

## Community engagement and development

We define community as external stakeholders who are regularly and directly impacted by our activities. This includes the people of Kathu, Deben, Dingleton, Olifantshoek and Thabazimbi, some of whom work, or worked, for Kumba, have family members working for Kumba, the local authorities, those who supply us with services, and yet others who live alongside us. We also recognise the need to engage with host communities in other areas where we have an interest in growing our business, such as the community of the Tsantsabane Local Municipality where Sishen South will operate.

We are a keystone of the regional economies where we operate. Our presence is critical for employment and revenue generation. We recognise our economic importance in the Northern Cape and Limpopo provinces but also understand the need for local and regional economic diversification. This guides our closure planning and we engage with our stakeholders, especially local and regional authorities, in this regard.

Both Sishen and Thabazimbi mines have, since inception, contributed to the growth and development of the Thabazimbi and Gamagara communities by providing bulk infrastructure and other essential services. To understand community issues and needs better, our main focus in community development is geared towards a holistic approach to stakeholder engagement and consultation. In 2007, the socio-economic assessment toolbox was used as a means to consult with stakeholders, specifically host communities. We are analysing the results of this survey which will be used to guide our community involvement strategies.

The mines will produce a socio-economic assessment report and make these available to all key stakeholders during 2008. The social and labour plans and mine closure plans are geared towards creating a sustainable environment through local economic development and skills development. In 2007, we held various sessions with the DME and local municipalities to review our LED projects to ensure alignment with local government's integrated development plans. This process was successfully completed and the updated LED projects were incorporated into our social and labour plans submitted to the DME in 2007.

### Local economic development and corporate social investment

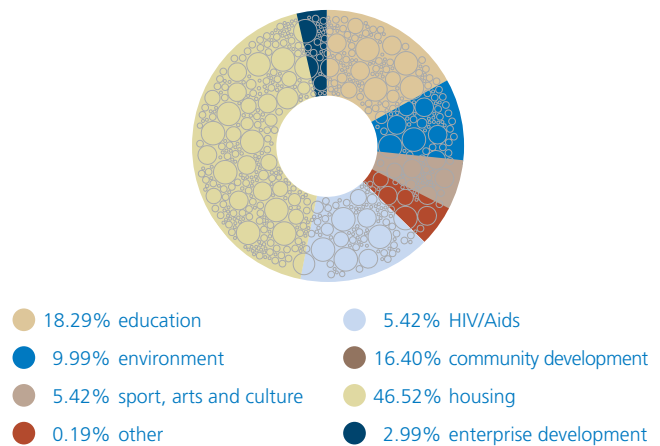
Our contributions to local economic development are centred on our social responsibility standard. The standard recognises two means of contribution: via LED and through corporate social investment (CSI). The latter has two sub-categories – sponsorships and donations – and covers projects that fall outside the scope of our LED support.

LED forms part of our social and labour plans, developed in line with the mining charter's requirements, and highlights our commitment to support financially or otherwise the provision of local infrastructure in support of the municipal integrated

development plan, community development and poverty alleviation initiatives. We use internal and external forums to monitor progress on delivering on our commitments, and will continually engage with all key interested and affected parties to ensure we contribute positively to economic development in our host communities.

During 2007, our LED and CSI expenditure was spread as follows:

#### 2007 LED and CSI spend



#### Investment by local municipality (Rand)

Thabazimbi	2007	2006
Education	157,500	105,120
Health and HIV/Aids	412,411	108,571
Environment	24,587	–
Community development	526,618	628,173
Sports, arts and culture	11,890	7,871
Other	76,000	–
Enterprise development	–	80,000
	<b>1,209,006</b>	<b>929,735</b>

Gamagara	2007	2006
Education	12,700,000	1,040,000
Health and HIV/Aids	3,400,000	128,853
Environment	7,000,000	–
Community development	11,000,000	275,080
Sports, arts and culture	122,516	258,129
Housing	32,700,000	3,100,000
Other	54,737	62,960
Enterprise development	2,100,000	2,010,000
	<b>69,077,253</b>	<b>6,875,022</b>

## Case study: Sishen Mine education

One of Sishen Mine's focuses is to support education institutions to ensure that quality educational programmes and facilities are offered to learners and teachers. To understand the educational needs of the Gamagara Local Municipality, Sishen Mine contracted the services of EQUIP (Educational Quality Improvement Programme) to conduct a needs audit on local education. This included schools in Kathu, Deben (in progress) and Olifantshoek (not yet started). The audit runs from 2007 to 2011.

The following are some of the key projects in which Sishen Mine is participating:

### Kathu High School

A computer-based learning centre and a technical division were established at the school.

#### Computer-based learning centre

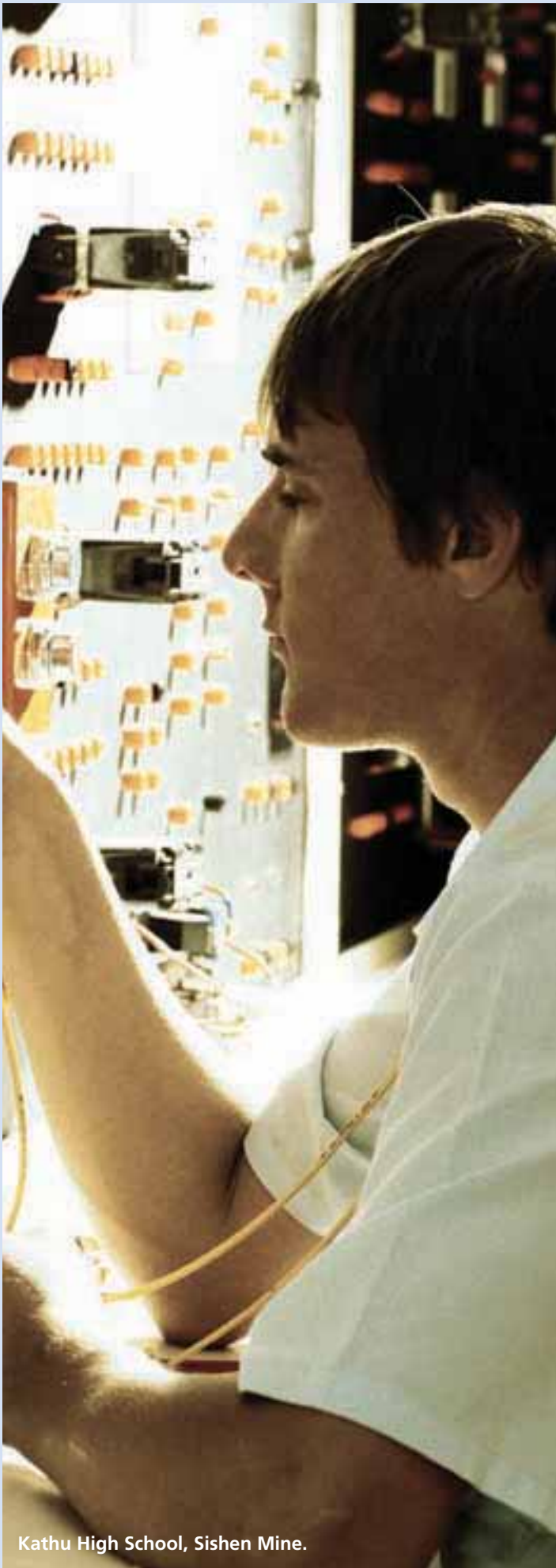
The lack of access to technology has always been an issue for HDSA learners. The centre is equipped with 100 computers, installed with all the necessary mathematics and science software.

The centre also offers quality learning through computer-based programmes specifically in the spheres of science and mathematics.

#### Technical division

Addressing skills shortages is not only the responsibility of the Department of Education but rather a partnership between all stakeholders. There is an acute shortage of skilled artisans due to the emigration of skilled people, ageing, and movement to senior positions.

To address this problem, Kumba also established a technical division at the Kathu High School. This facility allows learners to start their technical careers in their first year of high school, grade 8. When these learners complete grade 12, the programme gives them a better chance of being accepted at the local FET college or into a university or technical university.



Kathu High School, Sishen Mine.

The objective is also to ensure that once learners have completed their studies, they are employed at the mine and their skills are used to benefit the local community. Technical streams that can be followed include electrical, civil and mechanical engineering. Kumba also sources bursary students through this programme to further their studies in the respective engineering disciplines.

### Kathu Campus, language laboratory

A computer-based language laboratory was established at Kathu campus of the Northern Cape Rural FET College. The laboratory addresses the language barrier that slows progress of learners coming from historically disadvantaged communities.

The programme will specifically address the language backlog in technical courses. The software used allows learners to enhance their reading skills at their own pace.

### Kathu Primary School

The needs audit extended to Kathu Primary School. The resulting plan focused on projects that included information signage at the entrance of the school, purchasing textbooks, crucial maintenance of toilets and funding a Neuro-Link development process for both learners and teachers.

Neuro-Link is a total brain-based developmental programme whose objective is to equip teachers and learners with the best available technology for education and human development, the end result being higher levels of emotional intelligence. The programme has the following outputs:

- Better understanding by teachers and parents on unique learning methods as well as mental preferences fit for each learner
- Better performance for learners
- Effective stress management
- Attitude and behavioural changes
- Higher brain fitness levels.

### Dingleton Primary School

Essential support has been provided to the school: painting, new classrooms, covered walkways and a shade netting structure erected to allow for protected gathering space. Playground equipment, educational toys, household equipment, sports clothing and new computers with basic software were also purchased.

### Early Childhood Development Centre

Statistics have proven that a cause of poor results in primary and especially high school learners is a direct result of none or too little cognitive development in the early childhood developmental stages.

The early childhood development centre was established to ensure that children, and specifically HDSA children, will have affordable and easy access to an education institution where they will receive maximum exposure to quality developmental programmes. The centre will provide a safe environment that will develop and enhance cognitive development among the children.

The facility is equipped with a playground, traffic course, shaded sand boxes and educational toys. To attend to the 150 learners in the centre, six teachers with the necessary qualifications were appointed.

## Other stakeholders

This grouping of stakeholders is broad. It includes provincial and national authorities, unions and industry associations. Engaging with these stakeholders is the responsibility, on the whole, of the Kumba head office, specifically public affairs. A head of public affairs was appointed towards the end of 2007 to ensure that Kumba builds strong relationships and partnerships with its stakeholders.

The public affairs role will also ensure that activities relating to stakeholders are better co-ordinated.

Stakeholder	Interest	Method	Frequency	Responsibility
Provincial government	Engaging regularly on relevant issues, continuously seeking partnerships and support on provincial issues of importance.	One-on-one meetings	Quarterly	Mines Head office
District municipality	Engaging district authority regularly on relevant issues through district IDP (integrated development plan) forums and other district committee meetings, updating and informing district council on Sishen Mine initiatives in the district. Continuously seeking new partnerships on district issues of importance.	IDP forum meeting One-on-one meetings with mayor	Quarterly	Mines
Local municipality	Regularly engaging with Gamagara local municipal officials and council on relevant issues through various forums and committees, updating and informing local authority on Sishen Mine initiatives in municipal area. Continuously seeking new partnerships on local issues of importance.	One-on-one meetings with mayor and council IDP forum	Monthly	Mines Head office
Traditional councils	Engaging regularly with traditional leaders on issues of relevance, sharing information and discussing issues of concern.	One-on-one meetings	Bi-annually	Mines Head office
Contractors' forum	Sharing information, building partnerships on development issues, addressing issues of concern (environmental, safety, health).	Forum meetings	Monthly	Mine representatives
Stakeholder environmental management forum	Sharing information and discussing environmental issues mainly due to (but not only caused by) mining activities.	Forum meetings	Quarterly	Mine representatives
Gamagara health/HIV forum	Sharing information and discussing health and HIV-related concerns in municipal area and forming meaningful partnerships to address these issues.	Forum meetings	Quarterly	Mine representatives
Community policing forum	Sharing information and discussing community safety-related concerns in Gamagara municipal area and forming meaningful partnerships to address community safety issues.	Forum meetings	Quarterly	Mine representatives
NGOs, community-based and non-profit organisations	Partnering on delivery of community development initiatives, assisting organisations through board representation.	Meetings	Monthly/ quarterly	Sustainable development teams
Northern Cape Mine Managers' Association	Sharing information and partnering on addressing provincial issues of concern.	Meetings	Monthly	Mine representatives

## Case study:

### Sishen Mine healthcare

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Sishen Mine is a partner in several healthcare initiatives in the Gamagara area, in line with commitments the mine has made in its social and labour plan.

#### Ulysses Gogi Modise Wellness Clinic

This facility was opened by the Northern Cape premier, Dipuo Peters, in December 2007. It will render a much-needed service to the community and will also be able to address the need for testing a huge number of contractors working at the mine. It will provide services to the entire local community and relieve the burden currently experienced by the local clinic.

The clinic was built next to the local hospital which has doctors and other medical services. The location offers easy access from the taxi rank and is within a short walking distance to all other medical services, which include dentists and other doctors.

Sishen Mine financed the construction of the clinic, and is responsible for its operating costs (excluding medicines) for the next three years.

#### Soup kitchen

In Dingleton, Kumba supports a soup kitchen that is voluntarily run and managed by two professional sisters, a chef and 20 health workers from the provincial health department. Nutritious hot meals are provided to 150 patients per day, five days per week.

For people to qualify as soup kitchen beneficiaries, they are initially evaluated by the sisters against certain criteria and then referred to the soup kitchen.

When patients need to be transported to the local clinic or provincial hospital in Kuruman, the soup kitchen ensures food parcels are provided to them on that day.

Other services provided by the kitchen health workers include referrals to medical facilities, social welfare services, house visits and emotional support.

