

These dams are lined appropriately to prevent pollution of groundwater. Groundwater around tailings disposal facilities is closely monitored and groundwater modelling assists in predicting the potential impact of tailings disposal on aquifers.

Ongoing monitoring of surface water runoff and groundwater in the vicinity of the infrastructure alerts operations to any negative impact from waste disposal. Tharisa Minerals has the relevant authorisations for the disposal and storage of both tailings and waste rock.

Waste inventories describing the source, volume, and type of waste generated by each process at the operation, as well as the disposal method, are being managed and give management a better sense of volumes of waste generated onsite to effectively manage the waste generated.

Waste produced	Unit	FY2020	FY2019
Waste rock	Mm ³	16.1	11.1
Tailings	Mm ³	3.7	3.5
Domestic waste	t	637.4	697.6
Hazardous waste: used oil	kℓ	357.8	319.9
Hazardous waste: other	t	356.386	258.9

Tharisa applied for authorisation to upgrade the current sewage treatment plant. The mine has grown significantly from 2012 when the current sewage plant was constructed. The original sewage plant catered for process employees only, as mining was outsourced, with the contractor using septic tanks. The upgrade will incorporate both process and mining in one sewage plant, prompting the proposed authorisation application, which commenced end 2018. In August 2020 Tharisa received the authorisation from DMRE and construction work is scheduled to commence in November 2020. Completion is planned between the 2nd and 3rd quarter of 2021.

BIODIVERSITY

Mining has a direct impact on the physical environment and both mining and beneficiation can affect the biomes in their vicinity. Ensuring that the processes and controls are in place to safeguard the biodiversity in the biomes in which Tharisa Minerals operates is an important aspect of its sustainability model. Biodiversity Action Plans (BAPs) are in place at the operations and were compiled as part of the initial EIA process. Tharisa Minerals is implementing the biodiversity management programmes. The BAPs include commitments to conserve protected areas such as wetlands, zones of endemism, archaeological and heritage sites and protected and endangered species.

The EIA and the EMP include land-use planning that involves engagements with community forums, local municipalities and other affected stakeholders.

Awareness training is planned for employees, contractors and communities regarding sensitive and endangered species around the operation.

ENVIRONMENTAL REHABILITATION

Tharisa Minerals considers the impact of its operations on local landscapes at each stage of the mining cycle from initial exploration to construction, operation and eventual decommissioning and closure. Operations rehabilitate concurrently with ongoing mining activities wherever possible.

The cost of rehabilitation and closure is assessed annually by independent specialists in alignment with the requirements of relevant legislation, EMPR closure commitments and applicable good practice. Financial provision is then made in the form of a financial guarantee, which is submitted to the DMRE.

The total cumulative mine closure and environmental rehabilitation provision for the year 2019-2020 is R 283 520 665

The regulations in terms of NEMA pertaining to financial provision for rehabilitation and closure for prospecting, exploration, mining or production operations were published in November 2015. These regulations have significant financial implications for the mining industry and the Mineral Council of South Africa is engaging with the DMRE around this impact and the industry's concerns.

These regulations require mines to provide for ongoing expenses after mine closure and effectively freeze the existing

provisions for rehabilitation and closure, requiring further provisions to be made from operating expenses. Assessments aligned to these regulations need to be completed and submitted to the DMRE by February 2021.

EMPR AMENDMENT

Due to the ever-evolving environment and the growing mining footprint, Tharisa has again applied for an amendment to the EMPR. The application was triggered by the following activities:

- The need for an increase in diesel capacities
- Change in the current mining waste footprint (tailings and waste rock dumps)
- The need for an additional waste rock storage area
- The inclusion of portion 113, which was not part of the mining right

The application for authorisation in this regard was submitted at the end of 2019. Due to lockdown regulations and the fact that Tharisa had submitted multiple individual applications, the DMRE requested Tharisa to re-submit a consolidated application in August 2020.

HUMAN RESOURCES

Introduction

As emanated from the concluded wage negotiations post FY2018, the Harmonisation Task Team consisting of management and majority trade union stakeholders finalised the terms of reference and submitted its final report to management in October 2020 with harmonised conditions of employment and other issues of mutual interest. The two-year wage agreement concluded in

SUSTAINABILITY CONTINUED

2018 elapsed on 30 June 2020 and management, together with the three recognised unions, began wage negotiations on 8 October 2020. The wage agreement concluded will be effective from 1 July 2020 with a period to be agreed at pending wage negotiations.

With COVID-19 cases being reported in South Africa in March 2020, the Company responded positively by adhering to the World Health Organization's hygienic protocols and constructed a quarantine facility for its employees. COVID-19 communicative forums are held with the union representatives on a bi-weekly basis for information sharing and awareness purposes.

In addition to this approach, the human resources (HR) department has placed a great emphasis on cost-saving initiatives, while still developing and supporting our employees. Some of these approaches include:

Psychometrics

Tharisa has embarked on in-sourcing all psychometric assessments, with a full-time Registered Industrial Psychologist administering, scoring, interpreting and providing feedback on these results. This process has allowed Tharisa to save costs on outsourced services and aid in the HR life cycle of employees with more contextual knowledge.

Culture

Key leadership processes were initiated, with a Tharisa Hero campaign taking centre stage for the conditioning of the new culture. Leadership training was rolled out to the workforce with a merger process initiated for online e-learning, which will allow individuals to complete training at their own pace and minimise operational requirements. Gratitude boards were also launched to make employees aware of the positives that surround us.

Communication

An interactive software programme was launched for all computer users to give up-to-date messages, with state-of-the-art designs and rosters allowing for a more transparent workforce culture and informative content. TV communication, grouped with videos and booklets, have allowed employees to feel part of the culture.



	2019	2020
HDSA	91%	92%
HDSA management (Grade F)	100%	100%
HDSA management (Grade E)	44%	47%
Number of permanent employees	1 747	1 736
Number of permanent contractors	1 079	1 346
Lost days to labour action	0	0
Women	21%	22%
AMCU members	51%	32%
NUM members	10%	12%
Solidarity members	0	29%*

* Not previously recognised

Coaching and counselling

Coaching programmes, as well as one-on-one counselling conducted by the Industrial Psychologist, were initiated for leaders to create peer accountability and continuous development, while creating a safe environment for followers to raise their views with the support of their respective leaders. This also allowed for counselling through hindrances that affected personal well-being and organisational output.