



CARE for iMali – TAKING CARE OF PERSONAL FINANCE

FACT SHEET

March 2017

The events at Marikana on the platinum belt in August 2012 highlighted the many extraneous factors that impact the lives of mine employees and which contributed to labour instability in the sector and beyond. While wages became a rallying point for the industrial action referred to simply as “Marikana”, the situation was exacerbated by other issues including poor living conditions, lack of service delivery and high levels of employee indebtedness that severely reduced many employees’ take home pay.

With this in mind, in 2014, Sibanye launched a financial literacy and awareness programme to assist and advise employees on the management of their personal finances. Thabisile Phumo, Sibanye’s Senior Vice President: Communications, says indebtedness and forced savings came through as a significant issue in an employee needs survey undertaken in 2013. The survey enabled Sibanye to better understand its workforce and the importance of engaging with employees based on facts rather than assumptions about their needs. The survey also revealed the importance of demographics in determining perceptions, concerns and needs.

The survey highlighted the importance of personal finance for many employees – concerns ranged from understanding pay slips to more complex issues such as being more knowledgeable when signing credit agreements or what to do when debt becomes unaffordable. The complexity of the problem was also apparent in the high number and value of emolument attachment orders (often referred to as “garnishee orders”) issued against the Sibanye’s employees. These garnishee orders resulted in drastically reduced take home pay.

James Wellsted, Senior Vice President: Investor Relations, says that Sibanye established its CARE for iMali/Khatelele’imali/Hlokomela chelete (“care about money” in isiXhosa and Sesotho) programme in order to pre-empt problems and address employee concerns.

The Care for iMali programme is based on the **CARE value system** on which Sibanye’s corporate culture is founded:

- **Commitment:** Delivering on promises to all stakeholders
- **Accountability:** Accepting responsibility for all actions and their consequences
- **Respect:** Showing consideration of others
- **Enabling:** Making it easy to work productively and safely

In line with our commitment to continue developing and entrenching this programme over time, the values on which it is based have been expanded to include.

- **Safety:** I am safe. We are safe

“Designed to improve financial literacy and understanding among employees, CARE for iMali has become one of the most popular initiatives among employees.”

BECOMING FINANCIALLY SAVVY

Sibanye's approach, in partnership with employees, is to help ensure that monetary concerns do not negatively affect employees' lives and that they are able to manage their affairs from an informed position.

The CARE for iMali programme is straightforward in its conception and in its direction. Its principal aim is to promote an understanding of the implications of debt while helping to determine the factors causing indebtedness and to formulate ways to best manage and resolve unaffordable debt repayments.

The programme is not intended to turn people into financial planners, rather it is intended to help people understand the implications of defaulting on debt, emolument attachment orders, the risks of taking on too much debt and becoming ensnared by loan sharks – the “mashonisas” who operate illegally, charging exorbitant interest rates, and who prey on unsuspecting borrowers.

Care for iMali has been expanded beyond addressing just employee indebtedness. We have also begun providing financial wellness training to the communities in which our employees reside locally as well as to their extended families in labour-sending areas. The people with whom our employees socialise and their dependants will thus acquire a better understanding of the burden of debt often suffered by breadwinners.

In November 2014 and again in February 2016, Sibanye conducted week-long community training in the Eastern Cape. This training was well-received and Sibanye was asked to continue with efforts to assist employees and communities to improve their financial literacy and wellness.

In addition to the one-day CARE for iMali training Sibanye has begun regular audits of the emolument attachment orders issued against its payroll. Some garnishee orders were found to be illegal or to persist long after the original debt had been repaid. Thus far, interventions by Sibanye have resulted in the recovery of and/or savings of more than R1 million in illegal deductions and these audits in conjunction with the financial coaching and training provided have delivered exceptional results with garnishee orders declining by 58% over this period! What period?

In all, 21,700 employees and community members attended CARE for iMali sessions during 2016. A CARE for iMali industrial-theatre production and song, reinforcing the principles of financial accountability, were developed. The industrial theatre was amended to reinforce understanding of debt consolidation and to include home ownership. Debt-stressed employees are supported by CARE for iMali coaches and can choose either debt consolidation or debt review.

In addition to the industrial theatre shows, animated motion graphic visuals were designed and produced for employees to aid understanding of the key messaging around the principles of financial accountability.

Since 2015, financial awareness retirement workshops allied to the Care for iMali programme and run by provident and pension funds, have been scheduled for employees approaching retirement. To date, 268 employees have attended these workshops.

Roll out of Care for iMali began at our new platinum operations in September 2016. By year-end, 269 employees had received on-mine training, and 250 employees had undergone one-on-one coaching at our Kroondal operation. In addition, 318 community members from the Seraleng Karlin Park, Ikemeleng Phuaane Greater Kroondal, Ramochana Sunrise Park Rustenburg East, Nkaneng Lapologang and Photsaneng Mfidikwe Thekwana communities in North West Province attended CARE for iMali workshops.

The CARE for iMali project is delivering positive results and will set Sibanye employees on the road to achieving financial freedom.



On-mine Care for iMali training is presented to employees by Millicent Nyembe, the programme facilitator at the Driefontein training centre. Weekly training at all satellite training centres is supported by one-on-one sessions with facilitators if required. Participants are advised on their personal financial status and the options available if they are in dire financial distress. Continued support is available close by at all centres.



The Care for iMali programme was extended to labour-sending areas in the Eastern Cape during March 2016. Community members in Mt Frere were eager to participate and learn how to manage their money wisely. Some community members arrived at the venue on horse-back as they had to travel far to make use of this opportunity. Participants were grateful that Sibanye had recognised the need for such an initiative and requested more initiatives like the Care for iMali programme. One of the recipients noted that Sibanye was the first mining company to provide such training in the Eastern Cape.