

# INVESTING IN OUR COMMUNITIES

2022



**Our Values:** Care, Courage, Curiosity





## About Richards Bay Minerals

Richards Bay Minerals (RBM) is a world leader in heavy mineral sands extraction and refining and is South Africa's largest minerals sands producer. It was established in 1976 to mine, process, beneficiate, and market the heavy minerals occurring naturally in the sand dunes along the coastline of KwaZulu-Natal, near Richards Bay.

The company produces predominantly ilmenite, rutile, and zircon – materials used in everything from paint to smart phones to sunscreen. The mining takes place in two local municipalities, uMhlathuze and uMfolozi local municipalities in the King Cetshwayo District Municipality.

RBM is a joint venture between Rio Tinto (74%) and Blue Horizon – a consortium of investors and our host communities of KwaMbonambi, KwaSokhulu, KwaMkhwanazi and KwaDube – which owns 24%. The remaining 2% are held in an employee participation trust.

For more than 40 years, RBM has been a major contributor to the welfare of communities in KwaZulu-Natal. We continue to make a meaningful contribution towards regional economic development, investing in infrastructure and critical social projects. These interventions support sustainable, long-term development and improved livelihoods in our communities.

RBM's activities embody our commitment to deliver long-term value and benefit to all

stakeholders through sustainable business practices. We work hard to leave a lasting and positive legacy everywhere we work. Where we mine sand dunes along the coast, we have been pioneering award-winning, progressive dune rehabilitation and have been learning and sharing lessons with the global scientific community for nearly 40 years.

After we remove the minerals from the sand, the dunes are reshaped to mimic their pre-mining topography. Topsoil retrieved from the front of the mining face (which contains the seed and organic matter of the local indigenous forest) is spread over the reshaped dunes and enriched with fast-growing annuals to begin biological processes and to protect the topsoil from wind and water erosion. When these annuals take root, helped by periodic windbreaks, they both green and stabilise the dunes.

To date, using native plants and trees, we have successfully rehabilitated more than 3,311 hectares at RBM. More than 35 scientific studies have been conducted by scientists around the world to learn from our work.

## About Rio Tinto

Rio Tinto, which owns a 74% interest in RBM, is a mining and metals company operating in 35 countries around the world. Its purpose is to produce the materials essential to human progress.

Our four product groups bring this purpose to life: Aluminium, Copper, Minerals, and Iron Ore. These are complemented by our Safety, Technical and Projects, Strategy & Development, and Commercial groups, as well as our service and support functions.

## KEY FACTS

**49 000 employees\***

**85 operations and projects\***

**35 countries\***

**2 000 customers\***

\* All figures are for 2021





# Our Economic IMPACT

**R3 billion**

in local procurement spend

**R2 billion**

in national procurement spend

**R1.5 billion**

in employee spend

**R325 million**

in corporate tax

**R181.6 million**

in community investment

**R15 million**

in mining royalties

**1 739**

permanent employees

**3 690**

contractors

**3 316 ha**

rehabilitated area

Through these interventions, we bring lasting and meaningful change to the communities that host our operations.

*Responsible  
Beyond Mining*



\* All figures are for 2021



## About our community trusts

In 2009, as part of its BEE transaction, Rio Tinto/ RBM established community trusts for its four host communities – KwaMbonambi, KwaMkhwanazi, KwaDube, and KwaSokhulu – to receive dividend payments for the purpose of supporting broad-based community development.

The community trusts are part of our support for economic development in the communities that host our operations. Dividends are paid into the trusts for communities to drive their own development programmes. As a responsible corporate citizen, we remain committed to broad-based community upliftment within our four host communities.

For the past 11 years (2010-2021), Rio Tinto has distributed over

# R435 million

to the four host community trusts. This includes:

**August 2021**

Rio Tinto released **R130 million** of Community Trust Funds after signing a landmark agreement with Amakhosi



**November 2021**

Rio Tinto/RBM paid R10.25 million to the KwaMbonambi, KwaMkhwanazi, KwaDube and KwaSokhulu communities



**December 2021**

Rio Tinto/RBM paid an extra **R10.78 million** to the host communities





# SOCIAL & LABOUR PLAN

2020 – 2024

*The purpose of our Social and Labour Plan (SLP) is to:*

Promote employment and advance the social and economic welfare of all South Africans



Contribute to the transformation of the mining industry



Ensure that holders of mining rights contribute towards the socio-economic development of the areas in which they operate



The areas of focus of our SLP are:

## Local Economic Development (LED)

### *Investing in Communities*

In the five years between 2020 – 2024, Rio Tinto/RBM will invest a total of R249 million in community projects. This is in addition to the amounts the company allocates to community trusts to support broad-based community upliftment in the KwaMbonambi, KwaSokhulu, KwaDube and KwaMkhwanazi communities.

This is consistent with our philosophy that LED interventions should contribute to a lasting and sustainable legacy in host and labour sending communities. Investment in basic infrastructure and income generating opportunities goes a long way in improving livelihoods.

The projects that we invest in are a culmination of extensive consultation with the uMfolozi and uMhlathuze local municipalities, as well as the King Cetshwayo District Municipality. Our investment in LED initiatives flow from the Integrated Development Plans (IDPs) of the respective municipalities. We participate in local economic development through the established IDP frameworks and local Traditional Council Structure.

For SLP3 (2020-2024), RBM is investing R249 million in the following planned projects

Sokhulu Sports Complex (KwaSokhulu)	= R26.66 million
Renovations of Sokhulu Sports field (KwaSokhulu)	= R2 million
Renovations of Langelibomvu Secondary School (KwaSokhulu)	= R17 million
Sokhulu Youth Development Centre (KwaSokhulu)	= R12.5 million
Upgrading of Emalaleni Road (KwaSokhulu)	= R26.23 million
Timber Processing (KwaSokhulu)	= R3 million
Business Centre: SMME Building (KwaSokhulu)	= R3 million
Dube Multi-Purpose Centre (KwaDube)	= R50 million
Mkhwanazi Community Development Centre (KwaMkhwanazi)	= R20 million
Upgrade of Madunga Road (KwaMbonambi)	= R31 million
Upgrade of Traditional Council Road (KwaMbonambi)	= R35 million
Furniture and Upholstery (KwaMbonambi)	= R2 million
Upgrade of schools' security (KwaMbonambi)	= R1 million
Installation of elevated reservoir (KwaMbonambi)	= R11.5 million
uMfolozi Drivers Testing centre access road (KwaMbonambi)	= R8 million





## Procurement Progression Plan

Rio Tinto/RBM supports the inclusive procurement targets in the Mining Charter, provided the following provisions are met:

- That South African Bureau of Standards (SABS) can verify local content on all South African-manufactured items by end of 2021
- Support from government and industry to establish a competitive local manufacturing industry in areas where it currently does not exist
- Permissible use of affidavits from suppliers since no new generation BEE certificates are available
- That the stability of South African manufacturers supplying Rio Tinto/RBM remains



## Human Resource Development



### Training and skills development

Rio Tinto/RBM has budgeted a total of R90,63 million for human resource development programmes during the duration of the SLP. These programmes are:

Adult Education and Training (AET)
Portable Skills Training
Learnerships for Employees
Learnerships for Unemployed Youth
Core Business Skills Training
Career Progression Planning
Bursaries for Unemployed Youth
Bursaries for Employees
Internships





# Investing in employees



## ***Housing and Living Conditions for our employees***

Every month, Rio Tinto/RBM provides employees with accommodation or housing allowance.

## ***Access to Primary Health Care Services***

Our employees have access to primary health care on-site. We have an on-site doctor and a pharmacy, where employees can collect their chronic medication and prescription medication.

## ***Access to Mental Health and Wellbeing***

Rio Tinto/RBM has partnered with Life Assist for 24-hour access to support. Life Assist provides a holistic programme aimed at improving the quality of life for employees

and their families and allows access to professional assistance to help address difficult and complex life issues.

## ***Suitable Balanced Nutrition and Potable Water***

Rio Tinto/RBM has a canteen on-site that provides meals to employees which caters for light meals, vegetarian and traditional meals. All employees receive meal allowances which they use to purchase meals at the canteen.

## ***Clean and Healthy Environment***

Rio Tinto/ RBM has cleaning staff to ensure that good hygiene is maintained all the time.

## ***Local employment***

83% of Rio Tinto/RBM's mine and core contractor employees lived in the uMhlathuze and uMfolozi Local Municipalities



## **Employment Equity Plan**

We believe that Employment Equity is an important tool to build an effective and representative workforce and to ensure equality for all of our employees. Our focus on the development and recruitment of people from our local communities has made it possible for the mine to have men and women from all backgrounds employed in both core and supporting positions at the mine.



