

# South Africa KZN Sands Operations Scorecard for Broad-based Socioeconomic Empowerment Charter

ELEMENT	DESCRIPTION	MEASURE	COMPLIANCE TARGET	ACTUAL COMPLIANCE
<b>1. Reporting</b>	Has the company reported level of compliance with the Charter for the calendar year	Documentary proof of receipt from the department	100%	100.0%
<b>2. Ownership</b>	Minimum target for effective Historically Disadvantaged South Africans — Ownership	Meaningful economic participation	26%	100%*
		Full shareholder rights	26%	100%*
<b>3. Procurement</b>	Procurement spent on Broad-based Black Economic Empowerment (BEE) entities	Mining Goods	70%	100.0%
		Services	80%	100.0%
	Research & Development	70% of total research and development budget to be on South Africa-based research & development entities	70%	100.0%
	Sample Analysis	South Africa-based facilities for 100% of mineral samples across mining value chain	100%	100.0%
<b>4. Employment Equity (Excl White Females)</b>	Diversification of the workplace to reflect country's demographics to attain competitiveness. Example: the requirement is that 40% of top management should be Historically Disadvantaged South Africans (HDSA). The business has 67% HDSA top management.	Top Management (Board HDSA)	40%	75.0%
		Senior Management (Exco HDSA)	40%	100.0%
		Middle Management HDSA	40%	79.0%
		Junior Management HDSA	40%	68.0%
		Core Skills HDSA	40%	94.0%
<b>5. Human Resources Development (Excl White Females)</b>	Development of requisite skills, incl. support for South African-based research and development initiatives intended to develop solutions in exploration, mining, processing, technology efficiency (energy and water use in mining), beneficiation as well as environmental conservation	Human Resources Development (HDR) expenditure as percentage of total annual payroll (excl. mandatory skills development levy) Example: if payroll is \$100, the requirement is to spend 5% of the \$100 on HRD.	5%	4.7%
<b>6. Housing and Living Conditions</b>	Conversion and upgrading of hostels to attain the occupancy rate of one person per room.	Percentage reduction of occupancy rate towards 2014 target (1 person per room)	100%	NA
	Conversion and upgrading of hostels into family units	Percentage conversion of hostels into family units	100%	NA
<b>7. Mine Community Development</b>	Conduct ethnographic community consultative and collaborative processes to delineate community needs analysis	Implement approved community projects	Up-to-date project implementation	100.0%
	Project implementation	Percentage of Net Profit After Tax (NPAT) spent on community developmen	1%	100.0%
<b>8. Sustainable Development and Growth</b>	Improvement of the industry's environmental management	Implement approved environmental management programmes (EMPs)	100%	100.0%
	Improvement of the industry's mine health and safety	Implementation of tripartite action plan on health and safety	100%	63.3%
	Utilisation of South African-based research facilities for analysis of samples across mining	Percentage of samples in South African facilities	100%	100.0%
<b>OVERALL COMPLIANCE:</b>				<b>94.9%</b>