



PPC Cement SA (Pty) Ltd

**Grassridge Mine
(PPC Port Elizabeth)**

DMRE Region - Eastern Cape

Mining License Ref No. – EC 30/5/1/2/2/0149 MR

Local Economic Development

For the period September 2023 to August 2028

Third Generation Social and Labour Plan

GRASSRIDGE MINE



The organization of this document follows directly from Regulation 46 (a) to (f) –



PLEASE NOTE THAT THIS DOCUMENT IS ONLY AN EXTRACT FROM THE PPC PORT ELIZABETH GRASSRIDGE THIRD GENERATION SOCIAL AND LABOUR PLAN, AND THIS EXTRACT IS PUBLISHED IN GOOD FAITH TO COMMUNICATE THE APPROVED LOCAL ECONOMIC DEVELOPMENT (LED) PROGRAMME.

Abbreviations and Acronyms

AET	Adult Education and Training
AIDS	Acquired Immune Deficiency Syndrome
ART	Antiretroviral Therapy
BBSEE	Broad-Based Socio-Economic Empowerment
BEE	Black Economic Empowerment
BBBEE	Broad-Based Black Economic Empowerment
CIF	Critical Infrastructure Fund (DTI)
CSI	Corporate Social Investment
DMRE	Department of Minerals Resources and Energy
DHS	Department of Human Settlements
DoEL	Department of Employment and Labour
EE	Employment Equity
EIA	Environmental Impact Assessment
EMP	Environmental Management Programme
EMPR	Environmental Management Programme Report
GDP	Gross Domestic Product
HDP	Historically Disadvantaged Person
HDSA	Historically Disadvantaged South African
HIV	Human Immunodeficiency Virus
HRD	Human Resources Development
IAP	Interested and Affected Parties
IDC/P	Individual Development Charter/Plans
IDP	Integrated Development Plan
IPA	Individual Performance Agreement
LED	Local Economic Development
MDG	Millennium Development Goals
MMSD	Mining, Minerals and Sustainable Development
MPRDA	Mineral and Petroleum Resources Development Act
MQA	Mining Qualifications Authority

Glossary

Table 1: Glossary

ACI	Africans, Indians and Coloureds
Community	A coherent social group of persons with interests in or rights on a particular area of land. The members hold or exercise these interests or rights communally in terms of an agreement, custom or law.
Contractors	Contractors are defined as those workers with which the mine has a strategic relationship and who are in jobs that potentially could be performed by the mine's own employees, such as drilling and blasting. The definition once-off specialist and service providers such as those involved in housing projects and capital expansion.
Employee	An employee is defined as any full-time person who directly works for the owner of a permission/permit, prospecting right, mining right, mining permit, technical co-operation permit, exploration right and production right and who is entitled to receive any direct remuneration from the holder of any of the above-mentioned rights.
Historically Disadvantaged South African (HDSA)	Refers to any person, category of persons or community, disadvantaged by unfair discrimination before the Constitution of the Republic of South Africa, 1993 (Act No. 200 of 1993) came into operation.
Integrated Development Plan (IDP)	A plan aimed at the integrated development and management of a municipal area as contemplated in the Municipal Structures Act (Act 117 of 1998). For the purposes of this Social and Labour Plan, IDP is taken to mean the IDP for the Bergrivier Municipality.
Labour-sending areas	Municipalities from which current employees have been recruited.
Local labour	Those employees recruited locally
Major labour-sending areas	As far as this Social and Labour Plan is concerned, major labour-sending areas are those municipalities from which the MINE sources the majority of its labour. Special consideration is given to these municipalities because of the MPRDA's requirements for the mine to co-ordinate its Local Economic Development (LED) programme with the municipalities' Integrated Development Programmes (IDPs).
Management	This is equivalent to Paterson Grade C4 – D4 for Grassridge

Mine community	The mine community is defined as those towns, villages and tribal settlements that fall within the local municipality. Mine community issues that are directly and indirectly required by the regulations to be addressed in this Social and Labour Plan are: a) Existing and expected patterns of human settlements and villages within this community; b) Patterns of labour sourcing for the mine; c) Common commuting habits to and from the mine on a daily or weekly basis for the purpose of work; d) Spending patterns of the mine's employees; e) The use of social amenities, recreational facilities and infrastructure; f) Commercial and industrial linkages; g) Provincial and municipal boundaries; h) Existing and proposed functional boundaries, including magisterial districts; i) Existing and expected land use, transport modes and routes; j) The need for co-ordinated social development programmes and services, including the need for housing, nutrition and healthcare; and The need to rationalize the delivery of sustainable services and other socio-economic programmes as committed to in this Social and Labour Plan, particularly with respect to pragmatic delivery, financial viability and the mine's administrative capacity.
Municipality	k) For the purposes of this Social and Labour Plan, a municipality is defined as a local municipality that shares municipal executive and legislative authority in its area with a district municipality within whose area it falls and which is described in section 155 (1) of the Constitution as a category B municipality.
Grassridge	Grassridge Mine a division of PPC Ltd.
Total procurement spend	Expenditure on capital goods, consumables and services. This includes both discretionary and non-discretionary expenditure.

EXECUTIVE SUMMARY

In 2023, PPC celebrated 131 years of existence– a formidable 13 decades of innovation as a leading cement producer in Southern Africa. PPC also celebrated its 113th year on the JSE listing becoming part of an extremely small and elite group of listed centenarians in South Africa.

Established as De Eerste Cement Fabrieken Beperkt in 1892, changing its name to Pretoria Portland Cement (PPC) in 1908. PPC has tracked the growth and development of South Africa, producing the cement used in many of the country’s iconic landmarks and construction projects, including the Union Buildings, Gariep Dam, Van Staden’s River Bridge, Gautrain, Medupi Power Station, the new Cape Town Stadium in Green Point and much of Southern Africa’s infrastructure.

For 131 years, PPC has been a leading manufacturer of quality cement, ready-mix, aggregates and Fly Ash, which are key input products into the African building environment and the economy through the local value chain and employment. PPC, its Board of Directors, and management are committed to a high standard of ethical performance and a high standard of business conduct throughout the PPC Group. Furthermore, the PPC Group is committed to conducting its business and operations in compliance with the laws and regulations in all the jurisdiction in which it operates. .

The group is the leading supplier of cement in Southern Africa through various cement manufacturing, milling facilities and depots in South Africa, Botswana, and Zimbabwe that can produce around eleven million tones of cement products each year. PPC also produces aggregates & limestone. Our Mooiplaas aggregates quarry in Gauteng has the largest production capacity in South Africa.

Our focus extends beyond our group to the broader industry. As a leader in this industry, PPC has actively invested in technology to reduce air emissions, minimize waste production, recycle and recover raw materials, enhance energy efficiency and conserve natural resources – while producing a reliable and affordable supply of building materials to support the economies of countries where we operate.

PPC is a truly African success story – a focused business that reflects the strengths of its people, products and services. As we embed our footprint in South Africa, Botswana and Zimbabwe, we will deploy our sustainable business model – one built to last and the brand of choice in our chosen marketplaces.

PPC’s purpose is to empower people to experience a better quality of life.

OPERATIONS AND GEOGRAPHY



Grassridge is located in the Nelson Mandela Bay Municipality in the Eastern Cape Province in Ward 14 and 15 in New Brighton.

PPC Grassridge (“Grassridge”) is one of the PPC mining operations and operates as a cost center supplying products directly to the market and supplying Limestone to the PPC Port Elizabeth factory.

BACKGROUND INFORMATION

1. Name of company	PPC LTD
2. Name of quarry	GRASSRIDGE MINE
3. Physical address	131 Ferguson Road, Deal Party, Port Elizabeth, 6000
5. Postal address	c/o PPC LTD, P/Bag X 2016, North End, PE 6045
6. Telephone Number	041 486 2272
7. Fax Number	041 486 2145
8. Location of Mine	NELSON MANDELA BAY MUNICIPALITY EASTERN CAPE
9. Commodities mined	LIMESTONE
9. Life of Mine	50 years
10. Financial Year	APRIL - MARCH
11. Reporting Year	BY 30 JUNE OF EACH YEAR
12. Responsible Persons	JOHANNES COETZEE – PLANT MANAGER NOMAWONGA SPEELMAN – OFFICER HUMAN RESOURCES
13. Geographic origin of employees	refer to Table 2

1.2.1 Location of Grassridge Mine

Grassridge Mine, which falls within the boundaries of the town of Uitenhage, is located in the Nelson Mandela Bay Municipality in the Eastern Cape Province.

Figure 2: Grassridge locality map



SECTION 4: LOCAL ECONOMIC DEVELOPMENT

Social and economic background – Nelson Mandela Bay Municipality:

Regulation 46 (c) of the MPRDA requires that Grassridge outlines strategies and policies for Local Economic Development (LED). Grassridge recognizes that the business of mining has considerable economic, social and environmental impacts which have to be considered during the life of the mine.

PPC's approach to LED is participative, whereby the company through its local operations, as is the case with Grassridge, works with government and municipalities of the mine communities in the formulation and implementation of Integrated Development Plans (IDPs).

4.1 PPC Group Approach to LED

Local Economic Development (LED) and Corporate Social Responsibility (CSR) are considered to be integral parts of doing business in Grassridge. A key theme is the upliftment of the communities from which PPC draws a significant percentage of its employees. PPC Grassridge's LED focuses on how the Mine will address the socio-economic development needs of its local communities.

4.2 PPC LED Support in the Mining Communities

PPC approaches the issue of LED through the local governments and municipal authorities. Each mine such as Grassridge is tasked with establishing liaison and communication structures with the district and local government structures in the area where it operates. This participative approach will ensure that all operational initiatives in the field of economic development are formulated and at the same time implemented as an integral part of the local authorities' economic and integral development plans.

In addition, PPC operations like Grassridge liaise with the local government structures and the other stakeholders in the labour sending communities to ensure that local economic development initiatives are also integrated into the economic and development plans of those areas.

The LED support by Grassridge in the mining communities is guided by the principles outlined in the following paragraphs:

4.3 LED Focus Areas

The focus areas for LED support by Grassridge include the following:



- Primary Health Care
- Education and Skills Development
- Enterprise Development
- Infrastructure Development

The LED project plans agreed with the municipalities in the mining community as per this SLP will specify the focus area(s) in terms of the above and will also indicate the scope of each project, for instance, in terms of the number of jobs to be created or the target beneficiaries of the project.

There will be continuous review checks of the LED projects during the implementation process that will ensure that the projects achieve the desired output and objectives, and also to see to it that projects are not static but are revised in terms of the changing needs to ensure sustainability.

4.4 LED Support Drivers

The identification of Local Economic Development projects guided by:

- Integrated Development Plans (IDP) or LED Plans at local Municipality
- National goals on economic development, infrastructure development, social development and poverty eradication.
- Socio-economic development objectives at the mining communities
- Collaborative structures with local economic development partners, meaning the bilateral and stakeholder forums.

4.5 LED Ownership

Grassridge main business activity is that of mining and LED support is an integral part of the Grassridge sustainable development strategy. LED is a primary responsibility of the following entities:

- a) Local government (Municipalities)
- b) Provincial government
- c) National government

Grassridge supported LED projects will be owned by both local government structures and PPC from inception until the completion of the 5 year plan. On completion of the 5 year plan an exit or a hand-over strategy will be implemented.

Responsibility of Grassridge on LED

PPC recognizes the need to promote local community development and social uplifting of communities within our surrounding and labour sending areas.

Running a profitable and sustainable mining operations that create opportunities, boost local economy through supporting local business activities is a commitment to meaningful contribution towards the development of the communities.

4.6 SOCIAL AND ECONOMIC BACKGROUND INFORMATION OF EASTERN CAPE PROVINCE

Introduction

The Eastern Cape, lying on the southeastern South African coast, is a region of great natural beauty, particularly the rugged cliffs, rough seas and dense green bush of the stretch known as the Wild Coast.

The province's diverse climates and landscapes range from the dry and desolate Great Karoo to the lush forests of the Wild Coast and the Keiskamma Valley, the fertile Langkloof, renowned for its rich apple harvests, and the mountainous southern Drakensberg region around the town of Elliot.

The Eastern Cape's main feature is its spectacular coastline, lapped by the temperate Indian Ocean. With long stretches of unspoilt sandy beaches, rocky coves, secluded lagoons and towering cliffs, the coast is the province's main tourist attraction.

Lying in Algoa Bay is Port Elizabeth, the largest city and an important harbour. Other major towns include Bisho, the capital; Uitenhage, which has important motor vehicle manufacturing and related industries; King William's Town, rich in early settler and military history; Grahamstown, also known as the City of Saints because of its more than 40 churches; as well as Mthatha, Graaff-Reinet, Cradock, Stutterheim, Aliwal North, and Port St Johns, the largest town on the Wild Coast.

The Land and Population

The Eastern Cape is home to over 7.2 million people. Over 85% of the population in the province is black African, 7.6% is coloured, 5.6% is white and Indian/Asian comprises less than half a percentage of the population in the province. The most spoken languages in the province are isiXhosa, English and Afrikaans. The Eastern Cape is known for its rugged coastline, scenic mountains and wildlife reserves including the Addo Elephant park, which is located in Gqeberha (formerly Port Elizabeth), the most populous city in the province. The economy of the Eastern Cape is largely based on agricultural activities, manufacturing, and tourism.

The population of the NMBM is 1 152 115 and it covers an area of 1 950 km². Census 2011 also tells us that there are 324 292 households. The official estimate of the population in 2001 was 1 005 779 people and 260 799 households.

According to Census 2011, 60,1% of respondents described themselves as black African, 23,6% coloured, 14,4% white and 1,1% Indian/Asian. Of the population, 552 994 (48%) are male and 599 121 (52%) are female.

Young people (0–14 years) constitute 25,5% of the population, youth (15–35 years) 37,1%, adults (36–64 years) 31,4% and the elderly (65+ years) 6%.

IsiXhosa is spoken by 53,2% of the residents as their mother tongue. Afrikaans is the mother tongue of 28,9%, and English 13,3%.

Group	Percentage
Black African	60,1%
Coloured	23,6%
Indian/Asian	1,1%
White	14,4%
Other	0,8%

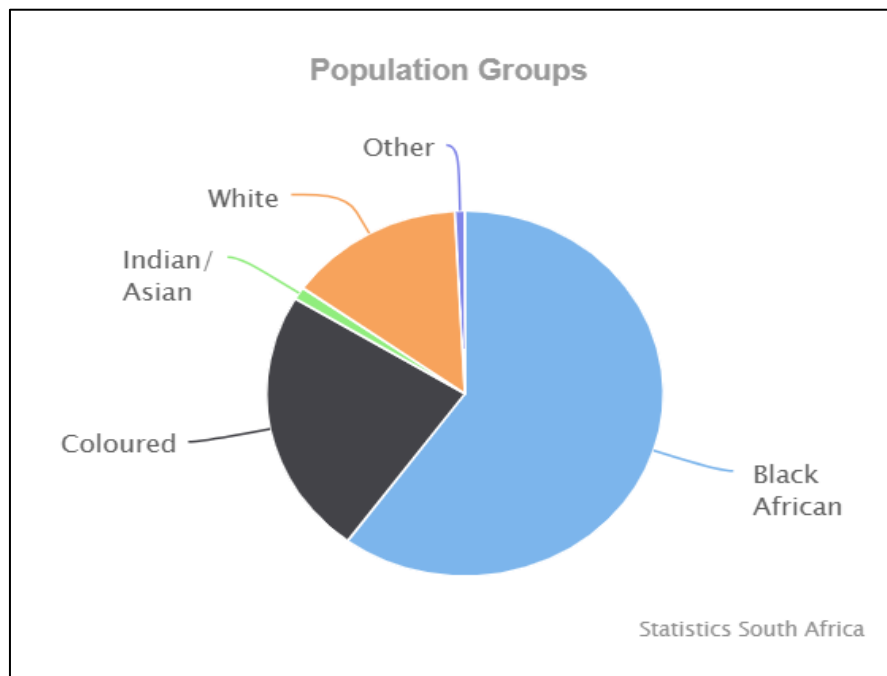
Economy

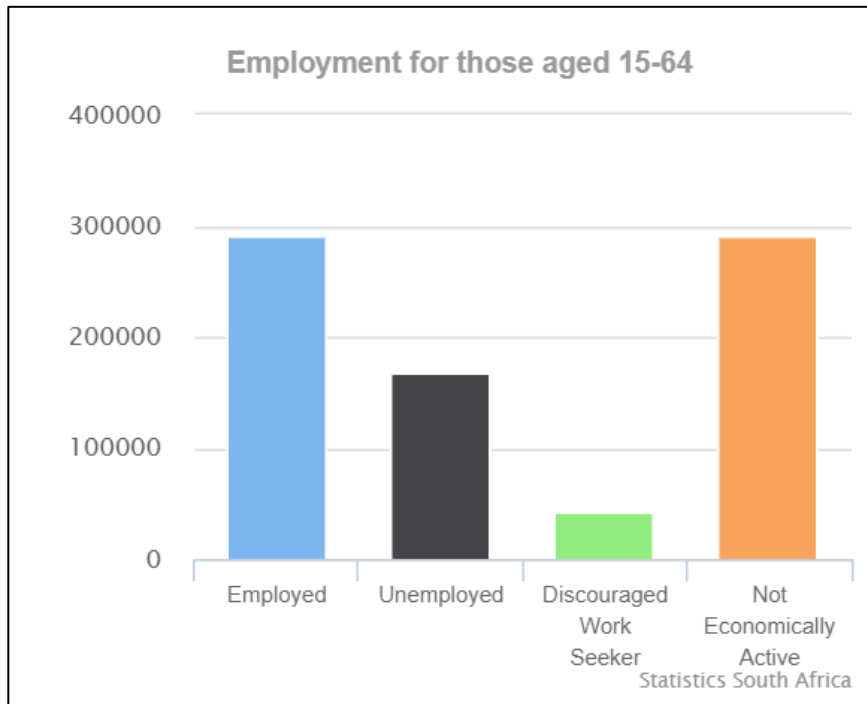
The unemployment rate in the Nelson Mandela Bay Municipality was 36,6% in 2011, compared to 46,4% and 36,3% in 2001 and 1996 respectively.

According to ECSECC (Eastern Cape Socio Economic Consultative Council), the GDP growth rate for the Nelson Mandela Bay Municipality was 2,1% in 2010 and the GDP per capita R52

147. The largest economic sectors in the Nelson Mandela Metro are manufacturing, finance, community services and transport. Community services, trade and manufacturing sectors are the sectors that create the most employment in the metro.

Employment Status	Number
Employed	290155
Unemployed	167229
Discouraged Work Seeker	41859
Not Economically Active	289969





Agriculture, fishing and forestry

There is much fertile land in the Eastern Cape, and agriculture is important. The fertile Langkloof Valley in the southwest has enormous deciduous fruit orchards, while sheep farming predominates in the Karoo.

The Alexandria-Grahamstown area produces pineapples, chicory and dairy products, while coffee and tea are cultivated at Magwa. People in the former Transkei region are dependent on cattle, maize and sorghum-farming. An olive nursery has been developed in collaboration with the University of Fort Hare to form a nucleus of olive production in the Eastern Cape.

There is excellent potential for forestry – the coastal areas receive good summer rainfall and have a moderate climate, becoming more subtropical to the north-west. The Tsitsikamma National Park on the southern border is home to dense indigenous forest.

The basis of the province's fishing industry is squid, some recreational and commercial fishing for line fish, the collection of marine resources, and access to line-catches of hake.

Education and Employment

The Eastern Cape has the second highest percentage of learners in the country that did not pay school fees (81%) in 2013 whereas Limpopo has the highest with 91,0%. This is significantly higher than the national average (62,4%). In 2013, 87,2% learners attended schools with nutrition

programme and 85,1% of them made use of the service. There is a significant decrease in learners identifying high school fees as a problem since the introduction of “no fees” school policy. This is according to the Education series II: Focus on schooling in Eastern Cape report released by Statistics South Africa (Stats SA) today.

The report shows that the percentage of individuals (5 years and older) who attend school and receive social grants increased from 3,1% in 2003 to 61,3% in 2013. Eastern Cape has the highest percentage of individuals who received social grants (40,3%).

The report shows that the main reason provided for not attending an educational institution by both genders was “no money for education fees” with 20,2% for males and 25,7% for females. About 19,1% of males reported that they are not attending a school because they either not interested or thought it was useless. Those who did not attend school because of a disability were 10,3% and 2,5% for males and females respectively. Close to 8% of females indicated that they did not attend schools due to pregnancy.

Male primary school completion rates for the province increased from 35,8% in 2002 to 68,2% in 2013, yet it is the lowest completion rate as compared to females in the Eastern Cape as well as national levels. The secondary school completion rate for the country was higher by over 20% than that of the Eastern Cape (20,6%). However, there has been an improvement in secondary school completion rates between 2002 and 2013 and more especially the female secondary completion rate, which increased from 21,4% in 2002 to 32,2% in 2013. Nationally, it increased from 37,0% in 2002 to 50,7% in 2013.

The Eastern Cape has a slow age per grade transition. According to the Eastern Cape Learner Educator Census (ECLECS-2013) data, around 20% of learners enrolled in Grade 1 across all the educational districts are older than the expected age. Moreover, girls are more likely than boys to be of an appropriate age per grade. When comparing learners who have fallen two or more years behind the expected age for grade, they seem more likely to come from female headed households; belonging to households more dependent on social grants as a main source of income; and more likely to be from extended and triple generation households.

The report includes a learning environment deprivation analysis which provides indicators such as deprivation index, deprivation headcount and its intensity per education districts. The deprivation index was constructed by use of variables such as access to facilities and basic services critical for effective teaching and learning, learner–classroom ratios as a measure of overcrowding and learner-teacher ratio.

Of the approximately 601 000 learners in the foundation phase, about two in ten learners were considered deprived with an overall deprivation intensity of 39, 1% in the Eastern Cape. Lusikisiki has the largest number of deprived pupils in the foundation phase with close to a quarter of the total number of learners most likely to be deprived (12 284 deprived learners) at an intensity deprivation of 43,5% and a deprivation index of 0,118. Similarly in Mthatha, out of a total of 41

588 foundation phase pupils, an estimated 10 025 learners were considered as deprived with an intensity of 41,8%.

In the intermediate phase, a total of above 117 000 pupils were most likely deprived. This amounts to about 31% of pupils across the educational districts, with a deprivation ratio of 0,309 and a mean deprivation intensity of 0,423. The highest number of deprived learners in this phase are estimated for Libode with 39,9% of the pupils (13 855) estimated to be most likely deprived, with a deprivation intensity of 46,4% and a deprivation index of 0,185. In the senior phase, 127 122 (45,9%), learners were most likely deprived and in the FET phase, 103 467 (35,8%), learners were most likely deprived.

Employment and job creation context for Nelson Mandela Bay

The number of employed persons in Nelson Mandela Bay has now recovered to pre pandemic levels of employment, however, the number of unemployed persons actively seeking work has also increased to an unprecedented level. Hence, a greater proportion of the working age population of Nelson Mandela Bay than ever before is now included and participating in the City's labour force.

The year-on-year increase in Nelson Mandela Bay's unemployment rate (from third quarter of 2020 to third quarter of 2021) is 0.2 percentage points. The performance of Nelson Mandela Bay's labour market since the commencement of the national lockdown (which started on 27 March 2020), is as follows:

Table 16: Labour force Characteristics – Eastern Cape

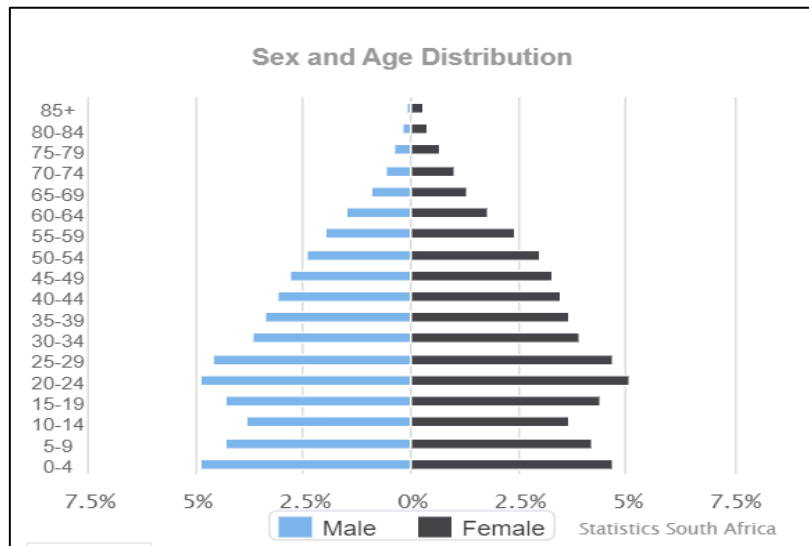
	April-June 2020	Jul-Sep 2021	Change
Employed labour force	291 000	338 000	+ 47 000
Unemployed labour force	197 000	232 000	+ 34 000
Unemployment rate	40.4%	40.7%	+ 0.3 percentage points

Overview of the Nelson Mandela Bay Municipality

Nelson Mandela Bay Municipality is one of eight Metropolitan (or Category A) municipalities in South Africa. The Nelson Mandela Bay Metropolitan Municipality was established on 5 December 2000. It is located on the shores of Algoa Bay in the Eastern Cape province, and includes the erstwhile city of Port Elizabeth and the former towns of Uitenhage and Despatch, as well as Colchester, Blue Horizon Bay and Seaview. Historic townships include New Brighton, Kwa Zakhele, Kwa Magxaki, Walmer, Zwide, Swartkops and Motherwell.

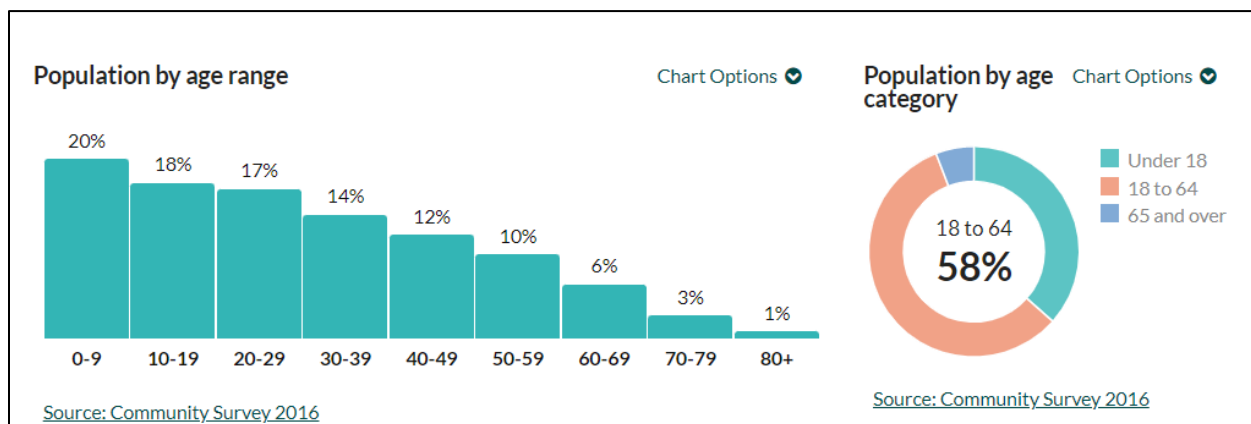
Table 17: Population by Age Group and Gender – NMBM

The following population pyramid shows the gender and age distribution of the population in Nelson Mandela Bay in 2011 when the last Census was undertaken:



Source: Census, 2011 - Since 2011, the Community Survey has permitted an update to figures at Metro level to 2016 and the following diagram shows the population by age range:

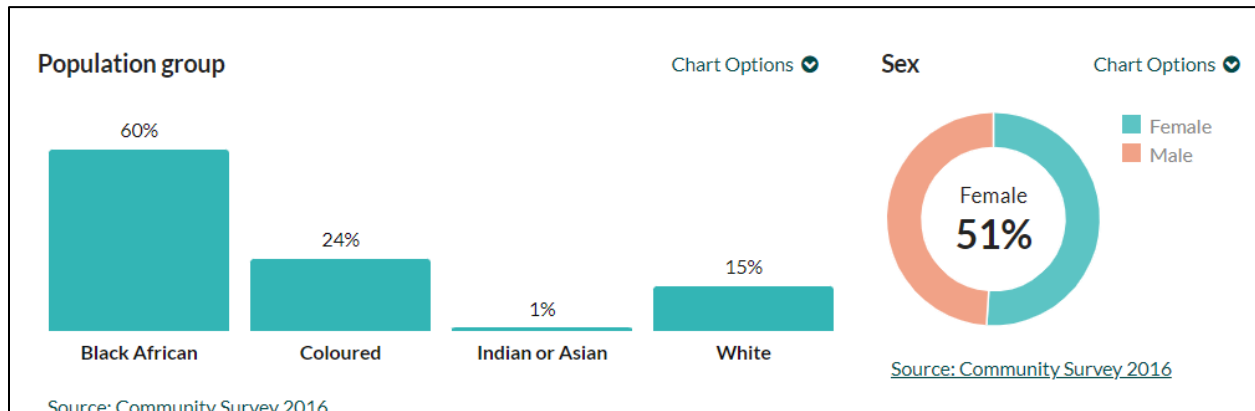
Population by age range



The 0-9 age category represented 18,10% in 2011 and 20% in 2016. The age 20-39 category has decreased from 34% in 2011 to 31% in 2016. The age group 0-49 category represented 80,50% in 2011 and 81% in 2016.

The following represents the race and gender profiles of Nelson Mandela Bay population in 2016.

Population by race and gender



Poverty and income

According to STATS SA General Household Survey (2020), 27,2% of households in Nelson Mandela Bay listed grants as their main source of income. Salaries and wages as the main source of income were most prominent in Tshwane (63,7%), Johannesburg (63,5%), Ekurhuleni (63,5%) and Cape Town (61,2%). Nelson Mandela Bay at 55,6% and Buffalo City at 47% are amongst those Metros with the least source of income from salaries and wages. The average for Metros is 61,8%.

Education

In Nelson Mandela Bay, 3.5% of people older than 20 years with less than Grade 7 education are literate. In Buffalo City, this figure is 9,4% being the highest in South Africa. The Metro average figure is 5.5%. The enrolment ratio for appropriate at all school types in Nelson Mandela Bay is 99,5% with the Metro average standing at 96,2% (STATS SA, GHS, 2020).

Health

In respect of health, 26% of people have medical aid cover against a Metro average of 22,4%. 60,6% of households have their usual place of consultation as a public facility in Nelson Mandela Bay compared to a Metro average of 63,3% (STATS SA GHS, 2020).

Crime

When considering crime statistics for the last year, it is important to recognise that the state of disaster and the lockdown regulations had a very large impact on the capacity of Police to

investigate, monitor and uncover crimes as well as community reporting of crimes. In addition, the various levels of lockdown would have had a direct implication on the type of crimes and number of crimes committed and reported. According to the SACN State of Safety in South African Cities Draft Report (2021/22), it is within this context that the following information should be interpreted:

“Nelson Mandela Bay has the highest murder rate in the country, standing at 71 murders per 100 000. The national average is 33,5 murders per 100 000. Buffalo City, eThekweni and Msunduzi are the Metros that join Nelson Mandela Bay in recording above average murder rates. Assault with intent to inflict grievous bodily harm as recorded by the Police have declined steadily in all cities since 2005/06. Nelson Mandela Bay has had the greatest decline (-68%) of the Metros. The average Metro rate of assault with GBH is 208 per 100 000 population. Nelson Mandela Bay is second to Buffalo City with 327 incidents per 100 000. Buffalo City stands at 447 incidents per 100 000.

With regard to robberies at non-residential premises, Nelson Mandela Bay has recorded the largest decrease (-46%) since 2011/12. Msunduzi increased by 191% and Buffalo City by 73%. In respect of robberies at residential premises, Nelson Mandela Bay increased from 2015/16 to 2019/20 by 50%. Cape Town and Msunduzi recorded higher increases at 78% and 95% respectively. However, in the 2020/21, Nelson Mandela Bay Municipality and five other Metros recorded decreases. Nelson Mandela Bay decreased by 19%. As opposed to robbery, burglary is a non-violent crime and residential burglaries have decreased in all cities since 2005/06. Crime statistics and the monitoring of shifts in crime is important when role players attempt to introduce measures to create a safer city for businesses, residents and visitors.

ACCESS TO SERVICES AND AMENITIES SERVICES

Water

According to STATS SA General Household Survey (2020), 98,1% of households in all Metros have access to piped or tap water in dwellings, off-site or on-site. Nelson Mandela Bay has 100% whilst Cape Town has 99,8% of households with access to tap water followed by Johannesburg with 99,5%.

The Municipality is assessing the extent of water provision backlog in recently established informal settlements and standpipes are installed in such areas on an ongoing basis.

Sanitation

Nelson Mandela Bay has the highest household access to improved sanitation of all Metros in the country (99,9%). Buffalo City has 93,7% and Ekurhuleni has 93,6%. Improved sanitation is defined as flush toilets connected to a public sewerage system or a septic tank, or a pit toilet with a ventilation pipe (STATS SA GHS, 2020). The Municipality rolled out basic sanitation in some historic informal settlements and relocated other households to formal sites with waterborne sanitation. During the 2020/21 financial year, the Municipality connected 1 222 new sewer connections with an additional 1 280 connections up to 31 December 2021 (2021/22). Approximately 5 800 buckets are in circulation in informal settlements as a means of sanitation.

The Municipality is assessing the extent of sanitation provision backlog in recently established informal settlements. Sanitation challenges in such areas will be addressed as part of the NMBM Bucket Eradication Programme.

Waste management (refuse removal)

According to STATS SA General Household Survey (2020), refuse is removed at least once per week or less often for 85,8% of all households in metropolitan areas, notably higher than the national figure of 62,6%. Refuse removal was most common in Ekurhuleni (93,7%) and Nelson Mandela Bay (90,8%) and least common in Buffalo City (67,3%), Tshwane (76,3%) and Mangaung (79,0%).

Those not receiving weekly refuse removal in Nelson Mandela Bay, take their refuse to the nearest drop-off sites. The Municipality continues to face the challenge of illegal dumping and refuse collection in informal settlements without proper access to roads.

Electricity and energy

According to STATS SA General Household Survey (2020), households that used conventional electricity meters were slightly more common in metros (19%) than nationally (12,3%). The use of conventional meters was most widespread in eThekweni (30,6%) and Ekurhuleni (25,9%) and least common in Nelson Mandela Bay (1,1%) and Buffalo City (4,1%). Pre-paid meters were, by contrast, most common in Nelson Mandela Bay (96,9%) and Mangaung (93,5%). The Municipality

continues to explore sustainable approaches towards addressing illegal electricity connections in informal areas on non-proclaimed sites (i.e. sites not serviced or surveyed/pegged, under power lines and on flood plains, and invaded municipal land).

With effect from 1 February 2022, the Municipality introduced an Electricity Tampering Amnesty Project. The intention of the project is to create a platform that allows all customers to voluntarily declare any type of tampering with municipal electricity meters or equipment. Those that declare tampering will not have associated fees and charges raised for the specified period.

Housing

Nelson Mandela Bay has the lowest level of informal houses of all Metros in the Country standing at 9,5% in 2020. Other Metros informal dwellings are Buffalo city (27,2%), Johannesburg (19) and Cape Town (18,6%) (STATS SA, GHS, 2020). The 2020 demand for subsidised housing as captured in the Housing Needs Database is calculated at 124 342 shown below. This is significantly higher than the STATS SA estimate.

Gross Value Added by Broad Economic Sector

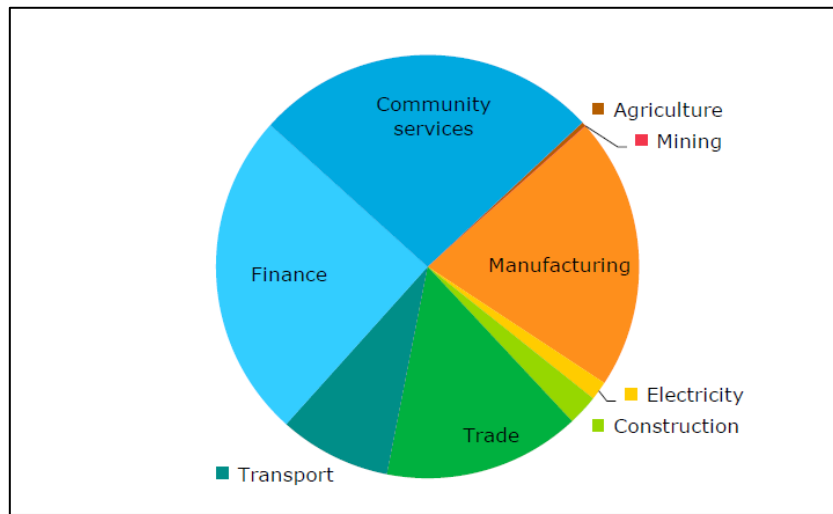
Nelson Mandela Bay's productive activity is made up of various industries. Nelson Mandela Bay's Gross Value Added (GVA) is a measure of the output (i.e. production) of the metro in terms of the value that was created within this geographic area.

Gross Value Added (GVA) by Broad Economic Sector – Nelson Mandela Bay, 2020 (R billions, Current Prices)

	Nelson Mandela Bay	Eastern Cape	National Total	Nelson Mandela Bay as % of province	Nelson Mandela Bay as % of national
Agriculture	0.5	7.4	139.5	6.2%	0.33%
Mining	0.0	0.5	353.2	9.4%	0.01%
Manufacturing	27.1	49.1	648.4	55.1%	4.18%
Electricity	1.9	8.6	157.3	21.9%	1.19%
Construction	3.0	10.4	134.3	29.1%	2.26%
Trade	19.6	66.1	659.5	29.7%	2.97%
Transport	11.1	25.1	368.8	44.4%	3.02%
Finance	32.6	85.7	1,216.0	38.0%	2.68%
Community services	34.3	130.1	1,320.8	26.4%	2.60%
Total Industries	130.2	383.0	4,997.9	34.0%	2.60%

In 2020, the community services sector was the largest within Nelson Mandela Bay accounting for R34.3 billion or 26.4% of the total GVA in the metropolitan economy. The sector that contributed the second most to the GVA of the Nelson Mandela Bay was the financial sector followed by the manufacturing sector. The sector that contributes the least to the economy was the mining sector with a contribution of R45.2 million or 0.03% of the total GVA.

**Gross Value Added (GVA) by broad economic sector
Nelson Mandela Bay, 2020**



**Gross Value Added (GVA) by Broad Economic Sector – Nelson
Mandela Bay, 2010, 2015 and 2020 (R billion, 2010 Constant Prices)**

	2010	2015	2020	Average Annual growth
Agriculture	0.2	0.3	0.3	2.08%
Mining	0.1	0.1	0.1	-1.01%
Manufacturing	22.0	23.5	20.1	-0.89%
Electricity	1.1	1.0	0.9	-2.29%
Construction	3.3	3.5	2.5	-2.48%
Trade	15.2	16.1	13.3	-1.30%
Transport	10.2	11.4	9.8	-0.45%
Finance	23.6	25.5	26.1	1.02%
Community services	25.3	27.2	27.5	0.82%
Total Industries	101.0	108.5	100.5	-0.04%

4.7 THE SOCIO-ECONOMIC IMPACT OF GRASSRIDGE ON THE MINE COMMUNITY

Wage Impact

As at 31 January 2024, the Nelson Mandela Bay Municipality ward 14 & 15 – New Brighton in the Eastern Cape Province benefited from Grassridge employee wages at an average monthly figure of R1 297 203 (One million two hundred and ninety-seven thousand two hundred and three rand).

Indirect Contributions

The indirect impacts are closely linked with the preferential procurement programs whereby, various markets for business opportunities are created to service the mine and surrounding communities. The mine's impact accrues as a result of the proactive measures that have been taken by management to ensure that the operations occur in harmony with the surrounding communities. Moreover, the impact is along the following key dimensions:

- Positive contribution towards the local, district and provincial economies
- Positive contribution towards the creation of employment opportunities
- Contribution towards the development of new business ventures in the form of SMME development..

Negative impact of the mining operation

	Yes	No	Measures to address the impact
Relocation of People		X	
Exhumation of Graves		X	
Influx of People		X	
Other			

The contribution that Grassridge will make towards infrastructure provision and poverty eradication within the mine community will be a function of the mine's Transformation Department. These impacts on the Local Economic Development (LED) program for the Province and well as the local municipality.

These programs are, in turn, closely aligned with the Integrated Development Plans (IDP) of the Nelson Mandela Bay Municipality (related to Ward 14 & 15).

Grassridge Local Economic Development Project (LED)

Grassridge LED program will focus on sustainable development as a means to underpin economic empowerment specifically focuses on the mine community and communities from which Grassridge draws its labour. The core benefit underlying the program will be social stability.

The aim of Grassridge's LED commitment will be to ensure that the mine's efforts and expenditure in social investment are effectively coordinated and managed to the best advantage of the mine's stakeholders.

The programme will concentrate on building partnerships in which stakeholders commit jointly to projects that are mutually beneficial and add value to the municipality and communities in which the programme operates. This will require an on-going process of consultation with communities and government.

These two steps in the process through which LED projects will be put forward for the mine's consideration.

The Social Investment or LED policy will focus on projects that are:

- Listed in the Integrated Development Plans of the Nelson Mandela Bay Municipality;
- Related to Primary Health Care
- Related to Enterprise Development
- Related to Infrastructure;
- Related to Education and Development;
- Wherever possible related to job creation and skills transfer.

Strategic objectives of Grassridge' LED Programme

The commitment to sustainable development will be to use the mine's expertise and business skills to:

- Support socio-economic development in the mine community;
- Align the mine's LED programs with the local IDP of the Nelson Mandela Bay Municipality;
- Develop meaningful and sustainable partnerships with the communities;
- Support the enlargement of the human resources skills pool;
- Contribute towards social stability in the mine community;
- Create a positive reputation for Grassridge as a socially aligned operator; and
- Develop partnerships with relevant stakeholders that are mutually beneficial and add value to the expected outcomes of the LED program.

The mine will develop its own LED program that will specifically focus on the mine community and communities from which Grassridge draws its labour.

Strategic Objectives of the Nelson Mandela Bay Municipality

1: Improved basic education	5: Skilled and Capable Workforce	9: Responsive, Accountable, Effective and Efficient Local Government
2: Long and Healthy Life for All	6: Efficient, Competitive and Responsive Economic Infrastructure	10: Environmental Assets and Natural Resources Protected and Enhanced
3: All People Are and Feel Safe	7: Vibrant, Equitable and Sustainable Rural Communities with Food Security	11: Better South Africa and Better and Safer Africa and World
4: Decent Employment Through Inclusive Economic Growth	8: Sustainable Human Settlements and Improved Quality of Life	12: Efficient, Effective and Development Orientated Public Service and Empowered, Fair and Inclusive Citizenship

Co-operation with municipal IDP programmes

Grassridge will participate in the local IDP process at various levels of government to ensure that the mine's selection and sponsorship of LED initiatives are linked to the government's development priorities. To the extent possible, all projects that the mine sponsors will be relevant, defensible, auditable and sustainable.

Prior to implementation, relevant projects will be discussed with the relevant municipal or district authorities responsible for the implementation of the IDPs, as well as with all other affected stakeholders.

Grassridge LED program will build on existing relationships and partnerships with stakeholders in close proximity to the mine operation. Grassridge will develop plans with local government and communities to address development issues in an integrated manner where appropriate.

Social and Economic Background of New Brighton

Ward 15 had a geographical area of 1.45km² and the Census 2011 registered this ward as having a total population of 15 286. This ward has a higher female population than male with 48% males and 52% females. A total of 99% are Black African and the main language used in the households is isiXhosa spoken by 92% of the population.

Key results for Ward 15:

- The population is predominantly Black African (99%).
- The population consist largely of females
- 49% of the population are aged between 25 -64
- 30% of the population 20 years of age or older have completed Grade 12 or higher.
- 26% of the working population (15 – 64) is employed.
- 37% are unemployed or discouraged work-seeker.
- 76% of households have a monthly income of R3183 or less.
- 100% of the Households (3660) are located within the urban area.

- 90% Live in formal dwellings
- The average household size consists of 4.18 people.
- 59% of households have access to piped (tap) water inside their dwelling.
- 89% of households have access to a flush toilet connected to the public sewer system.
- 81% of households have their refuse removed at least once a week.
- 86% of households have access to electricity for cooking in their dwelling.
- 89% of households have access to electricity for lighting in their dwelling.
- 13% of households have access to electricity for heating in their dwelling.

The table below reflects the type of amenities available in the Ward (2022):

NO.	LOCATION	AMENITY
1	New Brighton Oval	Club Level Sport Facilities
2	New Brighton Clinic	Health Facility
3	Avenue D Field	Informal Sport Field
4	Railway Flats Field	Informal Sport Field
5	Malakane Sports Field	Informal Sport Field
6	NMBM Multi-Purpose Stadium	National/Provincial Sport Facilities
7	Ferguson/Old Grahamstown Rd entrance	Open Space
8	8th Street	Open Space



NO.	LOCATION	AMENITY
9	Ferguson Rd POS	Open Space
10	Ferguson/Old Grahamstown Rd entrance	Open Space
11	Mtiya Street	Open Space
12	Avenue C	Open Space
13	Singapi Road POS 3	Open Space
14	Ferguson Rd/ Avenue E verge	Open Space
15	Off Avenue A	Open Space
16	Singapi Road POS 1	Open Space
17	Singapi Road POS 2	Open Space
18	Steboneath Road (Centre Island)	Open Space
19	Uitenhage rd Centre Island & verge	Open Space
20	Kempstone Road Centre Island	Open Space
21	Govan Mbeki Av /Grahamstown Road	Open Space
22	Mendi Str verge	Open Space
23	Ferguson/Old Grahamstown Rd entrance	Open Space
24	Mtiya Street	Open Space
25	lane btwn Fettes /Prince Alfred Road	Open Space
26	Govan Mbeki Av /Grahamstown Road	Open Space
27	Sydenham Road Centre Island	Open Space
28	Milner Avenue	Open Space
29	Fetters Road	Open Space
30	Milner Avenue	Open Space
31	Prince Alfred Road/Fetters Road	Open Space
32	Prince Alfred Rd	Open Space
33	Sydenham Road Centre Island	Open Space
34	Albert Street	Open Space
35	Ambrose St /Stebonheat Rd/Voyle St	Open Space
36	Wildcocks Circle	Open Space
37	Settlers Way	Open Space
38	Settlers Way / Albany Rd	Open Space
39	Steboneath Road (Centre Island)	Open Space
40	Kempstone Road Centre Island	Open Space
41	Settlers Way at Darling Str	Open Space
42	Hoff / Kommissaris POS	Open Space
43	Settlers Way at Darling Str	Open Space
44	Settlers Way / Boswell Rd	Open Space
45	Uitenhage rd Centre Island & verge	Open Space
46	Grahamstown Rd Circle	Open Space
47	Govan Mbeki Av /Grahamstown Road	Open Space
48	Broad st verges (Bridge)	Open Space
49	10th Street	Open Space
50	Avenue C verge	Open Space
51	Butterworth verge	Open Space
52	Voyle Str/Essen Circuit verge	Open Space
53	Ximiya Rd	Open Space
54	Sheya Kulati Dr verge	Open Space
55	Arthur Nyobo Primary	Primary School

NO.	LOCATION	AMENITY
56	Jarvis Gqamlana Primary School	Primary School
57	Kama Primary School	Primary School
58	Lwandlekazi Secondary School	High School
59	Sydenham Primary School	Primary School

Ward based needs and priorities of New Brighton according to the NMBM IDP

In the previous public participation sessions held with Ward Committees and Communities, processes were undertaken to determine the priorities within wards.

The following priorities have emerged:

- (i) Rectification of pre-1994 houses
- (ii) Provision of Street lights and high mast lights
- (iii) Tarring of roads and construction of speed humps
- (iv) Attend to water leaks
- (v) Attend to illegal dumping and Bush clearing
- (vi) Construction and upgrade of Sport fields, Parks and Play grounds
- (vii) Upgrade and maintenance of sewerage system
- (viii) Visibility of Metro Police and SAPS due to high crime rate
- (ix) Electrification of informal settlements and
- (x) Provision for Schools and Clinics

Grassridge LED Programmes & Initiatives include:

As highlighted – The socio-economic contribution that PPC Grassridge mine have had in their labour sending areas in the past & will continue to have in the future, mostly focus on infrastructure development, education and poverty eradication within the mine community through the mine's Corporate Social Investment (CSI) and Social and Labour Plan (SLP) Programmes. These programmes have a great impact on the Local Economic Development (LED) programme of the Nelson Mandela Bay Municipality. Some of the initiatives which started as CSI programmes have developed into SMMEs, creating employment for the local community. Although not previously documented, these programmes were closely aligned with the IDPs of the Municipality.

Grassridge's future SLP programmes will focus and partnership and collaboration with stakeholders within New Brighton.

Prior to implementation, relevant projects will be discussed with the relevant municipal authorities responsible for the implementation of the IDPs, The New Brighton Community Engagement Forum as well as with all other affected stakeholders.

In consultation with the Municipality, councillors and the community, Grassridge intends to embark on the following project(s):

Projected Social & Labour Plan Projects and Cost

Projected Social & Labour Plan Project for the Grassridge third generation Social and Labour Plan (2023 – 2028) is detailed below.

LED Project identified for Ward 14 and 15 as consulted on and endorsed by the Nelson Mandela Bay Municipality.

3.3.1.1 Project main objective:

To provide a school fence for the Jarvis Gqamlana Primary School with vehicle and pedestrian gate. The fencing of Jarvis Gqamlana primary school is a key need of the community to ensure safety of the learners and to safeguard the property from vandalism.

3.3.1.2 Project Beneficiaries:

Jarvis Gqamlana Learners, school teachers, New Brighton community.

3.3.1.3 Project Implementation Plan:

<u>Jarvis Gqamlana Primary School</u>	
Conceptualizing and consultation with relevant stakeholders: ward councilors, DMRE, NMB Municipality, PPC.	October 2023
Identify project as per NMBM IDP and community needs	January 2024
Consultation with DMRE for approval	January 2024
MOU Signature	
LED Implementation	2027
<u>Budget</u>	<u>R 560 000</u>

Project Stakeholders:

Stakeholders	Roles and responsibilities
PPC	• Funder of project • Adhere to Criteria • Ensured of long-term success

Identify Project	• PPC in consultation with, SGB, Department of Education, DMRE and ward Councillors
Nelson Mandela Bay Municipality	• Ensure alignment of the IDP with the District framework. • Ensure alignment of the project with IDP • Ensure that all relevant stakeholders are involved • Responsible for the overall management, coordination and monitoring of the project. • Ensure long term success of project • Asset Management
DMRE	• Approval of the SLP Project
Implementation	• PPC in collaboration with the service provider
Handover	• PPC to hand over the completed project to Jarvis Gqamlana Primary School
Monitor	• PPC, Jarvis Gqamlana Primary School Principal and the DMRE (Regulator)