Environmental Management Act (NEMA) 107 of 1998 Financial Provision Regulations*

The Minerals Council continued to engage extensively with the DFFE, highlighting the implications of continuous extensions and delays in the finalisation of the revised NEMA regulations and resulting in undesirable policy uncertainty for the industry.

These engagements culminated in the officials of the department providing certainty in terms of the timelines for the finalisation of regulations. On 4 December 2023, the DFFE published a notice on the extension to the transitional timeframe on financial provision regulations by another 12 months from February 2024. The Minerals Council also discovered that the department intends to finalise another version of the proposed amendments on the NEMA Financial Provision Regulations for consideration as soon as possible.

##### *Proposed amendments to the Environmental Impact Assessment Regulations, 2014 (as amended) and Listing Notices 1,2,3 of 2014, as amended*

Following the publication of the Environmental Impact Assessment Regulations, the Minerals Council extensively reviewed, analysed and engaged members on its amendments. Consequently, we developed a submission which gives a holistic overview of the mining industry's challenges such as the listings notices, definitions and the application for amendment of the environmental management programmes. This was followed by a successful engagement with the DFFE.

##### *Draft National Appeal Regulations*

Applications for Environmental Authorisation in respect of mining activities are generally met with numerous appeals. While we appreciate the appeal mechanism as a funnel for interested and affected parties to ventilate their concerns, the Minerals Council's contention on this matter is around the procedures and timelines in the administration of appeals.

The DFFE does delay the administration of appeals, in some cases stretching these to over a year. Thus, when the National Appeal Regulations were published in Government Gazette No 49189 on 25 August 2023, the Minerals Council immediately initiated a discussion paper with members, detailing provisions of concern. This

## STRATEGIC GOAL 2 – Advocating and lobbying for a policy, infrastructure and social environment that is conducive to investment and growth of the industry *continued*

effort ultimately culminated in a submission that captures the concerns of the industry, while adding recommendations to boost the administration process.

Some of the key features in the regulations are new provisions relating to answering statements and additional information – potentially extending timeframes, lodging of an appeal suspending the Environmental Authorisation decision consequently halting the mining operation, misalignment between the provisions of the regulations and the act, and the timeous processing of applications.

### *Development of the carbon budgets and mitigation plan regulations*

The Minerals Council conducted a series of engagements on its members' positions regarding the carbon budget and mitigation plans regulations through BUSA and directly with the DFFE. During these discussions, we emphasised that the regulations should align with the requirements of Section 24 of the Climate Change Bill, which outline the factors the DFFE Minister must consider when allocating a carbon budget.

In addition, we urged the DFFE to ensure that the allocation of the carbon budget does not negatively impact the sustainability of mining production. These proposals were subsequently discussed and accepted by the DFFE on 7 December 2023 for consideration in the development of the regulations.

### *Proposed regulations for implementing and enforcing Priority Area Air Quality Management Plans*

The DFFE republished the proposed regulations for implementing and enforcing Priority Area Air Quality Management Plans during the period under review. The draft regulations set out the requirements necessary for implementing and enforcing any approved Priority Area Air Quality Management Plans. They also provide for mandatory implementation of interventions, mechanisms for government to monitor and evaluate the effectiveness of the plans, transitional arrangements as well as the activation of enforcement measures where non-compliance is identified.

These draft regulations included recommendations made by the Minerals Council in the previous

draft regulations. The latter included that mining companies must submit their Emissions Reduction and Management Plan (ERMP) to the national department and not the municipality or province. The mining industry proposed that the provision to submit ERMPs be deleted, arguing that this was practically impossible, given the number and variety of companies within a priority area.

In the current draft regulations, the Minerals Council stated that the regulations need to:

- Define the emission reduction targets and further explain how these will be developed
- Provide clarity on where the ERMP submitted for noting and approval is in the process
- Recognise situations in which a company has exhausted the available reduction, to a point where there are no least cost opportunities available

The Minerals Council anticipates further engagements on the draft regulations soon after they are amended.

### *The draft National Regulations for the Management of Mercury in South Africa*

The DFFE published the draft National Regulations for the Management of Mercury in early 2023 and, subsequently, the amended regulations towards the end of 2023. In both cases, the Minerals Council submitted comments to the DFFE mainly emphasising the non-use of mercury in the mining industry and this was acknowledged in the subsequent draft regulations. In fact, most of the concerns raised in the initial submission were taken into account. We submitted comments on the latest regulations which were general and non-substantive in nature.

### *Revision of Regulation GN704*

The DWS afforded the Minerals Council an opportunity to submit written representations on the revision and update of regulations on the use of water for mining and related activities aimed at protecting water resources (GN704 Regulations).

Following the stakeholder consultation workshop held on 29 November 2022, which enabled robust engagement with the mining industry on pertinent issues, the Minerals Council prepared and submitted comprehensive comments on the draft revised regulations in January 2023 for consideration by the DWS prior to gazetting for broader public consultation. We currently await

the formal publication of the revised proposed regulations in the Government Gazette.

### *Proposed amendments to the Waste Classification and Management Regulations, 2013 and associated Norms and Standards*

The Minerals Council submitted comprehensive comments on the proposed amendments to the Waste Classification and Management Regulations and associated Norms and Standards published in a gazette on 24 March 2023 by the DFFE Minister for public comment.

Several key issues of concern for the mining industry were identified and articulated in the submission for consideration by the DFFE. Among other issues, the Minerals Council cautioned the DFFE on the regulation of engineering designs for pollution control barrier systems and recommended that the regulations should rather prescribe the desired outcome, which should be any proven barrier system that will prevent pollution and contamination of the water resources and the environment.

### *Simplified financial provision for low-risk commodities*

The Minerals Council engaged the DFFE on the proposed simplified financial provision process and the relevant draft documentation developed during a workshop hosted by the department on 19 July 2023 that enabled robust engagement with stakeholders. The workshop provided the Minerals Council with an opportunity to engage the DFFE on the mining industry's concerns on the proposed simplified financial provision process for low risk commodities prior to gazetting for broader public comment. The Minerals Council submitted written feedback highlighting issues of concern for the industry. The proposed simplified financial provision regime will be published with the revised NEMA Financial Provision Regulations.

### *Biodiversity*

The Minerals Council has decided to reinstate biodiversity to its agenda, following recent developments such as the Taskforce on Nature-related Financial Disclosures (TNFD) and issues emanating from the Kunming-Montreal Global Biodiversity Framework. We circulated recommendations on the TNFD, outlining several principles that should be adhered to, providing direction on how companies can implement the TNFD, and providing guidance on the

identification of risks, assessment, management and, most importantly, disclosure (what type of information will be expected) to satisfy the requirements of the task force.

### *Water use Authorisation and Registration Management System (WARMS) billing challenges*

The Minerals Council coordinated a meeting with the DWS on 29 November 2023 to discuss various issues with members' water accounts. The meeting proved to be successful as we managed to resolve a number of these issues including getting reversals of incorrectly billed amounts, leading to millions of Rands in refunds and rectifying information that was captured incorrectly in the WARMS certificate. The Minerals Council has aggregated data from members sharing similar issues and forwarded the document to the DWS. We anticipate a positive outcome that may also result in further refunds.



## STRATEGIC GOAL 2 – Advocating and lobbying for a policy, infrastructure and social environment that is conducive to investment and growth of the industry *continued*

Policy/legislation	Key concerns	Minerals Council response/position	Status	Next steps
Climate Change Bill	<ul style="list-style-type: none"> <li>Methodology for determination and application of carbon budget</li> <li>Alignment of carbon budget with carbon tax</li> <li>Multiple unaligned mitigation system (carbon budget and carbon tax)</li> <li>The inadequate reference to the just transition in the development of sector emission targets and carbon budgets main references: 22 and 24 of the Bill</li> <li>Double penalties for exceeding the carbon budgets</li> </ul>	<p>Following the invitation of the parliamentary process on the Climate Change Bill and subsequent submission and presentation on the Bill, the Minerals Council continued to participate in various engagements during year. The engagements included various parliamentary hearings, National Council of Provinces hearings and discussions with the DFFE.</p> <p>These engagements were important in getting insights on other stakeholders' perspectives on the Bill and, most importantly, to what extent Parliament is considering these views and those of the Minerals Council. Throughout these engagements, Minerals Council members received continuous feedback.</p>	The Bill is currently at a parliamentary phase. The National Council of Provinces has released a schedule on consultation.	We are awaiting finalisation of the parliamentary process.
Development of Carbon Budgets and Mitigation Plan Regulations	<ul style="list-style-type: none"> <li>The implementation of the provisions of Section 24(2) in the allocation of carbon budgets to ensure that the mining industry's sustainability is not compromised</li> <li>Methodology for allocation and intensity calculation (benchmarking vs mitigation potential vs fixed targets)</li> <li>Carbon budget allocation must not interfere or curtail existing authorisations' operational capacity (e.g., Mining Atmospheric Emissions Licence and Environmental Authorisation)</li> </ul>	<p>The Minerals Council conducted a series of engagements on our members' positions regarding the carbon budgets and mitigation plans regulations through BUSA and directly with the DFFE. During these discussions, we emphasised that the regulations should align with the requirements of Section 24, which outline the factors the DFFE Minister must consider when allocating a carbon budget.</p> <p>In addition, we urged the DFFE to ensure that the allocation of the carbon budget does not negatively impact the sustainability of mining production. These proposals were subsequently discussed and accepted by the DFFE on 7 December 2023 for consideration in the development of the regulations.</p>	The Minerals Council's and other stakeholders' comments are under consideration by the DFFE.	We are anticipating the formal publication of the regulations for public consultation.
Water Service Amendment Bill 2023	<ul style="list-style-type: none"> <li>Broadening the ambit of what constitutes a water services institution, potentially covering mining houses and in so doing imposing onerous and extensive duties, obligations, and functions to the same degree as entities constitutionally or statutorily required to provide basic water supply. Some of the duties, obligations and functions that would immediately fall up mining houses are compulsory national standards relating to:                             <ul style="list-style-type: none"> <li>The provision of water services</li> <li>The effective and sustainable use of water resources for water services</li> <li>The nature, operation, sustainability, operational efficiency and economic viability of water services</li> <li>Requirements for persons who install and operate water services works</li> <li>The construction and functioning of water services works and consumer installations</li> </ul> </li> <li>Licence to operate as a water use provider from the DWS over and above the Municipal Licence</li> <li>Enforcement and compliance measures</li> </ul>	<p>The Blue Drop and Green Drop Certification programmes published by the DWS in 2023 paint a troubling picture of the South African water resources management systems - including water quality and crippled infrastructure. In an effort to address this mammoth challenge, the DWS published the Water Service Amendment Bill on 17 November 2023, introducing a number of provisions that empower the intervention of national government. This is a sharp departure from the Water Services Act in which the regulation of water services lies solely with local government.</p> <p>One of the key features in the Bill is the amendment and expansion of what constitutes a "water services institution" to include a "water service intermediary". The rationale behind this is unclear, and it is uncertain if the DWS has cautiously measured the implications of this approach. In some cases, in which the local government is unable to provide basic water services, mining companies, as part of their corporate social licence, have had to step in and provide these services. In such instances mining companies would qualify as a "water services intermediary".</p> <p>The concern with the inclusion of a "water services intermediary" into the definition of "water services institution" is that there are several provisions contained in the Act itself and subordinate law which place obligations on water services institutions. As such, these obligations will, upon promulgation of the Water Service Amendment Bill, also fall onto water service intermediaries. These obligations would place an enormous burden on companies such as the mining industry whose primary business does not relate to the supply of water.</p>	The Minerals Council has had extensive consultation with the DWS to express the mining industry concerns on the Bill. Our comments are under consideration by the DWS.	We are anticipating that the Bill will be escalated to Parliament or returned for further consultation.

## STRATEGIC GOAL 2 – Advocating and lobbying for a policy, infrastructure and social environment that is conducive to investment and growth of the industry *continued*

Policy/legislation	Key concerns	Minerals Council response/position	Status	Next steps
National Water Amendment Bill 2023	<ul style="list-style-type: none"> <li>• Definition and declaration of strategic water source areas which could potentially prohibit mining activities</li> <li>• Definition of activities threatening the strategic water source areas.</li> <li>• Prohibition of all open cast and underground mining which may lead to acid mine drainage in water source areas which are threatened or vulnerable to mining</li> <li>• General prohibition and restriction of activities in threatened water source areas.</li> <li>• Review of existing water use licences which will tamper with security of tenure for the mines</li> </ul>	<p>On 17 November 2023, the DWS published the National Water Amendment Bill introducing draconian provisions with significant implications to the mining industry. While the Minerals Council acknowledges that South Africa is a water-scarce country requiring measures to safeguard water resources, the punitive approach adopted in this Bill is troubling.</p> <p>One of the key amendments is the identification and protection of water source areas. The Bill provides the DWS Minister with powers to prohibit and restrict certain development activities within and around water source areas, specifically regulating the mining, forestry and agricultural industries. For instance, the Bill prohibits any open cast and underground mining activities that could result in acid mine drainage within threatened or vulnerable water source areas and further prohibits the granting of water use licences. Furthermore, the Bill empowers the DWS Minister to publish a notice for the review of existing water use licences, which would most likely impact mining production and output.</p> <p>The Minerals Council promptly circulated a discussion paper among its members, outlining the potential impact of the proposed provisions on the mining industry. The paper also presented a suite of recommendations which included advocating for the strengthening of current policies to address water pollution instead of the protectionism approach. The Minerals Council also indicated that it is of concern that, despite decades of the mining industry's collaboration with the DWS on various initiatives such as the development of water infrastructure, water treatment, and water conservation and water demand management (WC/WDM), the DWS would opt for such a punitive approach. Further developments on the Bill are expected from the DWS.</p>	The Minerals Council had extensive consultations with the DWS. The consultation phase has closed and our comments are under consideration by the DWS.	Ongoing engagements with the DWS. We anticipate that the Bill will be escalated to Parliament or returned for further consultation.
National Forest Amendment Bill	<ul style="list-style-type: none"> <li>• The Minerals Council was not consulted on the National Forest Amendment Bill which contains a provision prohibiting mining activities in the state forest land. The Bill was passed by Parliament but has not yet been accented.</li> </ul>	<p>The Minerals Council engaged the DFFE on the meaningfulness of the consultation process on the National Forest Amendment Act. The DFFE failed to consult with the mining industry, yet the amendment act is explicit on prohibiting mining activities in state forest land, potentially sterilising strategic mineral reserves.</p> <p>While the Minerals Council recognises the value in the preservation of forestry estate, we are of the view that the amendment act does not reflect an equitable balancing of forestry against justifiable economic and social development, by recognising the predominant role of mining in the national interest. The Minerals Council laid its arguments against this amendment act explaining the socio-economic benefits of the mining industry and advocating coexistence. We urged the DFFE to pause the enactment of the act and undertake proper consultation that is inclusive of the mining industry.</p>	The Amendment Bill was passed by Parliament but has not yet been accented.	Engagement with the DFFE on the Amendment Act is planned before it is accented by the President.

## STRATEGIC GOAL 2 – Advocating and lobbying for a policy, infrastructure and social environment that is conducive to investment and growth of the industry *continued*

Policy/legislation	Key concerns	Minerals Council response/position	Status	Next steps
Preservation and Development of Agricultural Land Bill - B8-2021	<ul style="list-style-type: none"> <li>Protection of agricultural areas which seeks to prohibit non-agricultural land use activities including mining, thus sterilising mining activities.-</li> <li>A requirement to obtain an Agro-Ecosystem Authorisation over and above Environmental Authorisation</li> <li>The Minister Agriculture, Land Reform and Rural Development overrules the DMRE Minister’s mandate</li> </ul>	<p>Following the call by the Parliamentary Portfolio Committee on Agriculture, Land Reform and Rural Development for written comments on the Preservation and Development of the Agricultural Land Bill in May 2023, the Minerals Council made a comprehensive submission and subsequently participated in the parliamentary public hearings on the Bill. Both the presentation and submission highlighted the undesirable implications of the duplicative requirements for both an agro-ecosystem authorisation in terms of the Bill and Environmental Authorisation in terms of the NEMA.</p> <p>The Minerals Council emphasised its concerns on the designation of high-value agricultural areas as no-go zones for mining, noting that this could lead to the sterilisation of strategic mineral reserves. Throughout these engagements, the Minerals Council consistently advocated the integration of agricultural assessments into the environmental authorisation process instead of introducing an additional layer of agro-ecosystem authorisation.</p>	The Bill was passed by the National Council of Provinces without changes.	We are awaiting accentuation by the Presidency.
Proposed regulations for implementing and enforcing Priority Area Air Quality Management Plans	<ul style="list-style-type: none"> <li>Need to define the emission reduction targets and further explain how these will be developed.</li> <li>Need to provide clarity on where in the process the ERMP submitted for noting and approval is</li> <li>Need to recognise situations in which a company has exhausted the available reduction, to a point where there are no least cost opportunities available</li> </ul>	<p>The DFFE republished the proposed regulations for implementing and enforcing Priority Area Air Quality Management Plans during the year. The draft regulations set out the requirements necessary for implementing and enforcing any approved Priority Area Air Quality Management Plans. They also provide for mandatory implementation of interventions, mechanisms for government to monitor and evaluate the effectiveness of the plans, transitional arrangements as well as the activation of enforcement measures where non-compliance is identified.</p> <p>These draft regulations included recommendations made by the Minerals Council in the previous draft regulations. The latter included that mining companies must submit their ERMP to the national department and not the municipality or province. The mining industry proposed that the provision be deleted, arguing that this was practically impossible, given the number and variety of companies within a priority area.</p> <p>On the current draft regulations, the Minerals Council commented that the regulations need to:</p> <ul style="list-style-type: none"> <li>Define the emission reduction targets and explain how these will be developed</li> <li>Provide clarity on the status of the ERMP submitted for noting and approval in the process</li> <li>Recognise situations in which a company has exhausted the available reduction, to a point where there are no least cost opportunities available</li> </ul> <p>The Minerals Council anticipates further engagements with the DFFE on the draft regulations soon after they are amended.</p>	Public participation and comments are under consideration by the DFFE.	We are awaiting further engagement with the DFFE on the amendment regulations.

## STRATEGIC GOAL 2 – Advocating and lobbying for a policy, infrastructure and social environment that is conducive to investment and growth of the industry *continued*

### *National Health Insurance (NHI) Bill*

While both the Minerals Council and BUSA support the principle of universal health coverage, we have a range of concerns about the NHI Bill in its current form. The Minerals Council was part of the discussions on the Bill at the Nedlac Annual Summit in 2023. During these discussions, we established that there were very few gains for business in changing the key concerns, which are a single fund and Section 33 of the Bill that precludes medical aids from offering any services that will be provided by the NHI.

The Bill is currently waiting to be signed into law by President Cyril Ramaphosa. For the mining industry, we are certain that there will be no change in the provision of occupational health services for employees as these have not been included in the NHI Bill.

### *Mine Health and Safety Amendment Bill*

Although the draft Mine Health and Safety (MHS) Amendment Bill was gazetted in June 2022, following public consultations, a slightly different version was tabled at the Nedlac Labour Market Chamber Task Team. The discussions at the task team were very protracted due to major differences among the social partners and there were many areas of disagreement in the resulting Nedlac report. There were four main areas of disagreement:

- The appointment of an additional Section 12.1 appointee to provide occupational hygiene services
- Section 20 on appeals to the medical inspector. Business expressed concerns regarding the current Section 20(7) as it conflicts with Section 188(1) of the Labour Relations Act (LRA) on dismissals in relation to capacity
- The employer's liability outlined in Section 86A (4)(b) pertaining to all work-related deaths, injuries or illnesses where business submitted that this provision was unconstitutional as

Section 86A(4)(b) could be interpreted to mean that an employer is vicariously liable for the acts or omissions of its employees despite the absence of fault on the part of the employer

- Section 92 (8), where business disagreed with the principle of the proposed 10% annual turnover fine as there was no rational basis for imposing such an excessively harsh provision

Another critical shift was the deletion of the phrase “as far as reasonably practicable” in several sections.

The MHS Amendment Bill is expected to be submitted to the National Assembly in 2024.

### **Illegal mining, organised crime and corruption**

Criminal activity in the mining industry continues to be of great concern. In the past few years, we have seen a surge in product theft, copper cable theft and the associated infrastructure destruction (especially rail and electricity networks). Mafia-associated behaviour relating to mine procurement contracts has also been on the rise.

Ending these crimes requires a coordinated approach and the establishment of the Crime Combating Illegal Mining Task Team at the end of 2023 was a step in the right direction. The task team has been proactive in operationalising gathered intelligence to find and arrest suspected illegal miners at identified illegal mining sites.

The task team is a collaborative initiative between multiple law enforcement agencies and the SANDF. The Minerals Council's role in this area continues to be that of a facilitator and support mechanism for our members, especially in the context of engaging with the senior levels of government and the security cluster.

Crime and corruption have also been identified as a focal area in the partnership between government and organised business led by President Cyril Ramaphosa. The partnership

agreed to establish the JICC, which will coordinate and monitor joint initiatives. The JICC will focus on interventions that curb crime and vandalism, support existing long-term government efforts to bolster investigations and prosecution capacity, as well as modernise and streamline the Justice, Crime Prevention and Security Cluster's services.

### **Human Resource Development Strategy and Master Skills Plan**

The quality of basic education, challenges in the post-school education system and a higher education system that does not fully address skills demands continues to challenge the sector and the various other economic sectors in the country. In lieu of this the Office of the Presidency and the DHET through the HRDC SA drafted a reconceptualised Human Resource Development Strategy for South Africa and a Master Skills Plan (MSP) for the country to address these challenges. The Minerals Council, as a standing member of the HRDC SA, was able to ensure that the views, opinions and inputs of its members and broader business were incorporated and considered during the crafting of these strategies and plans. The MSP attempts to achieve the following four goals:

- Improve early learning and schooling outcomes
- Improve the employability for youth who are not in employment, education and training
- Improve the responsiveness of the post-school education and training system to skills demands
- Improve governance, leadership and management in the public sector.

### **Sector skills development through the MQA**

The industry's key training institution is the MQA, to which we nominate employer board members, and it is where skills challenges experienced in the sector are raised and discussed. The Minerals Council's Education Advisory Committee communicates these issues to the MQA.

Some of the major work we undertook through engagement and collaboration with the MQA in 2023 includes:

- A review of the discretionary grant allocation strategy to have a more “business friendly” approach
- Deregistering several legacy mining qualifications from the South African Qualifications Authority, and developing and registering new occupational qualifications in their place through collaboration between industry and the MQA
- A review of the mine ventilation and mine overseer qualifications
- Research related to the relevance of adult basic education in the mining sector, the Fourth Industrial Revolution necessity and its impacts on the mining sector

### **Occupational qualifications and skills development**

The skills department is active on the QCTO, which is responsible for quality assurance and the oversight of the design, accreditation, implementation, assessment and certification of occupational qualifications and skills development programmes. Some of the key work that the Minerals Council undertook in 2023 was:

- Collaborating with relevant stakeholders to convince the QCTO to change its process and criteria for the certification and registration of its training programmes. Prior to that the QCTO could not register or certify regulatory skills programmes that were less than eight credits
- Engaging with the QCTO to ensure that the deregistration of legacy qualifications and the registration of new occupational qualifications and skills programmes is done in a manner that does not negatively affect the continued training and development of our employees in the mining sector

## STRATEGIC GOAL 3 – Communicating progress and impact of aggregate EESG performance and adoption of leading practices



### STRATEGIC GOAL 3

#### Our objectives:

##### Objective 3.1

Lead initiatives to fast track mining's progress to zero harm.

##### Objective 3.2

Lead the development of a vision of what good transformation looks like in collaboration with stakeholders, including the design of a practical, workable and enforceable instrument to facilitate further industry transformation.

##### Objective 3.3

Promote consolidated and cumulative member ESG performance.

Material matters	Principal risks	SDGs
<ul style="list-style-type: none"> <li><b>Water stewardship and licensing:</b> supporting the development of an enabling environment for effective water resource management and stewardship, and providing guidance to members on their approach</li> <li><b>Environmental management:</b> supporting the development of an enabling environment for effective environmental management and stewardship, and providing guidance to members on their approach</li> <li><b>Zero harm:</b> developing strategies for improving employee health and safety, encouraging the sharing of learning between members, and adopting leading practice</li> </ul>	<ul style="list-style-type: none"> <li><b>Transformation and diversity:</b> promoting efforts to achieve diversity, inclusion and transformation. This includes specific efforts supporting women in mining and the elimination of GBVF</li> <li><b>Reputation:</b> preserving and enhancing the reputation of the industry. Improving the understanding of the critical contribution mining makes to society and the economy</li> </ul>	<ul style="list-style-type: none"> <li><b>Policy and socio-economic risks</b></li> <li><b>Health and safety risks</b></li> </ul>
		<ul style="list-style-type: none"> <li><b>SDG3:</b> Good health and well-being</li> <li><b>SDG5:</b> Gender equality</li> <li><b>SDG6:</b> Clean water and sanitation</li> <li><b>SDG8:</b> Decent work and economic growth</li> <li><b>SDG9:</b> Industry, innovation and infrastructure</li> <li><b>SDG10:</b> Reduced inequalities</li> <li><b>SDG13:</b> Climate action</li> <li><b>SDG15:</b> Life on land</li> <li><b>SDG16:</b> Peace, justice and strong institutions</li> </ul>

#### Our performance:

##### Leading industry efforts to improve safety and health

We work in close collaboration with unions and the DMRE in guiding the mining industry's efforts to achieve zero harm. Through the various safety initiatives and extensive stakeholder mapping, we ensure that all parties are well informed on industry issues and all voices are heard through the various forums and committees.

Ensuring that employees work in a safe environment is a key priority for the industry, in addition to ensuring that all operations have a clear understanding of occupational health. Reducing mineworkers' exposure to risks and hazards, preventing and treating occupational diseases, while working to eliminate fatalities, is of great importance to us.

##### Mine employee state of safety

Safety lagging indicators trended positively in comparison with 2022, a year which had seen the best safety performance in the history of the industry. Throughout the year, the industry maintained an average improvement of between

4% and 6% on lagging indicators with agencies such as transport and mining (T&M) seeing an average improvement of around 60%.

This performance is the result of the hard work and dedication of all stakeholders in the mining industry towards ensuring the safest possible working conditions in South Africa's mines and towards achieving zero harm.

Despite the improvement, FOGs were an area of concern early in 2023, due to a marked decrease in performance compared to 2022.

Overall 2023 was a very challenging year for the South African mining industry in respect of occupational safety. On 27 November 2023, a winder accident at one of the PGM operations in the North West resulted in 13 mineworkers losing their lives, with dozens more seriously injured.

The trauma of this incident to the mining community cannot be understated. This catastrophe is a stark reminder to the industry to always be vigilant, resolute and thorough in managing processes, tasks and associated controls on a daily basis.

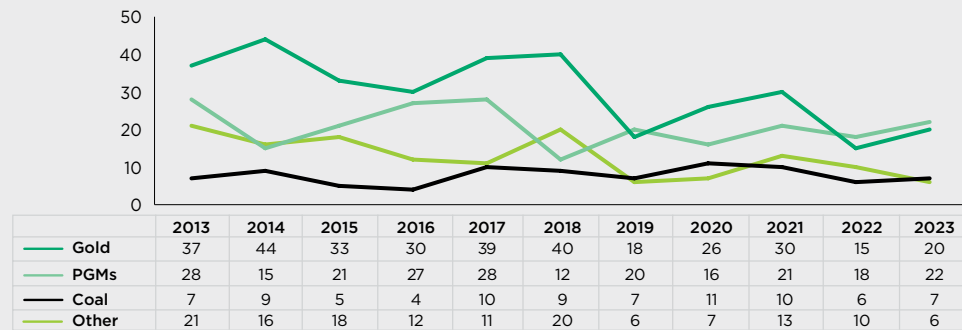
Statistics from the DMRE show an overall regression in safety performance. Industry statistics for the 2023 calendar year compared to 2022 showed a 12% regression in overall fatalities with 55 recorded in 2023 against 49 in 2022.

The PGM and gold sectors experienced the highest number of fatalities in 2023, with 22 and 20 casualties respectively. This is the second consecutive year in which fatalities in the PGM sector exceeded those in the gold sector. The coal sector recorded 7 fatalities, while the other commodities also accounted for a combined 6 fatalities. Although safety has improved in many aspects, our goal to have zero fatalities remains a priority.

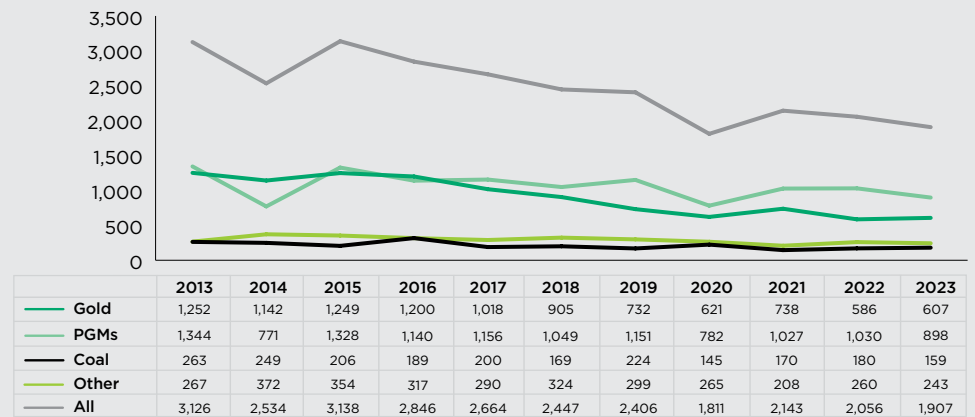
There has been a notable shift in the agencies responsible for fatalities in the industry. Sub-agencies clustered under the main agency of "other" were responsible for the largest contribution to the overall fatalities. This includes 13 fatalities due to conveyance accidents, 2 miscellaneous (cause undetermined) and 1 from a drowning event. FOG was responsible for 15 fatalities while the general category and T&M contributed 14 and 8 fatalities respectively.

## STRATEGIC GOAL 3 – Communicating progress and impact of aggregate EESG performance and adoption of leading practices *continued*

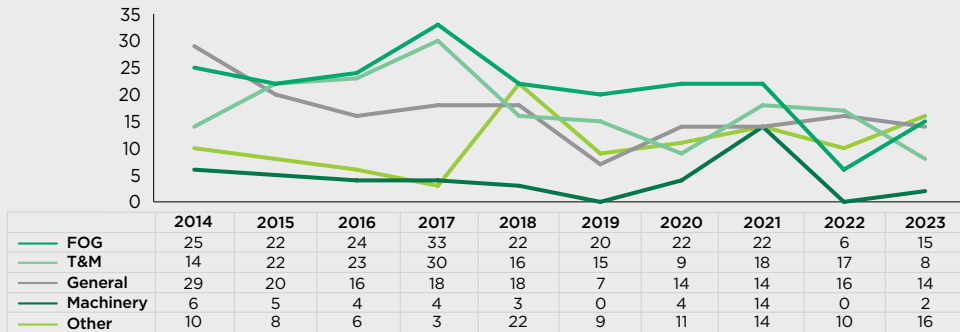
Fatalities – Performance by commodity: 2013-2023



Injuries by commodity: 2013-2023



Fatalities – Performance by cause: 2014-2023



T&M, general, fires, electricity and explosives were the areas that saw a decrease in fatalities, while the other agencies recorded an increase.

The Minerals Council Board and the CEO ZHF continue to monitor the progress on a TMM project that will address transport-related incidents. The industry continued to implement several initiatives with a focus on traffic flow and risk analysis. The marked improvement in this area can be attributed to the efforts of traffic management now bearing results as many mines have matured in their approach to vehicle and personnel interactions. Efforts have also

increased in managing compliance with TMM Regulations that came into effect in December 2022. The Minerals Council continues to support the mining industry with efforts to comply with these TMM regulations.

It was encouraging to note that the number of injuries decreased from 2,056 in 2022, to 1,907 in 2023. However, fatalities increased to 55 in 2023 from 49 in 2022, with most of these in the PGM sector (22). The second highest number of fatalities occurred in the gold sector (20), while the coal sector (6) had the lowest.

### Partnerships

The safety initiatives and partnerships that the Minerals Council is part of play a key role in getting the industry closer to its zero harm goal and include the following:

- Occupational Health and Safety Policy Committee
- MOSH Learning Hub
- Rock Engineering Technical Committee
- Consulting Mechanical and Electrical Engineering Committee
- CEO ZHF

Our engagements and partnerships include regional tripartite forums, the Association of Mine Managers of South Africa, the South African Colliery Managers Association, the DMRE, and organised labour through the MHSC. Internationally, the Minerals Council engages with industry bodies through its membership of the ICMM.

### Strategy

Company leadership, starting with the CEO, plays a vital role as an advocate for safety, without which a safe mining environment is not possible.

This advocacy, however, needs to be supported by specially designed safety systems, while employees are given a clear understanding of safety systems and their right to withdraw from unsafe working conditions.

The Minerals Council continues to drive strong initiatives both internally and externally to improve the industry's safety performance. We also develop safety campaigns to encourage a continuous learning process and awareness of risks associated with specific mining activities. The ultimate aim is to inculcate a safety culture focus that drives safe behaviour and an acknowledgement of the requirements of safe working environments to ensure that each and every mineworker returns home safely.

### CEO-ship advances in 2023

From the beginning of 2023 we met our commitment made in 2022 to have longer and more frequent CEO ZHF meetings and monthly hours of learning on safety. The decision has led to fruitful interactions between CEOs who have shared safety lessons and highlighted particular issues to each other.

In 2023 the CEO ZHF meetings took a more targeted approach with a clear focus on either the

## STRATEGIC GOAL 3 – Communicating progress and impact of aggregate EESG performance and adoption of leading practices *continued*

elimination of safety fatalities or the elimination of health fatalities, while giving each area ample time for deep-dive discussions. Attendance of these sessions was opened to a broader audience than just CEOs and the shared topics during the preceding hour of learning were aligned to the mainstream safety agenda.

### Addressing FOG safety

Implementing the FOGAP remained the central safety focus area within the mining industry in 2023. FOGAP, which was launched in 2021, was designed to address the elimination of FOG fatalities and has a R46 million budget funded by member companies. FOGs have historically been the largest contributor to fatalities within the industry.

Since its inception, FOGAP has sought to systematically tackle the various factors that contribute to FOG-related accidents, emphasising the importance of proactive measures to prevent such incidents. FOGAP's multifaceted approach includes:

- Engineering solutions
- Technological advancements
- Skills development
- Policy enhancements
- Research and development
- Fostering an enabling environment for safety improvement

During 2023, we focused on ensuring the FOGAP implementation, including promoting leading practices, research and development initiatives, skills development programmes, policy enhancements, and ongoing monitoring and evaluation of safety measures. As the primary safety focus for the year, the FOGAP emphasised the industry's collective commitment to prioritising safety and preventing FOG-related incidents. Through continued collaboration and concerted efforts, the mining sector aimed to achieve tangible improvements in safety outcomes, ultimately to ensure the well-being of mineworkers and foster a culture of safety excellence across mining operations.

Despite a notable decrease in FOG fatalities to 6 reported incidents in 2022, the mining industry experienced a setback in 2023, recording a total of 15 FOG-related fatalities. While this increase is of concern, industry stakeholders, including senior rock engineers and the South African National Institute of Rock Engineers, emphasise the importance of remaining steadfast in diligently implementing FOGAP. The FOGAP initiatives that were developed by experts are expected to lead to a significant improvement in FOG safety performance over time, reflecting their confidence in the effectiveness of the programme.

The increase in FOG fatalities in 2023 should not overshadow the ongoing efforts of the FOGAP. It is crucial to note that many of the FOGAP initiatives started in mid-2022 are still in the early stages of implementation. For instance, leading practices such as the illumination of underground workspaces and the installation of permanent aerial support were launched in July 2022 and September 2023 respectively and are currently being rolled out across mining companies. The full impact of these initiatives may take time to materialise.

We continued investigating technology-based initiatives like hydropower drilling and the use of drill guides, which hold significant potential for improving geotechnical safety. The preliminary results of hydropower drill pilots demonstrate promising benefits such as increased accuracy, faster drilling, reduced noise, remote operation capabilities and decreased weight compared to traditional pneumatic drills, all of which contribute to enhanced health and safety standards.

Furthermore, addressing key activities like barring is integral to improving FOG safety. Investigations are underway within the FOGAP to assess the impact of using tool-handling exoskeletons during barring activities. The hypothesis suggests that exoskeletons can support employees' arms and reduce fatigue, potentially improving overall safety during such tasks. Muscle assessments conducted in partnership with the University of Johannesburg's Biokinetics and Sports Management departments aim to validate this hypothesis.

While the increase in FOG fatalities in 2023 is of concern, it has not deterred the mining industry from continuing its commitment to implementing the FOGAP. With various initiatives and technologies still in the pipeline and ongoing investigations into key safety practices, the industry remains poised to make further advancements in reducing FOG-related incidents and safeguarding the well-being of its workforce.

### Adoption of safety leading practices: FOG

Member adoption of the Ledgeing planning leading practice grew to 89% in 2023 from 78% in 2022. We are currently working on ensuring full adoption from lagging members.

Ledgeing is a conventional stoping activity and the quality of the ledge dictates the efficiency of the stope. Ledgeing best practices include:

- A good, integrated and multi-disciplinary approach to planning processes
- Clearly defined ledgeing standards
- Clearly defined roles and responsibilities
- Dedicated ledgeing crews
- Maintaining the integrity of the hanging wall
- Maintaining a sound ledge for effective support
- Keeping the stope "aorta" alive and well for the life of the stope

The Illumination leading practice aimed at improving underground workface visibility, which the industry launched in the middle of 2022, has experienced slow adoption. However, there has been renewed interest in adopting the leading practice following the CEO Zero Harm Forum's decision that each company nominate adoption champions. The number of mines that signed up for adoption increased from 11 in 2022 to 20 in 2023. Engagements are underway with the champions to develop adoption programmes for their respective mines.

The Permanent aerial support mesh launch in September 2023 attracted close to 200 people. The first community of practice for adoption was held in November 2023.

The adoption guides on these [leading practices](#) can be found on the MOSH website at the link.

### Adoption of safety leading practices: T&M

Our holistic Transport Action Plan focused on the following key issues towards the elimination of transport-related fatalities:

- Regional stakeholder workshops on industry alignment on TMM Regulations to understand significant risk and reasonably practicable measures
- Criticality of collision prevention system testing, since it is a technically complex safety system which culminated in the test specification verification
- Development of guidance documents related to frequency spectrum management and the unintended consequences of technology on operators
- Community of practice for adoption of the traffic management leading practice for surface operations
- Industry day of learning on winches and the establishment of a high-level technical team to find solutions to existing cleaning challenges and safer alternative cleaning solutions
- Industry day of learning on rail-bound equipment with a particular focus on mechanical issues in order to identify challenges and establish solutions
- Establishment of a multi-disciplinary team to find solutions for conveyor fire prevention
- Development of a request for proposals regarding the feasibility of collision prevention system components, local manufacturing, assembly, insourcing and outsourcing

Detailed information on the [T&M initiatives](#) is accessible at the link.

### Digitisation of safety data

Good progress has been made in developing and implementing a web-based safety information system for better and faster decision-making.

## STRATEGIC GOAL 3 – Communicating progress and impact of aggregate EESG performance and adoption of leading practices *continued*

In 2024, we will focus on:

- Enabling the transfer and capturing of safety data from members
- Analysing consolidated safety data to provide an industry snapshot of safety performance
- Conducting a gap analysis on safety data to highlight those areas that require more attention and focus

More generally on safety in 2024, the CEO ZHF will continue to:

- Hold deep dive discussions on ways to eliminate health and safety related fatalities
- Review industry performance on the 2014 Occupational Health and Safety Milestones
- Review the adoption status of leading practices and other related initiatives
- Review the Khumbul'ekhaya Health and Safety Strategy
- Provide employer mandates and engage the tripartite stakeholders on the new set of milestones

### Mine employee health

Our Health Department plays a key role in the mining industry's zero harm goals, together with its stakeholders, the DMRE, the MHSC, the DoH, other government and statutory bodies and organised labour. Mining has significant occupational health hazards and the Health Department advances good health outcomes by communicating industry performance on EESG, with an emphasis on health.

The Health Department's strategic approach to the advancement of employee health within the South African mining industry in 2023 includes:

- Embracing CEO-ship through engagements with the CEOs on occupational hygiene and occupational medicine milestone performance, as well as current and emerging occupational

health risks as part of the Zero Harm Strategy of the Minerals Council

- Supporting the MOSH Learning Hub in the identification, promotion and adoption of occupational health leading practices
- Coordination of the Minerals Council's Masoyise Health Programme
- Executing projects that support improved health such as the project on the verification of standard threshold shift (STS) cases for NIHL and verifying pneumoconiosis diagnosed in employees that joined the industry in 2009, as well as a project on the verification of mine fires and occupational hygiene milestones management systems

### Health performance trends

In 2023 the industry maintained a TB incidence rate of below 300 cases per 100,000 employees. However, TB rates are higher in the gold sector, which has led to the establishment of a TB in Gold Mines Working Group (TBGWG) to focus and provide advice on how TB incidence can be reduced. One of the group's first tasks in 2023 was to obtain an understanding from experts on true potential TB incidence reduction solutions.

During the COVID-19 pandemic of 2020 and 2021, industry health resources were diverted towards limiting the spread of the virus. As a result, other health programmes at mine operations suffered. In addition, focus on the COVID-19 pandemic led to distorted reporting on occupational diseases such as TB, resulting in a perceived increase in occupational diseases in 2022 and into 2023.

Notwithstanding, there has since been an increased incidence of TB across South Africa following the pandemic and this meant that mining companies had to increase vigilance on TB screening, diagnosis and management.

Throughout 2023 we continued assessing occupational health trends and these are covered in this section of this report.

### Industry performance review

The DMRE reports on occupational diseases in the industry in a report that is published for the prior year. From January to December 2022, the industry reported 2,233 occupational diseases, compared with 1,924 diseases in the same period in 2021, translating to a 16.1% increase. Industry performance on major diseases is shown below.

#### Occupational diseases in the mining industry year-on-year comparison

Disease	January to December 2021	January to December 2022	Percentage change
TB	793	839	5.8%
NIHL	776	891	14.8%
Silicosis	240	248	3.3%
Coal worker's pneumoconiosis (CWP)	11	73	536%
<b>Total</b>	<b>1,924</b>	<b>2,233</b>	<b>16.1%</b>

It is worth noting that the increase in total diseases in 2022 was largely due to significantly lower reporting of diseases during the COVID-19 years of 2020 and 2021. There was a 29% decrease in diseases reported in 2019 and 2020. A fair comparison between 2019 and 2022 shows that the diseases reported in 2019 at 3,458 cases are more than in 2022 in absolute terms and as rates. This illustrates that disease rates are reducing in the industry.

### Occupational hygiene progress

The main exposures reported by the DMRE in 2022 are airborne pollutants, noise and thermal stress. The performance for 2022 compared to 2021 is set out below:

#### Airborne pollutants

The percentage of employees exposed to airborne pollutants above the occupational exposure limit (OEL) in 2022 was 4.08%, down from 5.54% in 2021. The gold, coal, other commodities and diamond sectors were observed to have relatively higher exposure to airborne pollutants.

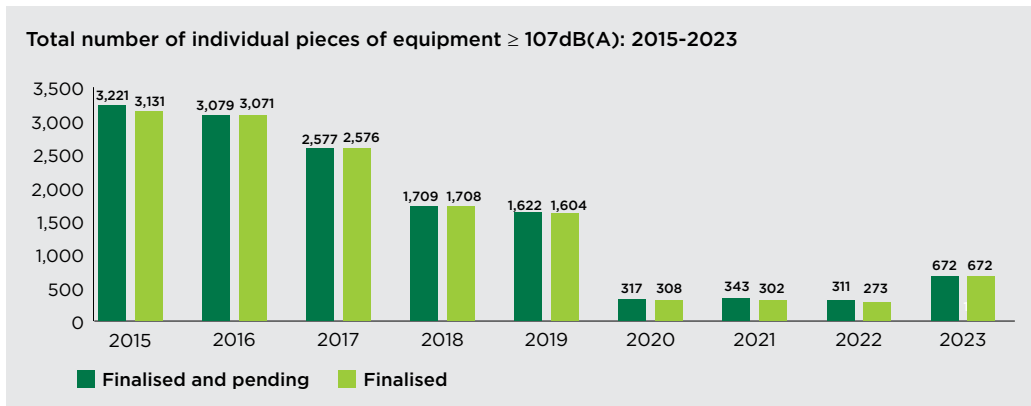
#### Noise

Nationally, the percentage of employees exposed to noise levels exceeding 105 A-weighted decibels (dB(A)) decreased from 0.51% (1,829 employees) in 2021 to 0.41% (1,544 employees) in 2022. The percentage of employees exposed to noise levels in category B (>85dB(A) and <105dB(A)), decreased from 60.68% in 2021 compared to 58.14% in 2022. This equates to most employees being at risk of exposure levels that are greater than the noise OEL of 85dB(A). The commodity sectors that contributed to noise levels exceeding 105dB(A) were PGMs, gold and other commodities.



## STRATEGIC GOAL 3 – Communicating progress and impact of aggregate EESG performance and adoption of leading practices *continued*

The equipment noise milestone agreed to by the South African mining industry is that, by December 2024, the total operational or process noise emitted by any equipment must not exceed a milestone sound pressure level of 107dB(A). The graph below shows the industry performance from 2015 to 2023.



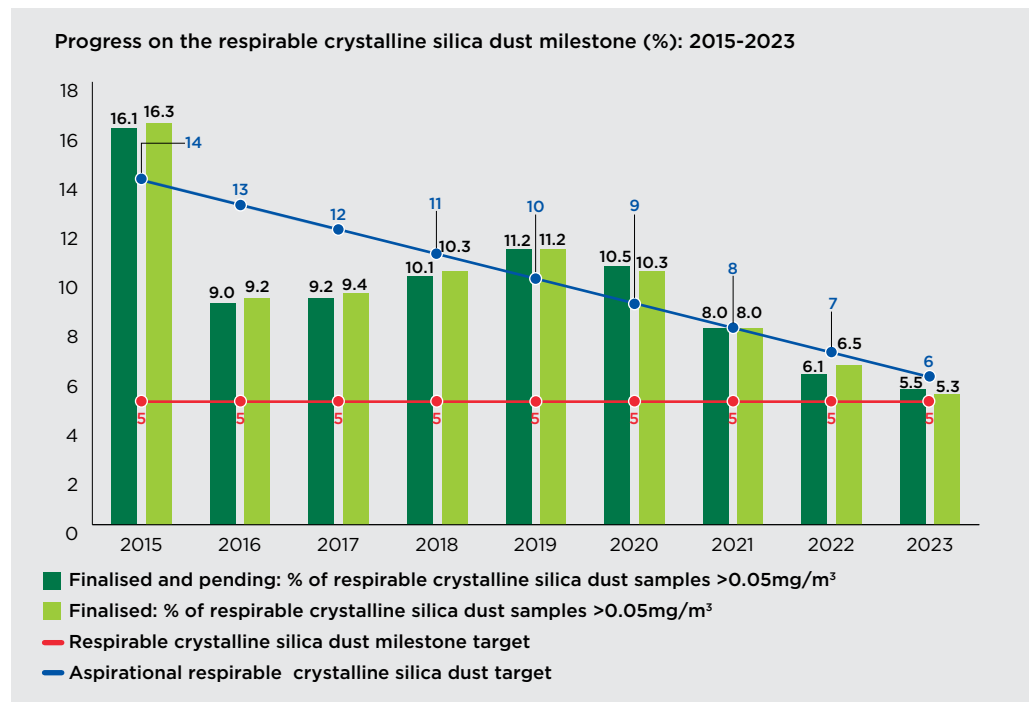
The milestone target on noisy machinery is not being met, despite the industry recording a reduction in the number of pieces of equipment exceeding the noise milestone. An investigation into the regression in 2023 revealed that this was due in part to rock drillers unintentionally damaging rock drill mufflers as a result of the high moisture levels in the compressed air reticulation systems of shallow shafts, which caused the freezing of rock drills, resulting in the reduced performance of the rock drills. The industry needs to continue focussing on reducing noise in equipment such as rock drills as well as the improvement of equipment and infrastructure maintenance.



### Industry performance on the respirable crystalline silica milestone

In 2014 the MHSC set a target that 95% of all silica exposure measurement results should be below 0.05mg/m<sup>3</sup> for respirable crystalline silica.

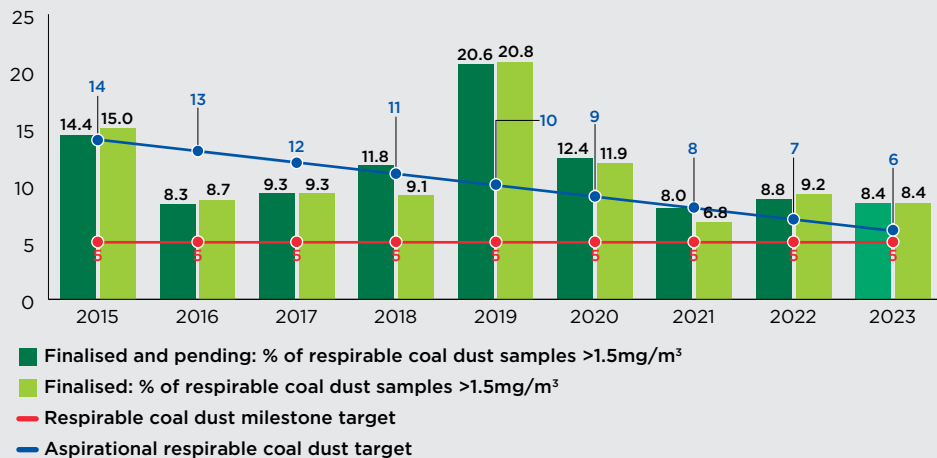
The industry's performance for 2023 indicates that the aspirational target on respirable crystalline silica was met, and that the industry is likely to reach the milestone by the end of 2024. The gold sector, however, is not likely to meet this goal.



The milestone target for coal dust was that, by December 2024, 95% of all exposure measurement results will be below the milestone level of coal dust respirable particulate of 1.5mg/m<sup>3</sup> (<5% crystalline silica). The performance for 2023 indicates that the industry is not meeting the aspirational target for 2023 and will not meet the target set for 2024. This is due to challenges associated with the effective adoption of dust leading practices, employee behaviours and supervision within the coal sector.

## STRATEGIC GOAL 3 – Communicating progress and impact of aggregate EESG performance and adoption of leading practices *continued*

Progress on respirable coal dust milestone (%): 2015-2023



For platinum mine dust, the goal is for 95% of all exposure measurement results to be below the milestone level of platinum mine dust respirable particulate of 1.5mg/m<sup>3</sup> (<5% crystalline silica) by December 2024. The industry has been meeting this milestone since the inception of this milestone in 2015.

The industry is meeting its targets for respirable silica dust and platinum mine dust, but it has not been able to meet the milestone target on respirable coal dust, with the underground coal mines experiencing challenges.

As part of ensuring that the industry has credible data on milestone performance, a review of the Group Environmental Engineers (GEE) members' occupational hygiene milestone data was conducted during 2023, which revealed that the state of occupational hygiene in the South African mining industry had progressed significantly since the promulgation of the MHSA regulations.

The review also found that:

- Competent, passionate people have been employed as Section 12.1 appointees to implement and manage the exposure management programmes and systems at the mines
- Mines had implemented well-structured airborne pollutant management systems

- Mines had well-structured noise reduction programmes implemented

The verification phase on the implementation of the noise reduction systems highlighted several challenges, which the GEE Committee is resolving through industry-level initiatives.

### Masoyise Health Programme

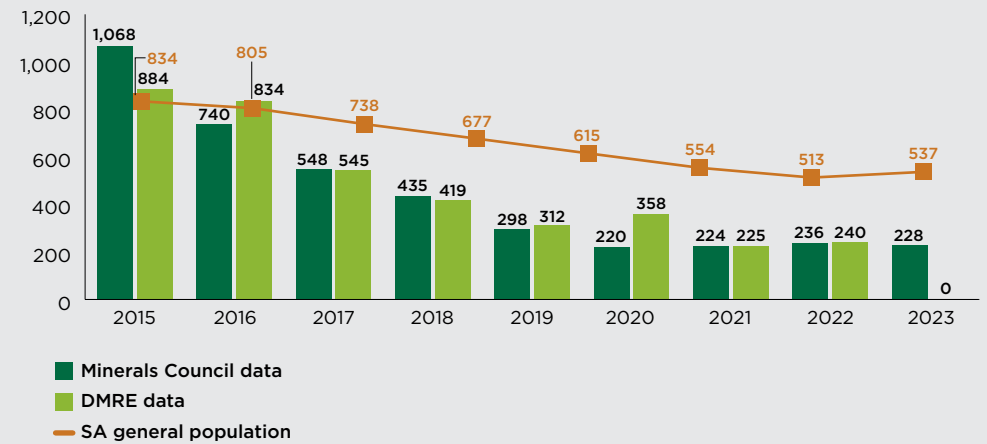
The Minerals Council's multi-stakeholder Masoyise Health Programme leads the South African mining industry's commitment to protect and improve the health and well-being of all its employees. Now in its third term, which runs until the end of 2024, the programme aims to reduce the incidences of TB, HIV, OLDs, NCDs, and mental health illnesses by monitoring performance on disease reduction, encouraging data gathering, analysis and knowledge-sharing across emerging and established mining companies. The programme enables evidence-based decision making to positively influence national and company policy.

### Progress on TB incidence

The industry milestone was that by December 2024, the TB incidence rate should be at or below the national TB incidence rate.

A great achievement for the industry has been maintaining a TB incidence rate that is at or below the national TB incidence rate, since meeting this

TB incidence rate/100,000 employees: 2015-2023



goal in 2017. The TB incidence rate in the industry reduced to 228/100,000 employees in 2023.

However, the TB incidence rate in the gold sector where deep-level mining occurs is higher than in other sectors and more work is required to improve this rate.

The industry milestone is that there should be no new cases of pneumoconiosis among previously unexposed individuals that joined the industry from 2009. Regrettably, about 8 cases of silicosis in novices were reported by the DMRE before 2023. Two cases were reported in 2023 and there have been no reports of cases of CWP in novices. The industry thus continues to have a challenge with high levels of silica dust manifesting in disease.

On noise the industry milestone is that, by 2016 no employee's STS will exceed 25dB from the baseline when averaged between 2,000 and 4,000 Hertz in one or both ears. As 40 cases of STS were reported in 2023, the milestone was not met.

Besides the milestones set by the MHSC, the industry also reports on targets set through Masoyise. The Masoyise target is for companies to screen 100% of employees for hypertension and diabetes annually. In 2023, screening for cholesterol, obesity and mental health was included.

The percentage of employees screened in 2023 was 93% for hypertension, 92% for diabetes and 93% for obesity. Cholesterol screening was 34% and 8% of employees were recorded as having sought assistance for mental health.

### Occupational medicine milestone and Masoyise Health Programme performance: 2023

Milestone/target	100%
All employees counselled for HIV*	91%
All employees screened for TB*	93%
Screening for hypertension	93%
Screening for diabetes	92%
Obesity screening	89%
Cholesterol screening	34%
Mental health screening	8%
No of novice employees with pneumoconiosis*	2
No of STS cases (NIHL)*	40

\*MHSC milestone

The industry conducted a major verification study on the targets that were not met in 2022. These were cases of pneumoconiosis reported in novices who joined the industry after 2008, and cases of STS.

## STRATEGIC GOAL 3 – Communicating progress and impact of aggregate EESG performance and adoption of leading practices *continued*

The study was of great value, revealing shortcomings both in the tools used for measurement and in their application. It further highlighted confusion over the various noise-induced guidelines that have been produced. To improve on these shortcomings, we conducted training sessions for industry health practitioners in 2023. These sessions were well attended, proving the growing need for frequent training and refresher courses for health practitioners.

The outcomes of the verification study are informing further work that is being done by the MHSC on the noise milestones.

In 2024, the Health Department will focus on the following initiatives to assist the industry improve occupational health outcomes:

- Facilitation of a closer collaboration between the mine occupational hygiene environmental control and engineering discipline to improve control measures for dust and noise
- Development of a toxicity index industry guide for improved management of combustible material use in underground mines
- Implementation of the post-incident and post-employment care frameworks that were approved by the CEO ZHF in 2023

### MOSH Learning Hub

The MOSH Learning Hub encourages mining companies to learn safety and health expertise from each other to prevent repeat health and safety incidents as well as address risks related to FOG, noise, dust, and transport and machinery. This is achieved by facilitating leading practice adoption and the execution of fit-for-purpose health and safety projects and initiatives. These are underpinned by a holistic approach and principles of leadership from the top, industry ownership, eager and early involvement, engagement and collaboration, people-centricity and non-competitiveness.

### Key MOSH dust initiatives

Some of the key MOSH dust team events that were held on a quarterly basis include:

- Collieries and gold working group
- Community of practice for adoption and interest group meetings for several leading practices (i.e., coal and gold continuous real-time monitoring with an average adoption rate of 60% per 7 mines, conveyor belt automated transfer point fogger spray system with an average adoption

rate of 63% per 3 mines, in stope atomisers with an average adoption rate of 64% per 10 mines)

- Sponsor meetings
- Commodity-based industry days of learning for dust and visibility at regional tripartite forum
- MineSafe health awards coordination

### MOSH noise initiatives

In collaboration with industry members and a subject matter expert, the MOSH noise team has meticulously compiled a comprehensive industry parent bowtie. The team followed this up with regional and company-level workshops, at which they shared the bowtie and the suite of Industry-wide Buy and Maintain Quiet Initiative (IBMQI) guidance documents. The regional workshops were attended by 21 people, while the company-level workshops had 315 attendees.

The team also held regional planning workshops, which identified 17 potential leading practices, with a predominant focus on the preventive aspects of the bowtie. These potential leading practices were subjected to the stringent MOSH leading practice evaluation process and this led to a concise list of 7 prioritised potential leading practices.

The process included 4 verification visits at source mines, where potential leading practices were documented. Following this process, we developed detailed action plans for each potential leading practice.

The MOSH noise sponsor has urged that these 7 potential leading practices be consolidated into a compilation of best/leading practices or case studies.

Detailed information on the MOSH [dust](#) and [noise](#) initiatives can be accessed at the links.

### Fire prevention

Fires are a rare but devastating occurrence in the mining industry and preventing them is a top priority. Our GEE Committee initiated a project on independent reviews to assess fire prevention, readiness and management, in compliance with the Mandatory Code of Practice on Prevention of Fires at Mines. The project also included a review of industry occupational hygiene milestone data as a quality assurance process.

The reviews indicated that mines have conducted and implemented comprehensive baseline and issue-based fire risk assessments as part of their fire preparedness and management processes,

with the following well established leading industry practices highlighted:

- Fire detection systems
- Fire suppression system on conveyor belts
- Vehicle suppression systems
- Conveyor belt fire testing is in the process of being conducted
- Backup power generation
- Learnings from previous incidents are shared and implemented
- Control rooms and emergency control rooms

The GEE Committee and Consulting Mechanical and Electrical Engineers Committee discussed industry learnings and leading practices during a workshop held in August 2023. Additionally, the workshop discussed fire safety recommendations adopted for implementation.

From a MOSH dust and noise perspective we will:

- Intensify efforts to monitor the adoption of current dust leading practices through bilateral engagements with individual mining companies
- Verify and document newly identified leading practices such as gouging noise reduction, remotely operated impact breaker, mobile impact wrench, continuous real-time monitoring and acoustic emissions testing
- Continue with company and regional level engagements to increase the internalisation of the IBMQI guidance documents on noise measurements, equipment online screening tool, information booklets, quality assurance, OEM engagements, and 3rd party verification
- Document and disseminate case studies where adoption of leading practices has been successful
- Host premier industry events such as days of learning, conferences, masterclasses and symposiums on topical issues
- Facilitate and empower mines to develop customised bowties to identify, implement and monitor critical controls on key risks

### Environmental management – our approach

#### Climate change and Just Energy Transition

In 2023, we continued to actively engage in various activities that seek to facilitate the

member companies' adoption of climate change response measures to enable them to lower their GHG emissions and to adapt and be resilient to the impact of climate change.

In addition, we held bilateral discussions with the DFFE regarding the development of carbon budgets and mitigation plans regulations. Prior to this meeting, we commissioned an independent assessment of the implications of the proposed regulations on the mining industry. Other engagement that the Minerals Council has embarked upon pertains to broader climate change policies, a review of the nationally determined contribution, an adaptation strategy, among others.

One of the key concerns we raised at the discussions was that Section 24 of the Climate Change Bill outlines several factors the DFFE Minister must consider when allocating carbon budgets such as socio-economic impacts and the best available science. We, therefore, emphasised the need for the proposed regulations to carefully consider these provisions to avoid negatively impacting the mining industry.

### International representation

The Minerals Council attended the 28th annual Conference of the Parties to the United Nations Framework Convention on Climate Change (COP28) held in November and December 2023 at which we represented the South African mining industry.

The key takeaway of the conference is adoption of the Global Stocktake (GST) which signifies how the international community has collectively reduced its GHG emissions since the Paris Agreement in 2015. The overall message of the GST is that the world has not made much progress in reducing GHG emissions thus the 1.5°C warming limit or goal agreed in Paris is at risk. Consequently, this presents a challenge for our members.

COP28 concluded that the next two years would be critical as it is expected that governments establish a new climate finance goal reflecting the scale and urgency of the climate challenge at COP29. In addition, parties should be prepared to present new, ambitious and economical nationally determined contributions that are fully aligned with the 1.5°C temperature limit at COP30.

## STRATEGIC GOAL 3 – Communicating progress and impact of aggregate EESG performance and adoption of leading practices *continued*

Of strategic importance to note are the following key COP28 outcomes that are critically important for the mining industry which the Minerals Council has taken forward:

### a) The role of transitional fuels in enabling the energy transitions

COP28 recognised that transitional fuels can play a role in facilitating the energy transition and are expected to stimulate the demand for minerals used to produce transition fuels and energy, such as solar panels, wind turbines and batteries. This provides an opportunity for the South African mining industry to take advantage of this mineral commodity boom to support the shift towards renewable energy technologies and the hydrogen economy through the facilitation of exploration and mining of these minerals. The Minerals Council is therefore collaborating with the DMRE to develop the Critical Minerals Strategy. Most importantly this calls for Minerals Council members to also diversify in the exploration of those critical minerals envisaged to support the transition.

### b) Phase down of unabated coal and phasing out of inefficient fossil fuel subsidies

With the adoption of the text on phasing down unabated coal and inefficient fossil fuel subsidies at COP28 it is evident that this will be reflected in the next round of South Africa's Nationally Determined Contributions (NDCs) and domestic legislation and policies.

The phase down of unabated coal and phasing out of coal subsidies in the energy system will inevitably result in the accelerated closure of coal mines before their actual end of life. This necessitates the current closure planning to factor in this accelerated closure scenario. These commitments could also have an impact on future coal mining project approvals and access

to capital, finance and insurance for existing and future coal projects. Consequently, this outcome of COP28 requires the Minerals Council to provide thought leadership in enabling its member companies to embark on a process to respond accordingly to avert the possible consequences of unplanned mine closure and transitions. In addition, member companies should adjust their mining and closure plans to ensure that transition is just, orderly and equitable as articulated in the GST.

### c) The need for countries to strengthen their National Climate Commitments

The GST outcome calls on countries to submit new NDCs well ahead of COP30 in 2025 with more ambitious goals and targets, noting that the Intergovernmental Panel on Climate Change finds that limiting warming to 1.5°C requires reducing global GHG emissions by 60% below 2019 levels by 2035. Consequently, this will result in countries such as South Africa imposing stricter emission reduction policies and measures which will require emitters such as mining companies to double their decarbonisation efforts and activities.

### d) A need for collaboration between mining and other sectors

The outcomes of COP28 presents opportunities for the mining sector to collaborate with governments, other sectors, suppliers and other role players to address climate change and economic succession projects post coal mining. The growing recognition that public finance needs to be deployed in a way that complements and unlocks private finance also provides the opportunity for further collaboration on energy transition projects, research and development and the implementation of regional transition plans.

Countries now have an opportunity to incorporate ambitious actions on methane into their next

NDCs in 2025, both in their top line emission targets and with specific methane targets.

### e) Funding the transition

It is estimated that overall, the transition to a low-carbon economy globally will require investments of \$4-6 trillion a year. Funding gaps in the South African Just Energy Transition Investment Plan (JET IP) provides a window for private sector funding. There's therefore a need for our member companies to explore private public sector funding and investment for the implementation of the JET IP. This is essential to ensure that there is alignment on the private and public sector investments required to achieve the country's decarbonisation commitments, while promoting sustainable development, and ensuring a just transition for affected employees and communities. As South African finance institutions and investors are geared up towards transition financing, the mining industry needs to take advantage of these developments in the financing of their decarbonisation initiatives.

There is therefore an opportunity for mining companies to also consider business opportunities around greener energy options and diversification in other transition minerals i.e. renewables projects for post-mine closure activities. Similarly, this also presents opportunities for collaboration by the South African coal industry which will be impacted heavily by the transition from coal to coordinate efforts on mine closure planning with the economic activities planned to enable a just transition.

### f) Adaptation

The continued focus on adaptation, loss and damage commitment and the financing of these during COP28 also calls for the private sector such as the mining industry to follow suite. The mining industry is equally impacted by the prevailing extreme events resulting from drastic climate

changes thus the urgent need for our member companies to upscale plans and measures to build climate resilience and adaptation to climate-proof mining activities. As a response to the global goal to avert climate change there is also a concerted effort by insurance companies and funders of mining projects on a requirement for companies to address the risk of climate change by incorporating this as a lending criterion. Consequently, the need for the private sector to also augment their funding for adaptation is also a reality.

### g) Reaffirmation of ambitious emission targets

The outcome of the GST notes the insignificant progress by Parties in meeting the Paris Agreement goals, taking cognisance that science indicates that the global GHG emissions need to be cut to 43% by 2030 compared to 2019 levels to limit global warming to 1.5°C. The GST has urged Parties to come forward with more ambitious, economy-wide emission reduction targets which are aligned with the 1.5°C limit at a global scale.

By implication, the mining industry together with other emitting sectors would be required to double their decarbonisation efforts such as increase in renewable energy and energy efficiency technology and capacity. Research and development regarding fuel switching and other decarbonisation and carbon abatement technologies will have to be intensified for the mining industry to reduce their GHG emissions to contribute to the national climate ambition. This requires continuous industry efforts for collaboration on the feasible technologies to facilitate carefully planned mainstreaming of a decarbonisation plan for the mining industry.

## STRATEGIC GOAL 3 – Communicating progress and impact of aggregate EESG performance and adoption of leading practices *continued*

### Update of water conservation and water demand management strategies

In 2023 the updated water conservation and water demand management (WC/WDM) strategies were finalised, considering comments submitted by interested and affected parties including the Minerals Council. The implementation of the national and sectoral WC/WDM strategies by all the relevant sectors will ensure improved water use efficiency and sustainable use of the water resources into the future.

Following the review process, the DWS embarked on a consultative process to develop an implementation/action plan to operationalise the updated strategies. The Minerals Council critiqued the implementation plan, particularly on the industry, mining and power generation implementation plan and submitted comprehensive comments ensuring that the mining industry's key concerns are considered prior to adoption of the action plan.

### Training in and adoption of the WC/WDM in the mining industry

The Minerals Council facilitated the second round of WC/WDM principles and the self-assessment tool training in partnership with the DWS in 2023. The training sessions aimed to ensure that mining operators understand the importance of accounting for all the water that goes into their operations by using the reporting tool. The uptake of the tool is gradually increasing, especially as water scarcity and supply challenges become a key business risk. Making use of the tool has contributed to operations implementing WC/WDM measures to lower their total water consumption making a significant contribution to sustainable water resource use.

### Notice of registration of water use

The Minerals Council has effectively coordinated its members' registration of various water uses, following the notice of registration of water use published in March 2023. Our coordination efforts included workshopping with members on various water uses for registration as per the notice, which we also interpreted to ensure that our members registered their water uses accurately

with the DWS before the June 2023 deadline. This process assisted members in understanding the requirements for the registration of water use which has ensured the availability of water at mining operations.

### Tailings management

We continued to encourage our members to adopt the Global Industry Standard on Tailings Management (GISTM) as well as national legislation and standards, in order to enable sustainable tailings management. In addition, we continued participating in the update of South Africa's SANS 10286 Code of Practice: Mine Residue to align with the GISTM.

The Minerals Council also concluded the dam breach analysis of the Jagersfontein TSF disaster of September 2022 in the first quarter of 2023. The analysis has helped us understand the multiple factors that led to the TSF collapse and enabled members to make use of the information and recommendations in strengthening their tailings management practices.

### Transformation of the mining sector

The Minerals Council continues to advocate for transformative change and growth of the mining industry. During 2023, the focus was furthering the work on Transformation Beyond Compliance through rigorous processes and workshops. This was the foundation for fact-based stakeholder engagements aimed at driving long-term, sustainable benefit for people (employees, community members and suppliers). Stakeholder engagements were held with the DMRE as well as some civil society organisations. The DMRE also hosted a summit in July 2023, which focused on reviewing the MPRDA, with a huge focus on transformation and therefore the Mining Charter. Lastly, a research project was commissioned by the Minerals Council to assess progress made by members on employment equity and human resources development.

### Update on the Transformation Beyond Compliance Project

As the Mining Charter was declared a policy document in 2021 by a high court judgment,

the work on developing an enforceable instrument that brings about greater policy certainty and alignment with global standards was paramount. In May 2023, the DMRE Minister met with our Board and called for an accelerated commitment towards the achievement of transformative socio-economic development outcomes.

The goal was to craft a draft framework that would more effectively drive measurable and integrated transformation impact commensurate with the resources expended by the sector. The sector invests billions of Rands annually on transformational initiatives across all the elements of the Mining Charter, but the impact of this investment is not positively endorsed or felt by our stakeholders. There is also the duplication of efforts and objectives in the Mining Charter and the SLPs.

After months of research and weighing up different options, the proposal centred on repurposing the SLP guideline as this would be the most efficient manner of achieving enforceability. This would include:

- Embedding the non-ownership elements into a repurposed SLP guideline
- Separating the ownership element and incorporating it into the mining right
- Separating those elements that are dealt with more comprehensively through other legislation and regulations

The repurposed SLP guideline would be the principal document for the socio-economic transformation of the sector and would be complemented by a comprehensive Transformative Impact Matrix.

The Transformative Impact Matrix had to align and harmonise with the SDGs, sustainability frameworks and standards that mining companies are accustomed to, but also had to remain a tool for transformation and be a catalyst for socio-economic development outcomes for the regions where mining companies operate and the communities therein.

The Transformative Impact Matrix, unlike the Mining Charter and other B-BBEE scorecards which focus on inputs through a single target, proposed a continuum of possible performance indicators, ranging from active harm, passive harm, inputs, outputs and outcomes. This would allow stakeholders to assess whether initiatives were achieving their desired outcomes and rank them accordingly.

To solidify this work, the industry again proposed that a Mining Sector Transformation Council be established. This Mining Sector Transformation Council would need representatives from the four constituencies represented in Nedlac, namely: government, business, labour and community. The main objectives of the Mining Sector Transformation Council would be to provide clarity and a shared understanding of transformation for the industry. This would include tracking, monitoring and evaluating progress on a regular basis, so that all stakeholders were on the same page. In addition, this council would have advisors comprising of experts, activists and culture catalysts.

The culture catalysts would be a select group of individuals who would serve as the embodiment, advocates and defenders of the values and the spirit of the Transformation Beyond Compliance framework. Primary targets would be leaders within the different stakeholder groupings. These leaders would have the task of inspiring stakeholders towards embracing and inculcating mindsets and cultures that generally enable transformative impact.

The DMRE held a summit to discuss the review of the MPRDA in July 2023. At the end of the summit, they presented high-level feedback and committed to preparing a comprehensive report of discussions within two months. They also committed to conducting stakeholder engagements. Both the report and the stakeholder engagements have not yet been initiated. The industry looks forward to these DMRE engagements as well as sharing some of the ideas in the Transformation Beyond Compliance framework and Transformative Impact Matrix with various stakeholders.

## STRATEGIC GOAL 3 – Communicating progress and impact of aggregate EESG performance and adoption of leading practices *continued*

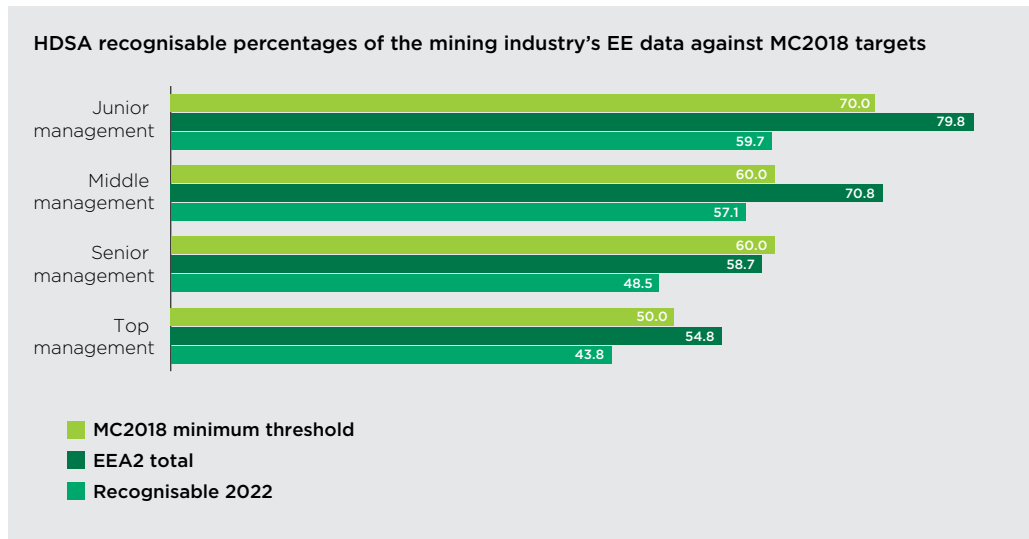
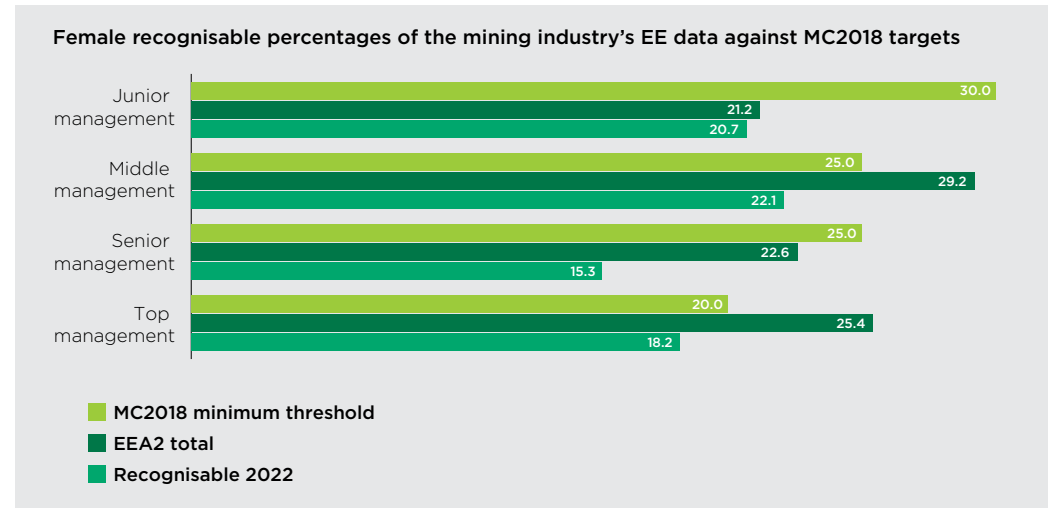
### Tracking transformation progress for the industry

When the Mining Charter 2018 (MC2018) and its implementation guidelines were gazetted, they were not accompanied by a standardised reporting template. At the end of March 2024, it was five years of mining companies reporting on MC2018 in various, unstandardised templates. Notwithstanding this, the Minerals Council commissioned a research study for the employment equity (EE) and human resources development (HRD) elements, as these elements can be analysed, tracked and monitored with a moderate amount of complexity. The other elements in the Charter, namely, ownership, inclusive procurement, enterprise, and supplier development, mine community development and housing and living conditions are hugely complex to review due to the volumes of data required and the unstandardised templates.

The Minerals Council study was based on data sourced from 35 member companies for the 2022 calendar year.

For employment equity, 74 mining right holders submitted reports, representing approximately 50% of the industry by number of employees (based on 238,000 employees in the study and 476,000 employees in the industry). For HRD, we analysed 64 reports representing approximately 69% of the total industry spend (R4.8 billion spent by participants against an estimated R7 billion industry spend).

The results of the study against MC2018's EE and HRD targets aligned to the national economically active population (EAP) statistics. Termed recognisable percentages found that none of the historically disadvantaged South African (HDSA) overall EE targets were met due to under-achievement in certain demographics. However, the spend on HRD met the target.



The graph illustrates that none of the HDSA targets were met, even though in almost all occupational levels, except at senior management, the EEA2 Total percentages at face value were above the MC2018 targets.

The graph illustrates that none of the female targets were met. Middle management and top management female targets were close to being achieved as the recognisable percentages recorded were 22.1% against 25% and 18.2% against 20% respectively.

When analysing the data further for each race and gender grouping at each occupational level, it revealed that White males and White females, as well as Indian males and Indian females far exceeded their EAP-aligned targets. In most occupational levels White males dominated, whereas African and Coloured females were underrepresented. African and Coloured males were the most aligned groupings, mostly just achieving or exceeding their targets.

The MC2018 target for employees living with disabilities was 1.5% for all employees but it was not met. The industry only managed to employ 0.2% of employees living with disabilities, most of whom were African males.

In February 2024, the five-year sector numerical targets were proposed under the Amended Employment Equity Act Draft Regulations and the industry is studying these closely and will endeavour to work deliberately and develop targeted strategies and implementation plans to increase representation of African and Coloured

females, as these are the most underrepresented groupings in most occupational levels.

The industry's R4.8 billion spend on HRD for employees and non-employees, exceeded the MC2018 target - the industry achieved 5.3% against a 5% target. This was a commendable achievement, however, the industry's investment in this element is closely linked to mandatory operational and safety training. This should be balanced with HRD spend that is focused on achieving transformation objectives and succession management.

The WiM team within the Minerals Council commissioned a study to explore how the sector was developing and procuring from women-owned businesses. For more information on this, please see the [WiM section](#).

Socio-economic progress of the sector remains paramount to the Minerals Council and our members, and we look forward to stakeholder engagements hosted by the DMRE. Some elements of MC2018 will reach their five-year transitional targets and therefore create a void for targets and expectations. The Minerals Council and our members hope that the work on the Transformation Beyond Compliance framework will continue to provide a fact-based approach in the co-creation of a new socio-economic landscape for the mining sector.

## STRATEGIC GOAL 3 – Communicating progress and impact of aggregate EESG performance and adoption of leading practices *continued*

### WiM

The Minerals Council's WiM initiative is now in its fourth year since inception in March 2020. The programme is part of the mining industry's strategies and efforts to attract more women to careers in mining and ensure their retention and professional advancement. These strategies also focus on creating a safe working environment for women and addressing barriers to their advancement to senior levels.

We made significant process in 2023 in embedding the WiM strategy and focus areas within the industry. We extended our work on GBVF beyond mine gates and we have included communities in the fight against GBVF through a national partnership on Thuthuzela Care Centres (TCCs) with the National Prosecuting Authority's Sexual Offences and Community Affairs unit and the GBVF Response Fund. The TCCs offer much needed medical, legal and psychological support to survivors of GBVF. It is crucial that these centres have a wide geographical footprint and are of a standard that reflects the sensitive nature of the services provided.

An additional highlight of 2023 was the launch of our procurement project, which supports women-owned businesses through our member companies in the form of supply chain and enterprise development programmes over a period of three years.

### Addressing GBVF

GBVF continues to plague South Africa and the mining industry is no exception. Our member companies recognise that they have an opportunity to contribute to the fight against GBVF in mining, host communities and society at large.

Partnerships with external stakeholders have proven important in amplifying our work. A testimony to this is the national partnership on TCCs which was launched in December 2022. During 2023, we made significant inroads in supporting the TCCs nationally, with 11 member companies pledging their support of the initiative by building new TCCs, renovating existing centres into more suitable structures and providing marketing material and signage for these centres. During the 16 Days of Activism for No Violence Against Women and Children campaign in 2023, Minerals Council member companies joined hands with the TCCs to champion the cause of survivors

by providing comfort packs, renovating TCC buildings and donating blankets and teddy bears for child survivors.

Member companies have pledged R6 million towards the initiative to date and three members have pledged to build three new centres.

### WiM gender diversity and inclusion reporting dashboard

We have seen an increase in reporting by member companies on the WiM gender diversity and inclusion dashboard. One of the key outcomes of the member review on the adoption of the outputs of the WiM Foundational Measures was the need to continue emphasising the importance of collecting data on transformation in the industry to provide critical insights into work required to increase the participation of women in the sector.

Our continued interaction with member companies on the transformation data through quarterly reports, has led to our decision to revise indicators that we track on the dashboard. The revised indicators have been expanded to include information such as the data required on the provision of personal protective equipment for women.

### WiM Heroes initiative

The Minerals Council's annual WiM Heroes initiative acknowledges, appreciates and publicises contributions made by women working in a range of fields across the mining industry. The WiM 2023 Safety Heroes campaign highlights the incredible contribution and the work done by our colleagues towards ensuring safety on mines and especially advocating the safety of women who face an additional risk to their safety at work due to the nature of mining.

You can read more about the WiM 2023 Safety Heroes at: <https://www.shorturl.at/>.

### Assessing the industry's support of the WiM initiative

A major activity for the WiM initiative in 2023 was the study of how Minerals Council member companies were supporting women-owned businesses through supply chain and enterprise development programmes. We embarked on the project in collaboration with the transformation and economics departments to evaluate the extent to which women-owned businesses have

participated in the mining industry between 2020 and 2022.

The purpose of the research project was to establish industry-wide insights on the support of women-owned businesses through the procurement of goods and services, and to understand the possibilities for women-owned businesses to play a more meaningful role in the sector. The report highlighted both progress and challenges. Although there was positive year-on-year growth in total procurement spending, challenges persist, including limited access to resources, patriarchal labour division and the underrepresentation of women in decision-making structures. The results of the study were presented to the WiM Leadership Forum in December and have provided insights into further opportunities for collaboration in the sector to expand transformation and women's economic empowerment beyond the mining gates.

### Assessing the industry's WiM performance

One of our biggest initiatives in 2022 was a study we conducted on how Minerals Council member companies were implementing the foundational measures set out in the WiM strategy. The study included a survey and site visits to companies, as well as focus group discussions. We visited 18 mines and surveyed 32 companies. We used the results of the survey to inform the WiM 2023 work plan.

The key areas we identified from our member review are the need for:

- Improved member engagement on the gender diversity and inclusion dashboard
- Continued mitigation on GBVF
- Elimination of bullying, harassment and victimisation
- Provision of childcare facilities
- Empowered structures at the respective organisations

We incorporated these key focus areas into the WiM strategy for 2023 and beyond. The WiM foundational measures provided a solid framework to drive our WiM objectives.

Some of the feedback from the member review called for the increased impact of WiM initiatives on the ground. To that end, we have adopted the principle of best practice to model ideal actions in the key areas identified and to encourage excellence replication throughout the industry. We have member companies that have championed change at their respective operations in the areas that continue to be challenging for women and these could be shared with other members. Furthermore, partner companies were identified from whom we can learn in setting an industrywide best practice.



## STRATEGIC GOAL 4 - Continually improving the effectiveness and service of the Minerals Council to members



### STRATEGIC GOAL 4

#### Our objectives:

##### Objective 4.1

Conduct regular (at least once per annum) reviews of the strategy and performance against the strategic objectives.

##### Objective 4.2

Broaden the Minerals Council's membership to include emerging miners and ensure their voice on the Board.

##### Objective 4.3

Proactive risk response management system, aligned with the strategic objectives, to manage mining industry risks and take advantage of opportunities.

##### Objective 4.4

Design and implement an effective Human Resources Development strategy to attract, develop and retain a professional team aligned to our strategic goals.

#### Material matters

- **Crime and corruption:** addressing and eradicating all forms of corruption, including through enhanced security, and eliminating organised crime
- **Reputation:** preserving and enhancing the reputation of the industry. Improving the understanding of the critical contribution mining makes to society and the economy
- **Exploration and development:** supporting strategies to promote greenfield and brownfield exploration, new mining projects and extending the productive lives of existing mines, including through enabling legislation and regulation

#### Performance

##### Administration and governance

The governance, risk and administrative function of the Minerals Council seeks to:

- Properly filter external issues and ensure alignment with the revised strategic plan
- Ensure our effectiveness and efficiency
- Evaluate our performance and provide a proper feedback loop to members

Key elements of this work during the year were:

- Ongoing implementation of a modernised human resources strategy to attract, retain and reward a capable Minerals Council team aligned with the revised strategic plan.
- Continue improving the comprehensive performance management system to monitor and manage implementation of the strategic plan. Biannual reviews and a final annual assessment were undertaken, and a performance review of the organisation was completed by the CEO, and submitted to and reviewed by the Remuneration Committee, and ratified by the Office Bearers.
- Continue improving the risk management ecosystem - risk bowtie, heat map and matrix process. The [Minerals Council risk register](#) is acknowledged as one of the most comprehensive in organised business.
- Comprehensive budgeting process, planning and controls implemented along with annual financial statements (AFS). The Minerals Council again achieved an unqualified audit and obtained Board sign off on the AFS within three months of the financial year end. The Audit and Risk Committee has noted the continuous improvement in the financial statements and all internal and external financial controls. The Board approved the Minerals Council 2024 core operational budget in November 2023 and special projects budgets in January 2024.
- Policies are reviewed and updated as required by good governance standards, a comprehensive review and redesign of all internal policies has been completed and implemented.
- The Post Implementation Review Policy on special projects is now embedded. The intention is to evaluate whether project implementation objectives were met, determine how effectively this was achieved, learn lessons for the future and ensure that the mining industry gets the most benefit from the implementation of projects.
- Ongoing strengthening of internal controls by implementing electronic workflow systems on the approval of expenditure.
- Ethics awareness training was held through the year, emphasising business ethics that would

improve the Minerals Council. The programmes are video-based scenarios addressing the types of issues employees face every day.

- Continue improving the integrated talent management approach to drive our overall human resources strategy. The goal is not only to ensure an efficient human resources function, but more importantly, to create an integrated system for managing people and to respond effectively to business needs.

##### Effectively engage members

Minerals Council membership was challenging in the period under review with one member leaving under unfavourable circumstances. We were strident in our efforts to arrest the decline of Transnet Freight Rail's performance and to affect a turnaround in that performance. The actions of the Minerals Council's leadership in this regard, while fully sanctioned by the Board and most of the bulk commodity producers, did not sit well with a particular member, leading to their resignation from the Minerals Council membership. We had taken care to ensure that we were aligned with our bulk commodity producers over the year and a half of intensified engagement with Transnet management, carrying out their mandates. As one member exited a new one came on board, a self-funded, black-owned junior gold exploration and mining company.

A particular challenge for the Minerals Council is interacting with or aligning with non-member



## STRATEGIC GOAL 4 – Continually improving the effectiveness and service of the Minerals Council to members

### continued

companies on broader industry related issues. While our research and leading practices relating to safety, helpdesk and seminars for junior and emerging miners are open to all companies irrespective of membership, we do face challenges working with non-members outside of these areas. We strive to ensure that the legitimate interests of all mining companies are looked after, whether they are members or not.

A key focus continues to be the need to communicate, grow and diversify membership – our membership now increasingly spans majors, mid-level and smaller companies. Through the Board and particularly through the leadership forums which cater for specific commodities and specific areas of interest, members voices are expressed and heard irrespective of the size of the organisation. These forums also ensure that issues of more general concern or interest (e.g. COVID-19, infrastructure and crime) are discussed across a broader member complement.

To ensure that all members are fully informed of discussions and decisions at a Board level, we continue to share Board In Brief notes after every Board meeting with every Minerals Council member company. The Board is mandated to make critical decisions, but we aim to bring our entire membership grouping along with us in those decisions. Board discussions, approaches and decisions are flagged to and debated with members in our forums and committees, to ensure the Board has a mandate.

### Ensuring an enabling environment for junior and emerging miners

The JEMD was formed in 2014 and currently has 38 members which includes three associations. Collectively this represents 50% of the total Minerals Council membership.

The key role of the JEMD is to support membership in policy lobbying and research, and engagement with media and other key stakeholders on behalf of the sector.

*To this end the JEMD achieved the following milestones in 2023:*

#### Policy lobbying:

- The JEMD is reviewing the ASM Policy Framework released by the DMRE in 2022. It is planned to have a position on this by mid-2024.

- The JEMD was part of a team comprising the Minerals Council, MD360° and GGA, considering a competitive and workable mining policy framework for South Africa. The JEMD made inputs into the two focus groups as well as developed a regulatory template highlighting the challenges facing the junior mining sector. This will form part of the overall report.
- The JEMD, together with a team from the Minerals Council, met with the Chief Inspector of Mines in December 2023 to discuss the broad challenges facing junior miners in complying with the current legislative environment, in particular TMM regulations, as well as inconsistent applications of policy throughout the regions. Further engagements on this are planned for 2024.
- Engagement with the DMRE continued with an Exploration Task Team set up comprising of the DMRE, the CGS and the Minerals Council. The key outcomes were to lobby for a junior mining fund and to engage National Treasury on tax incentives for exploration activity.
- The JEMD approached industry experts on what a workable cadastre system should look like. This means that it will have an informed position when the cadastre is finally implemented.

#### Mentorship and support

- In 2023, the JEMD partnered with the JSE on the Junior Mining Accelerator Programme. This tailor-made programme aims to provide strategic support to junior mining companies by providing guidance on where a junior mining company should be positioning itself. Three Minerals Council JEMD members graduated from this programme in 2023.
- South African Diamond Producers Organisation (SADPO) in collaboration with the Geological Society of South Africa organised the Kimberley International Diamond Symposium in August 2023. The JEMD supported some students with funding to attend the SADPO Diamond Symposium.

#### Webinar

- A webinar was held on the transport and energy challenges faced by the junior mining sector. This webinar drew close to one hundred delegates and achieved significant media coverage.

Presenters included the Minerals Council, the Energy Council and industry experts.

#### Media engagement

- Multiple interviews were held with various mining publications and TV channels during the year.

#### Participation at the Mining Indaba

- The JEMD participated at the Mining Indaba 2023 and facilitated a meeting between the CEO of the JSE and the CEO of the CGS. This meeting resulted in further engagements between these two organisations with a particular emphasis on supporting the junior mining sector.

In 2024, we will:

- Continue to engage with both the DMRE and CGS on implementing the Exploration Implementation Plan
- Run a webinar on exploration
- Continue engagement with the media
- Continue to support the Junior Mining and Exploration Leadership Forum by providing both logistical support as well as research capacity
- Continue engagement with our junior members and provide them with support in the form of advice for individual queries with the appropriate expertise in the Minerals Council as well as networking opportunities

#### Hybrid working model – adapting to changing circumstances

The office building at 5 Hollard Street, Marshalltown, Johannesburg, which was home to the Minerals Council for 101 years, was sold in 2023, thereby discharging our mandate of exiting the Johannesburg CBD without any residual liabilities to our members.

As many organisations operating in a post-COVID-19 world, we have adopted a hybrid working model. Employees have the option to work from the new Rosebank offices or at an offsite location, subject to working from our offices for a minimum of two days per week to promote interpersonal interactions and to develop and retain the Minerals Council corporate culture. Some employees in identified positions are required to work fulltime from our offices.

This mode of work offers several advantages for both employer and employees, such as increased productivity, reduced costs, improved work-life balance, and enhanced diversity and inclusion. However, hybrid working also poses some challenges, such as communication and collaboration issues, cybersecurity risks and social isolation. Some of these challenges are mitigated by working from the office at least two days a week.

It is important for us to adopt a strategic and holistic approach to hybrid working that considers the needs, preferences and expectations of all the stakeholders involved, and that leverages the best practices and technologies available.

The hybrid working model is saving the industry in substantially reduced operational and overhead costs.

#### Corporate social investment

In August 2023 a fire engulfed an illegally-occupied, government-owned, five-storey building, Usindiso, in Marshalltown in Johannesburg's inner city, killing 77 people and injuring 88 others. It was one of the deadliest fires worldwide in recent years. The South African Red Cross Society (SARCS) was one of the NGOs to come to the rescue and assist victims of the fire. Based on our century-old association with Marshalltown, the Minerals Council donated R100,000 to the SARCS in 2023.

