



From the
desk of

SHADWICK
BESSIT

we are one
**Sibanye
Stillwater**

2 April 2019

UPDATE ON AMCU STRIKE: 'RETURN TO WORK' OFFER

Dear Colleagues,

The AMCU strike has entered its 5th month and as management we remain concerned about the negative impact this is having on our employees and their families.

The company has made several attempts to resolve the strike by tabling 'return to work' proposals to assist striking employees when they return to work. These proposals were formally rejected by AMCU. We then also participated in the Section 150 process facilitated by the CCMA but could not agree to the CCMA's proposal and further demands tabled by AMCU. It is important to highlight that these engagements were not about the wage agreement, as the agreement signed with NUM, Solidarity and UASA is final and no further increases will be considered or given as it undermines the agreement already signed.

It is important to understand that as a result of the strike, the company is suffering significant financial losses due to lower than normal production and additional strike related costs. The company previously tabled 'return to work' offers that included; the ex-gratia payment (non-repayable), payment in kind, a soft loan and debt consolidation as a fair financial package. However, due to the fact that the longer the strike takes, the more the costs accumulate with respect to the payment in kind, which is the payment the company makes on employees' behalf towards accommodation, food and basic amenities of life in addition to the medical aid and pension/provident fund contributions, thus reducing the amount available for the ex-gratia payment. This aspect was made very clear to AMCU leadership. Effectively, this means that the R4 500 ex-gratia payment that was put on the table in February, decreased to R2 500 in March and has now gone down to zero. The continued contribution by the company to medical aid, and the risk portion towards the pension/provident funds is important to ensure that striking employees retain these benefits beyond the strike. Management has further offered to provide free transport for striking employees to return to work once the strike ends, as part of the financial package.

We remain hopeful that the striking employees will consider our third and final offer:

Salary Advance

- The Company will pay the striking employee a salary advance of R5500 (five thousand five hundred rand). This amount will be subjected to applicable tax legislation.
- The striking employees will be required to repay the salary advance over a 12 (twelve) month period. The striking employees will only be required to commence repaying the salary advance in July 2019. Interest will not be payable on the salary advance.

Back to Work

- The striking employees will return to work, for the commencement of the required induction process, within 7 days of signing the settlement in accordance with the staff build-up schedule.
- The striking employees will be subject to proper induction and heat screening to ensure that they are fit to proceed underground.



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Transport of members

- The Employer will make the necessary arrangements to transport striking employees, who have travelled home during the strike - from their homes back to their place of work, aligned to the staff build-up schedule.
- The transportation of striking employees back to work will be at the Employer's expense.

Debt Consolidation

- The Company agrees to assist striking employees to consolidate their debt, if any, as provided for in National Credit Act, 34 of 2005. Such assistance will be provided as part of the Employers' Care for Imali Programme.

Payments 'in-kind' made by the Company on the striking employees' behalf

- During the strike, the Company continued to provide the striking employees with accommodation, food, and made payments on their behalf, including contributions to the members' respective medical aid and pension/provident funds (in respect of risk benefits).
- The Company waives its rights to recover such amounts paid during the strike, on behalf of the striking employees (meaning that such monies will not be claimed from the strikers).

Death of Employees during the Strike

- The Company will offer employment to a relative of an employee who passed away during the strike due to strike related violence.
- The Employer's policy in respect of death-in-service will apply to employees who died during the strike.

Disciplinary Action

- During the strike, the Company dismissed a number of employees for strike related misconduct. The Company agrees that such dismissals will be reviewed.
- Accordingly, the parties agree that formal disciplinary proceedings will be initiated against the dismissed employees in accordance with the Company's disciplinary code and procedure.
- AMCU is permitted to make written submissions regarding the disciplinary process, which the Company will consider.
- The Company will take disciplinary action against any employee alleged to have committed strike related misconduct.

We wish to thank all the non-striking workers who continue to ensure that we produce safely.

Safety is our priority.

SHADWICK BESSIT
EXECUTIVE VICE PRESIDENT
SA GOLD SEGMENT



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