

STAKEHOLDER DAY 2023



Defining ourselves through **our actions**, not our words



PROGRAMME FOR THE DAY

10h00	Programme Director	Mr Shimmy Macomo, Head of Stakeholder Relations & Communication
10h15	Opening prayer and lighting of candle	Pastor Mongwe
10h30	Welcome address	Rep: Thabazimbi Local Municipality
10h50	Address by SIOC-CDT Chairman	Mr Llewellyn Delport, Board Chairperson
11h20	Performance overview	Mr Vusani Malie, CEO of SIOC-CDT
11h50	Overview of financial performance	Ms Tanya Duvenage, Chief Financial Officer
12h10	Project highlights for 2022 & Pipeline for 2023	Mr Tao Mutsago, Head of Projects
12h30	Our Journey over 10 years	Mr Vusani Malie, CEO of SIOC-CDT
12h50	Discussion: Q&A session	Mr Shimmy Macomo and Ms Siphokazi Manie
13h20	Vote of thanks	Ms Judith Mogapi – Mayor: Thabazimbi Local Municipality



WHO WE ARE







Our VISION

Beneficiary communities have sustainable income and are empowered to thrive beyond the lifespan of the mine.



OUR MISSION

We implement sustainable socio-economic initiatives through partnering with key stakeholders.



OUR MANDATE

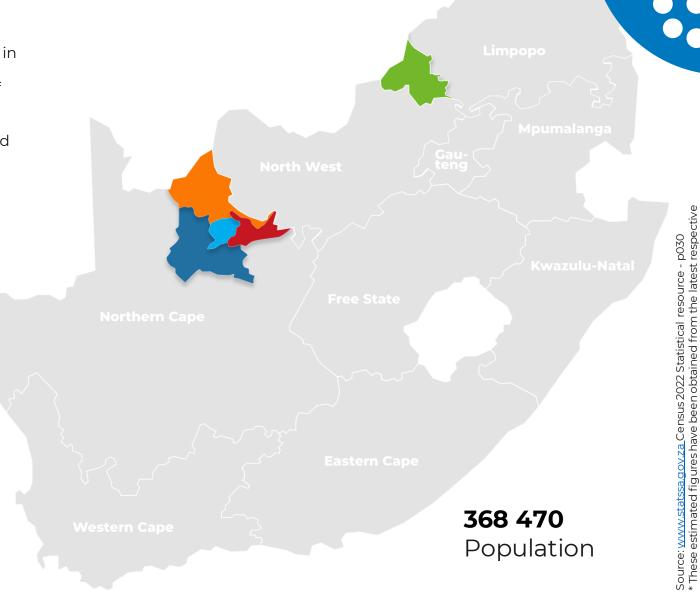
To invest in community development initiatives for our beneficiary communities in accordance with their needs, as prescribed in the Trust Deed and Board guidelines.



WHO ARE OUR BENEFICIARY COMMUNITIES?

The Trust focuses primarily on beneficiary communities residing in the areas adjacent to Sishen Iron Ore Company (Pty) Ltd's mining activities. These beneficiary communities are in some of the poorest and most underdeveloped regions of South Africa. Each community faces different socio-economic challenges, including lack of basic infrastructure, poor schooling facilities and limited youth development opportunities. All our projects are screened to ensure that they have a lasting impact.

- Thabazimbi Local Municipality
 Population 65 047* | YTD spend R32 878 452
- Gamagara Local Municipality
 Population 29 580* | YTD spend R32 470 761
- Ga-Segonyana Local Municipality
 Population 117 454* | YTD spend R30 197 930
- Joe Morolong Local Municipality
 Population 125 420* | YTD spend R31 060 328
- Tsantsabane Local Municipality
 Population 30 969* | YTD spend R22 825 633





OUR COMMUNITY DEVELOPMENT STRATEGY



CDS: OBJECTIVES

End hunger and ensure access to safe, nutritious, and sufficient food.

Eliminate all forms of violence against women and girls.

Achieve **universal access** to safe drinking water.

Develop infrastructure for economic growth and human wellbeing.

Strengthen resilience and adaptive capacity to climaterelated hazards and natural disasters in all communities.

Enhance a global technology facilitation mechanism.

EMERGENT NEEDS

ED AND JOB CREATION

Sustain growth of small organisations (7%).

Achieve economic productivity and diversification.

Encourage formalisation of SMMEs, including access to finance.



Improve school readiness for **all boys and girls** through early childhood development.

Access and completion for all boys and girls.

Improve equal access to vocational training for **all women and men.**

Substantially increase number of youths and adults with digital skills.

Build & upgrade basic infrastructure for schooling.

Substantially expand opportunities to higher education.

Substantially increase supply of suitably qualified teachers and school leaders.

QUALITY EDUCATION

HEALTH AND WELLNESS

Reduce maternal mortality.

End preventable deaths of newborns/children under 5.

End AIDS/TB and combat hepatitis.

Reduce premature mortality from NCDs.

Strengthen prevention/treatment of substance abuse.

Ensure **universal** access to sexual and reproductive health care services.

Achieve universal access to essential health care services.

Increase development and training of health care workforce.



OUR GOVERNANCE STRUCTURE







CURRENT **BOARD COMMITTEES**



Group Audit and Risk Committee



Social, Ethics and Transformation Committee



Nominations Committee



Remunerations Committee



Projects Review Committee



Investments Review Committee

COMMUNITY **REPRESENTATIVES**

All beneficiary areas are represented by 1 (one) community representative trustee elected by the community (no community is over-represented).

The Ga-Segonyana representative position is vacant.













SIOC-CDT MANAGEMENT PRINCIPLES

Fund allocation

70% of all income is used for community projects to enhance the livelihoods of all community members living in the area where mines are/were operational.

70% SPEND

We use the funding received to facilitate initiatives that will effect positive change and sustainable development.

30% INVEST

A maximum of **30% of all income** is invested in accordance with the Trust Deed. It ensures that we grow the reserve and do not merely survive from dividend to dividend.

SIOC-CDT consistently adheres to the Trust Deed provision that 70% of its funding must be spent on community development initiatives, while 30% can be invested for long-term capital growth. Returns on these investments are additional sources of income. SIOC-CDT's community development philosophy is informed by insights emanating from annual community engagement exercises carried out to the extent that the Trust Deed permits.

SIOC-CDT's spending policy supports the following goals:



Safeguard the fund for future generations.



Enable the maximum amount of spending that can be maintained over the long term.



Ensure that fund income is as stable and enduring as possible.



Ensure that the trust objectives are honoured.

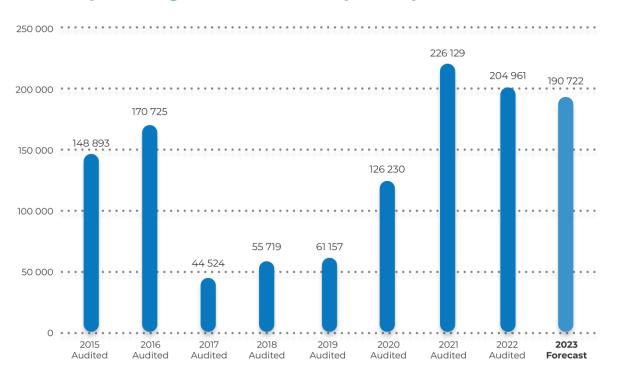
OUR FINANCE & INVESTMENTS



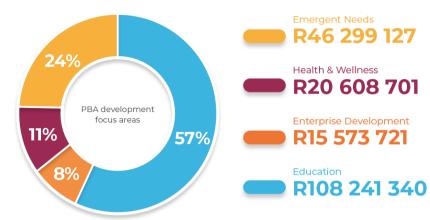
BREAKDOWN OF **PROJECT EXPENDITURE**

Project expenditure relating to 2022 public benefit activities in the Northern Cape and Limpopo provinces amounted to R204 million (2021: R226 million).

PBA Spending Year-on-Year (R'000)



Forecasted PBA Spent for 2023



Supply-Chain Management Transformation

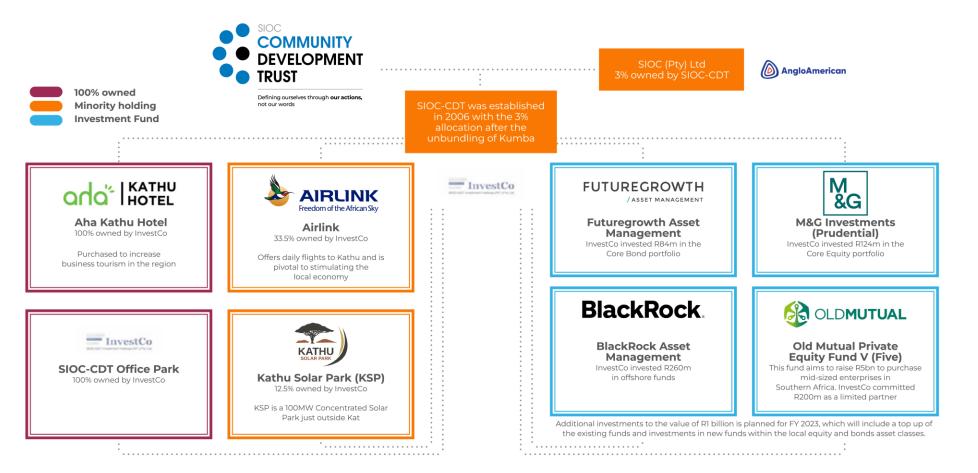
Strategic Objective	Actual Performance: FY2022
Local procurement	31 %
B-BBEE spend	92%



INVESTMENT OVERVIEW

ABOUT INVESTCO

InvestCo was founded in 2011 by SIOC-CDT, with the purpose of finding and managing suitable investments for the Trust. In terms of its Trust Deed. SIOC-CDT can allocate 30% of its total income (which includes dividends received from its share in Sishen Iron Ore Company (Pty) Ltd) to InvestCo to keep the Trust sustainable beyond the life of mine. InvestCo's mission is to ensure that SIOC-CDT can operate indefinitely from investment income, for the ongoing benefit of its communities.





FINANCIAL MANAGEMENT

The fair **value** of the investment in SIOC (Pty) Ltd **increased by 16%** to R4,34 billion (2021: R3,74 billion) by 31 December 2022.

Other investments increased by 21% to R1,34 billion (2021: R1,16 billion), mainly due to the increase in the fair value of the investments in Airlink, KSP and the OMPE Fund V partnership.

Income and Cash Reserves

As at 31 December 2022, dividends received from SIOC (Pty) Ltd decreased by

51%

(2022: R773 million; 2021: R1.499 billion)
Dividends received during the 2023
financial year decreased by 31%
to R508 million.



As at 31 December 2022, interest income increased year-on-year by

84%

(2022: R197 million; 2021: R107 million) Interest income for the 2023 financial year is expected to increase by 46% to R287 million.

Group cash holdings increased, largely due to the dividends received from SIOC.

Increase in cash reserves from 2021 to 2022

22%

(2022: R3.263 billion; 2021: R2.664 billion).



Cash reserves are expected to decrease with

11%

to R2.904 billion as at 31 December 2023.

OUR FINANCE & INVESTMENTS



Portfolio values



Net Asset Growth (Audited)









What does success look like?

- Improve school readiness for all boys and girls through early childhood development.
- Access and completion for all boys and girls.
- Improve equal access to vocational training for all women and men.
- Substantially increase number of youths and adults with digital skills.
- Build and upgrade basic infrastructure for schooling.
- Substantially expand opportunities to higher education.
- Substantially increase supply of suitably qualified teachers and school leaders.







EDUCATION, TRAININGAND SKILLS DEVELOPMENT



Grade 12 Learner Support

The project is aimed to improve the educational outcomes for Grade 12 learners, particularly in Mathematics and Physical Science, by providing supplementary classes and educational materials.

Amount committed **R7.6 million** Lives impacted **2 960**



Bridging Programme: SciMathUS

The project is aimed to tackle a pressing educational gap affecting young students in underserved communities.

Amount committed **R4.4 million**Lives impacted **43**



Bridging Programme: Access4Success

The programme's objectives are to provide remedial support in Mathematics and Physical Sciences (increasing eligibility for STEM university programmes), and to offer personal development coaching.

Amount committed **R5.3 million** Lives impacted **50**





EDUCATION, TRAININGAND SKILLS DEVELOPMENT



Bursary Programme (2018–2023 Cohort)

Empower youth, from the SIOC-CDT beneficiary communities, that are financially disadvantaged by providing them an opportunity to gain access to tertiary education to obtain a qualification through full-time study in Higher Education Institutions (HEIs), including universities and universities of technology.

Amount committed **R88.2 million** Lives impacted **420**



Literacy Ambassadors

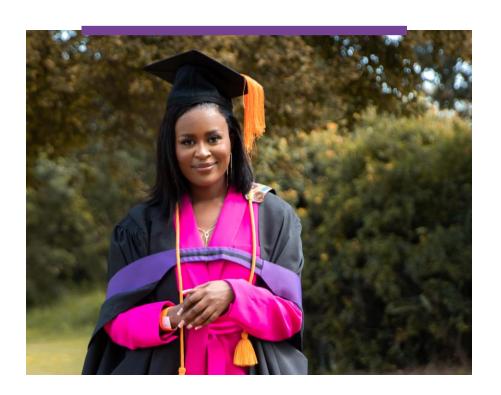
Strengthen teaching of reading literacy and training of pedagogical content knowledge of teachers across all languages in the Foundation phase and especially African Languages. Increase proportion of time spent on reading in Foundation and Intermediate phases, and encourage extra-mural reading and reading habits.

Amount committed **R2.4 million** Lives impacted **30**





EDUCATION, TRAININGAND SKILLS DEVELOPMENT



ADE School Leadership & Management; ADE Maths & Science; and ADE Life Sciences

Objectives:

- 1. Improving collaborative and critical leadership and management of the curriculum (including a focus on distributed instructional leadership leadership of teaching and learning).
- 2. Establishing evidence-based and action-research based decision making in schools.
- 3. Enhancing the subject content knowledge so that teachers are competent in the delivery of the curriculum.

Amount committed **R20.3 million**Teachers trained **195**





B.Ed Honours; B.Ed English; B.Ed Mathematics; B.Ed Foundation Phase

To improve the standard of education in the Northern Cape through the professional development of teachers, thereby improving the lives of future generations specifically with regards to economic opportunities.

Amount committed **R43.3 million**Teachers trained **170**

Early Childhood Development: NQF Level 4 & 5

To have competent and qualified practitioners who understand the curriculum. The programme aims to create awareness to a trainee teacher with the fundamentals of Child Development in the early years. It provides theoretical and practical knowledge and understanding of the principles of Early Childhood Education based on Child Development.

Amount committed **R5.5 million** Teachers trained **170**



Mabogopedi Multipurpose Hall

The project goal is to complete the 1200-seater hall for the school and make it ready for use to address the social ills emerging from the incomplete structure, which exacerbates a lack of discipline among students and has a negative impact on the community.

Amount committed R21.9 million Lives impacted All learners





Groenvlei High School



Mabogopedi Multipurpose Hall







What does success look like?

- Reduce maternal mortality.
- End preventable deaths of newborns/children under 5.
- End AIDS/TB and combat hepatitis.
- Reduce premature mortality from NCDs.
- Strengthen the prevention/treatment of substance abuse.
- Ensure universal access to sexual and reproductive health care services.
- Achieve universal access to essential health care services.
- Increase development and training of health care workforce.







COMMUNITY HEALTHAND WELLNESS



Capacity Building for people with Disabilities, Thabazimbi

To maintain or improve an individual's functioning and independence, thereby promoting their well-being.

Amount committed **R3.2 million**Lives impacted **109**Hearing aids **45** | Wheelchairs **64**People with disabilities identified **256**



Re A Fola: All SIOC-CDT Beneficiary communities

The programme aims to improve the health of citizens, especially in the remote locations within Thabazimbi, Tsantsabane and the three areas in the JTG district, by assisting with the well-equipped mobile clinic.

Total number of patients seen 11 989 Spectacles issued 1 169 | Dental care 891 Referrals 870







Integrated School Health, JTG

Support and facilitate learning through identifying and addressing health barriers to learning.

Amount committed **R9.2 million (3 years)**Lives impacted **13 200 (approximately)**





Maternal and Child Health

The programme aims to enhance maternal and child healthcare services by addressing the identified systemic challenges.

Amount committed **R2 million 108** Health professionals trained **1** mobile X-ray procured **6** mobile monitors

- 1 Arterial Blood Gas machine
- 10 Delivery packs
- **6** Gynae-evacuation packs







Comprehensive Eye Care Project: Thabazimbi, Tsantsabane and John Taolo Gaetsewe.

The programme aims to reduce the cataracts backlog and restoration of eyesight.

Amount committed **R4.5 million**Vision restored of **651 patients**(JTG: 277; Tsantsabane: 204; Thabazimbi: 170)



TB, Lung Health, HIV/AIDS and Women's Health

Accelerate prevention to reduce new HIV and TB INFECTIONS and STIs. Reduce morbidity and mortality by providing HIV and TB INFECTIONS and STI treatment care and adherence. Reach all key and vulnerable populations with customised and targeted interventions.

Amount committed **R29.7 million**Beneficiaries **35 913**TB and HIV screenings to date **1 687 11%** referred for TB treatment & care

Pap smears and Mammograms **809 304** Mammograms & **425** Pap smears
JTG **569**Tsantsabane **240**





COMMUNITY HEALTH AND WELLNESS





Youth Centre Programme: Thabazimbi, Deben, Olifantshoek and Tsantsabane

The overall objective of the programme is to address the following challenges, found to be prevalent in the beneficiary communities, through partnerships and collaboration with relevant government departments:

- High levels of drug and alcohol abuse in communities and schools.
- Dissatisfaction with the quality of public healthcare.
- · High levels of irresponsible sexual behaviour, with harmful consequences (including the spread of HIV/AIDS, increased teenage pregnancies and sexual abuse).
- Increased absenteeism from work and school to take care of sick family members.
- Limited capacity of local clinics to meet community needs, which puts pressure on district hospitals.
- High prevalence of gangsterism in communities and schools.

Amount committed:

R9.6 million

Number of people employed:

203

Number of passed learner

licenses: 52

Number of driver licenses

passed: 11

Number of people who accessed

the youth centres: 28 914

Health talk participants: 46 872

Number of youth who participated in youth centre

programmes: 11 096

Youth who participated in active

lifestyle programmes: 6779

Youth who got employed after Youth Centre trainings and

programmes: 51





Thabazimbi Hospital







What does success look like?

- Sustain growth of small organisations (7%).
- Achieve economic productivity and diversification.
- Encourage formalisation of SMMEs, including access to finance.









Beekeeping and Honey Production Project

The initiative seeks to change the business landscape by assisting 30 Agri-preneurs to establish sustainable beekeeping businesses.

Amount committed **R4.6 million**Lives impacted **30**



Business Development Support: Project Kgodiso

The project aims to establish the specific needs of individual businesses to provide tailored support, including both financial and non-financial support.

Amount committed **R25.2 million**Lives impacted **50**





Honey Production Project







What does success look like?

- End hunger and ensure access to safe, nutritious and sufficient food.
- Eliminate all forms of violence against women and girls.
- Achieve universal access to safe drinking water.
- Develop infrastructure for economic growth and human wellbeing.
- Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all communities.
- Enhance a global technology facilitation mechanism.









Babatas Water Project

Bulk water supply capacity for 600 and reticulation to current 300 households. Babatas CPA community supplied with clean drinking water.

Amount committed **R23 million**Lives impacted **Babatas Community**





Postdene Asbestos Roof Project

The aim of the project is to address this urgent health and safety issue by replacing asbestos roofing in Postmasburg.

Amount committed **R157.9 million**Households to benefit **399**





Laxey MR947 Road

The objective of the project is to upgrade a 12.8 kilometre stretch of the MR947 from gravel to a surfaced road so that local communities may enjoy improved mobility and connectivity to services. The project further aims to enhance road safety, reduce travel time and boost local economic development by facilitating easier transportation for residents, SMMEs and school children.

Amount committed **R77.3 million**Lives impacted **All members of Joe Morolong community**

Disaster Preparedness and Response in Local Communities: SIOC-CDT Partnership with CDRF

The aim of the project is to help our beneficiary communities fight climate change and respond more effectively to the effects resulting from the phenomenon.

Amount committed **R2.7 million**Lives impacted **Beneficiary**communities

Wi-Fi Connectivity at Schools

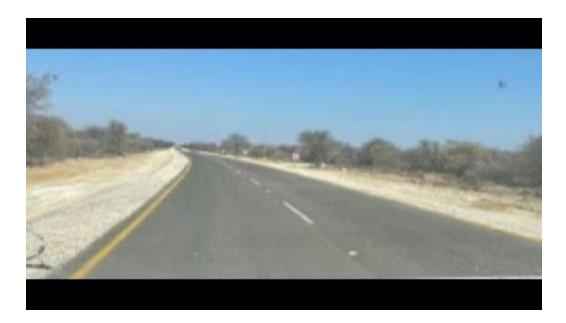
The project aims to implement a regional school network across all SIOC-CDT beneficiary communities.

Amount committed **R6.1 million**Lives impacted **10 schools in the JTG district**





Laxey Roads Project



Infill housing







Babatas Water Project







R1,6

billion

REVENUE GROWTH (2014 – 2023)

The trust has had a relatively steady growth in revenue despite the commodity price fluctuations. This is partly due to our spending policy and investment decisions we've made.



Clean audit

SIOC-CDT has maintained a record of clean audit opinion from the external auditors.



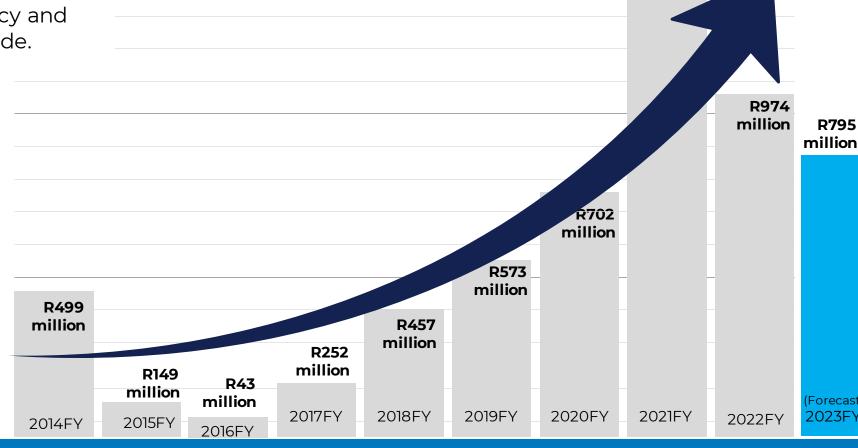
Financially stable

SIOC-CDT remains financial stable and able to execute community development projects using own funds.



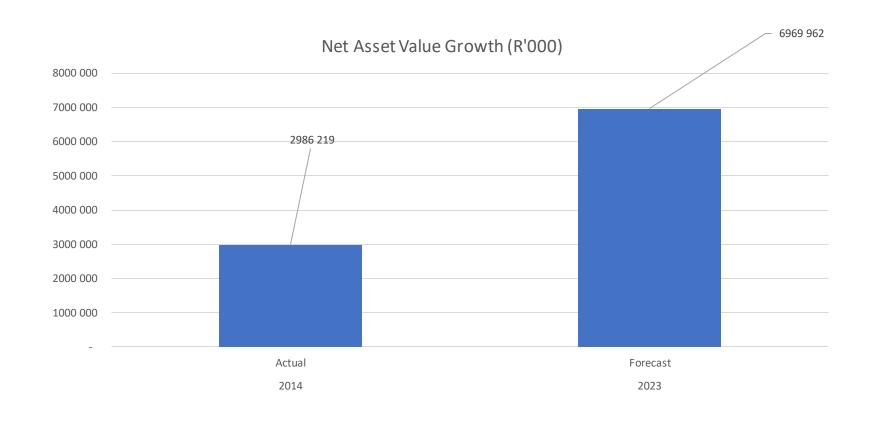
Strong asset base

SIOC-CDT has a strong asset base with low non-current liabilities.





NAV GROWTH (2014 – 2023)





INVESTMENT PORTFOLIO (2014 – 2023)







THE EVOLUTION OF OUR CDS FOCUS VS **REVENUE GENERATION** (Trust income)









Consolidate to lean structure



Evidencebased CDS



Broader & SDG-linked

2006-2010



2011-2016



2017-2019



2019-2022



2023-2030



Preserve PBO status

- Healthcare
- Education
- Welfare & humanitarian
- Land & housing
- Environment
- Enterprise development

Pressure to spend

- Healthcare
- Education
- Welfare & humanitarian
- Land & housing
- Environment
- Enterprise development

Resetting

- Healthcare
- Education
- Welfare & humanitarian
- Enterprise development

Inclusive broadbased household income

- Education (employability)
- Enterprise development (entrepreneurship
- · Healthcare & Welfare

Inclusive broadbased household income

- Education (employability)
- Enterprise development (entrepreneurship)
- Healthcare & Wellness
- Emergent Needs



SAMPLE OF MAJOR PROJECTS (2014 – 2023)



Laxey (Joe Morolong)
10km road construction in
partnership with NC
Department of Roads and
Public Works (R82 mil)



Northam (Thabazimbi)
Expansion, Renovation and refurbishment of Northam Clinic in partnership with Dikuno Trust (R60 mil)



Groenvlei (Thabazimbi)Expansion, renovation and refurbishment of Groenvlei High School (R32 mil)



Mapoteng (Gamagara) Construction of Mapoteng Multi-purpose Centre (R28 mil)



Olifantshoek and Deben (Gamagara) Construction of 90 infill houses to eradicate asbestos

(R62 mil)



Regorogile (Thabazimbi) Construction of Mabogopedi High School Multipurpose Hall (R28 mil)



Postdene (Tsantsabane)
Asbestos Roof
Replacement Project



Babatas Water ProjectConstruction of Bulk Water
Supply and Reticulation
infrastructure for 600 stands.
(R56 mil)



