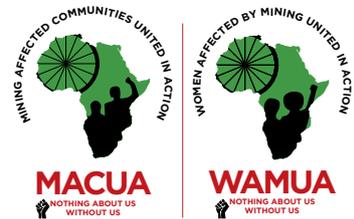




SOCIAL AUDIT SUMMARY

MOKOPANE: IVAN PLATS MINE 2022





INTRODUCTION

A social audit is a community led process whereby the cogency and implementation of commitments made by mining companies affecting communities is put to the test. A Social and Labour Plan (SLP) is a document that mining companies are required to submit to the Department of Mineral Resources and Energy (DMRE) as part of their application for mining rights. It outlines the manner in which the company aims to benefit communities affected by their operations through the implementation of various projects. The purpose of the SLP, therefore, is to promote employment, advance social and economic welfare, contribute towards transforming the mining industry and ensure that mining

companies contribute to the development of the areas where they operate. Social and labour plans are valid for a period of 4-5 years and once the SLP term passes then the mining company must have completed all of its projects and submit a new SLP to the DMR. Therefore, a social audit that is carried out by the communities' monitors the extent to which a mining company has complied with the promises made in their Social and Labour Plan.

METHODOLOGY

The survey was conducted through a household questionnaire with closed and open-ended questions. In the community of Mokopane 3 areas: Mosestjane, Tshamahandzi, and Ramaga-Mahongoa (Zone 3).

A total of 229 participants were surveyed, 91 (39.7%) of whom were male and 138 (60.3%) of whom were female. A training with community members was conducted on SLPs, social audit methodologies, and designing surveys. The questionnaire was designed in collaboration with the social audit team. During the training, the community organisers had an opportunity to test the questionnaire and agree on ways to probe questions. The training was conducted from 10-14 May 2021 and data collection occurred specifically on 12th May 2021. After the fieldwork, a debriefing meeting was conducted where all data collectors discussed issues arising from the survey, challenges and strategies for making future community inquiries more effective.

What Ivan Plats mine committed to undertake during the SLP years audited (2014-2018): Local economic development (LED) section



MULTI-PURPOSE COMMUNITY CENTRE AT HIGH DENSITY COMMUNITY CLUSTER - BUDGET R11,500,000

The mine committed to build community centres at each economic hub (e.g., taxi rank), assist with equipping the offices and ensure that community learners who've completed their construction skills development programmes gain practical experience through this process. The mine will also have a labour desk and communication office, a procurement information office, and training facility where possible at the community centre.



SCHOOL SUPPORT AND DEVELOPMENT PROGRAMME - BUDGET R14,400,000

Mine committed to sponsor 8 schools with teachers, upgrade equipment and develop infrastructure depending on the school.

The schools that were identified included: Lekwa Secondary School, Motshitshi Primary School, Thobela Centre, Ben Hlongwane High School, Legae Labana Day Care Centre - Early Learning Centre, Gobela High School, Masodi High School and Alfred B. Makapane High School.



SANITATION FOR SCHOOLS AND COMMUNITY CLUSTERS - BUDGET R18,300,000

Build VIP toilets for schools in line with the 2012-2016 IDP, sanitation will include suitable sanitary products.

Initiate sanitation campaigns and awareness programmes between 2014 and 2018. Set up an advisory committee of mine representatives and government representatives (dept. of education & Local Municipality) to ensure sustainability.



SMME'S DEVELOPMENT AND POVERTY ALLEVIATION - BUDGET R31,500,000

Set up a co-operative to manage a scrap metal and recyclables project. The mine will provide assets, skills and resources as well as a project advisory committee.

Set up a consortium to manage and operate a crusher, cement, and aggregate plant project.

Set up a co-operative for a sewing and laundry project.



LESEDI EARLY CHILDHOOD DEVELOPMENT AND BUSINESS CENTRE - BUDGET R12,000,000

Establish an Early Childhood Development and Business Centre in Kgobudi Village that will care for children, provide home-based care for the elderly, run programmes to support vulnerable children, reinforce community infrastructure and focus on community upliftment.





FINDINGS FROM SOCIAL AUDIT

Not all the projects committed to by the mine were selected to be audited. As a result, the findings draw from a process of evaluating the level of knowledge and compliance around selected aspects and projects audited during the social audit. Physical inspections of the projects audited were conducted.

Consultation

- 221 (96.5%) of the respondents did not know what an SLP is or what it contains.
- 195 (85.2%) of the respondents noted that they had never been consulted by the Ivan Plats Mine with regards to formulating an SLP.
- 89.1% of the respondents did not know that they had a right to ask the mine for a copy of their SLP.
- 206 (90%) respondents were of the view that mining companies have never called a community meeting to discuss the plans of the mine in their community and to ask community members what their needs are in relation to the development of the Social and Labour Plan.

Multi-purpose Centre

- 212 (92.6%) respondents did not know of the mine's commitment to build multi-purpose centres in the Mogalakwena area.
- 219 (95.6%) respondents asserted that they did not know anyone who had completed their practical studies through or at the multi-purpose centres.
- 130 (56.8%) respondents noted that there is only one Multi-purpose Centre in Mogalakwena and that it was not built by the

Ivan Plats Mine.

- 162 (70.7%) of community members felt that having a multi-purpose centre would be beneficial, especially for developing the youth.
- Physical inspections of the only multipurpose centre that exists in Mawhelereng indicated that the space was a collection of different companies occupying a municipal building, rather than an Ivan Plats project.

Lesedi Early Childhood Development and Business Centre

- Only five (2.2%) respondents out of 229 had actually been to the centre.
- 212 (92.6%) respondents did not know where the centre was located.
- Three community members noted that the centre has been operating in the community since the late 1990's.
- Physical inspections took place which indicated that there was no Business Centre at the site.

School Support and Development Programme

- Legae Labana Daycare Centre
- Ivan Plats Mine committed to spending R1,540,652 on upgrades to the infrastructure, assistance in education and playcare for mentally and physically disabled children amongst other interventions.
- 227 (99.1%) respondents did not know of any day care centre built in the area, between 2014 and 2018, for R1.5 million.
- Only 13 (5.7%) respondents knew of Legae Labana Daycare Centre.
- Physical inspection by the Social

Audit Team confirmed that the daycare had been abandoned and not operating since 2020. Furthermore, the day care centre was a small 2-room dwelling with a garage, which begs the question what upgrades were contributed by Ivan Plats Mine, as the garden patch was also very small and un-nurtured.

Ben Hlongwane High School

- 157 of respondents (68.6%) insisted that there were no Saturday classes at the High School, however 64 (27.9%) remembered there being Saturday classes at the High School.
- Only 13 people (5.7%) thought that the mine had paid for the classes. 163 (71.2%) stated that the mine did not pay for the classes and indicated that students used to go to School on Saturday of their own volition, to assist each other in the absence of formal classes over weekends.
- A staff member at the school noted that although there were no formal Saturday classes for learners at any of the schools, Ivan Plats paid for specially gifted learners (in math and science) from different schools to attend a competition sponsored by the mine during the course of the SLP (2016-2018) wherein they were taught extra classes and given tutoring over the course of the weekend at a central location.
- Physical inspections conducted confirmed that the high school was provided with a mobile corrugated iron science lab.





Gobela High School

- When asked if there had been a development and school support programme at Gobela High School, 187 (81.7%) of the respondents had never heard of a school development and support programme at Gobela High School.
- 28 people (12.2%) agreed that there had been infrastructure built at Gobela High School between 2014 and 2018, whereas 81.2% disagreed and 6.1% did not know whether or not there had been any infrastructure upgraded at Gobela High School.
- 178 people (77.7%) did not hold the view that Ivan Plats had contributed to the betterment of Gobela High School.
- Physical inspections at the school, by the Social Audit Team, verified that there had been a science lab and computer lab corrugated iron containers built by Ivan Plats Mine. The computers in the science lab

were however dysfunctional at the time of the site visit.

Alfred B. Makapane

- When asked about infrastructure, 97.4% of the respondents disagreed that there had been any infrastructure built at the High School.
- Physical inspections by the Social Audit Team confirmed that instead of upgrading the existing computer lab, which was bigger in size and more spacious, Ivan Plats Mine contributed to Alfred B. Makapane High School by building a mobile corrugated iron science and computer lab.
- Furthermore, discussions with a staff member indicated that the school had formally asked for an admin block to be built, but they never received that administration block, nor did they receive a response from the mines in that regard.
- The mine reported to DMR, in

their annual compliance report that they assisted the school in terms of funding and furnishing an administration building at Alfred B. Makapane amongst other schools in 2017.

- General
- 146 (63.8%) respondents were aware that mining affected communities are supposed to benefit from mines surrounding them.
- 141 (61.6%) respondents noted that they do not know when there are projects being completed by the mine in their community.
- 206 people (90%) were insistent that the mine has never called a community meeting to discuss the needs of the community.
- When asked about the kinds of projects the community needs, amongst the suggestions was: Roads, water, library, streetlights, jobs, clinic, shelters/orphanages, improving schools, community hall, and SMME assistance.

ANALYSIS AND SUMMARY

A combination of the survey results and the finding from the physical inspections lead to the following conclusions:

- Ivan Plats Mine partially fulfilled its obligations under its 2014-2018 SLP. The findings suggest that although the mining company ticked most boxes regarding the physical existence of their projects, the budgets allocated to those projects did not reflect the standard of the projects seen on the ground. Which indicates that Ivan Plats Mine might not have spent

the allocated budgets in accordance with the SLP or that a possibility exists that funds for the projects were misappropriated. The extensive budgets allocated to the various projects would have made their construction in the villages noticeable.

- The findings of the social audit strongly supports the claims that the communities of Mokopane were not aware of most of the projects committed to by the Ivan Plats Mine.
- As appears to be common practice by mining companies,

affected community members are not being consulted by Ivan Plats on issues that directly affect their development. The findings suggest that only a select few targeted community members are being called to meetings with the mine and that the wider community are not made aware of the meetings.

- Ivan Plats Mine evades their obligations to consult with the community while neatly ticking boxes to present a façade of compliance.