

STAKEHOLDER ENGAGEMENT AND RELATIONSHIPS

At DRDGOLD we recognise that a key requirement of a successful business strategy is effective communication with our stakeholders. These are the individuals, groups and entities directly or indirectly affected, either positively or negatively, by the activities of the company.

ENGAGING WITH STAKEHOLDERS

Our various stakeholder groups include: shareholders; customers; employees; suppliers and specialist service providers; government and regulating authorities; communities, community groups and non-governmental organisations; media; employees and their representatives, and peer companies and partners.

We have a responsibility to operate a sustainable business, and integral to this is developing relationships with our stakeholders, and maintaining them in the longer term. Stakeholders raise concerns and issues in a variety of ways, and these are addressed by DRDGOLD as timeously and appropriately as possible.

This integrated report is primarily for our **shareholders** and providers of capital, although we believe that it might also be of use to other stakeholders.

At DRDGOLD we recognise that the key concern of our shareholders is to capitalise on investment returns, taking account of the obligations placed on us by our market listings, and the regulatory environments in which we operate. We also strive to run our business in a responsible and sustainable way. We provide information on operating, financial and other performance to the relevant parties in an unbiased, timely manner. At the beginning of FY2013 we introduced a formal investor relations calendar, with the aim of ensuring participation in key investor conferences, primarily in SA, Europe, North America and the Far East. These are usually linked to investor roadshows that take the form of small groups and one-on-one meetings.

Financial information and strategic decisions are announced on the JSE's Stock Exchange News Service (SENS), and immediately thereafter the information is posted in a news release on our website. Individuals and organisations registered on our database are advised via a web alert and the release is simultaneously distributed to a second database of analysts, investors and media. When necessary, information is also communicated in other ways – presentations, briefings, teleconferences and webcasts so that as wide an audience as possible can be reached.

Employees and employee representatives are briefed through formal and informal structures as needed. A printed newsletter entitled *Asikhulume*, which means "we are talking", is distributed to all operations staffed by DRDGOLD employees three times a year. If possible, this eight or 12 page large-format newsletter is distributed with salary advice slips. When publication does not coincide with payday, copies of the newsletter are available at designated pick-up points. Editions are preceded by "teaser" posters, along the lines of the traditional newspaper placard. Articles are written in appropriate-level English, and a selection of these is translated into SeSotho and isiZulu. An editorial panel of employees and management decides on content, and the layout and design of the publication is aimed at ensuring reader appeal.

A company-wide workplace briefing system is in place. This system was to have been reviewed in FY2013 but has been postponed to FY2014. The aim is to review the effectiveness of the system and ensure the messages are understandable. The company encourages open communication and consultation. Conflict is dealt with as necessary at workplace forums. Employees can report on fraud or crime using an independent Tip-offs Anonymous line run by Deloitte. Contact and "how to" details are provided in *Asikhulume*, workplace posters and stickers.

"This integrated report is primarily for our shareholders and providers of capital, although we believe that it might also be of use to other stakeholders"

SD For more information on our stakeholders

SD page 14
more on Tip-offs
Anonymous

www Find *Asikhulume* on our website



Above: Children at Bopaneng Primary School near Soweto, where DRDGOLD built a feeding centre

“We interact with local communities on a broad range of issues”

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For more on stakeholder engagement

DRDGOLD believes it has a responsibility not only to run a successful business, but also to empower its workforce. The company also works diligently to implement programmes and job opportunities that benefit the communities in which it operates. Social and Labour Plans are in place and have been developed in compliance with the requirements of South African mining legislation, and in consultation with the relevant authorities and communities.

We place importance not only on providing educational opportunities for the communities within which our company operates, we also interact on a broader range of issues. Management has regular, formal and informal interaction with surrounding communities as well as formal consultations with interested and affected parties (I&APs). Although some of this liaison is driven by regulatory and statutory requirements, and takes place as formal consultations, our operational management teams recognise the value of community understanding of and support for management actions. DRDGOLD also uses ward councillors and other community leadership structures to engage with communities.

Engagement with national, regional and local government takes place at group and operational level and brings DRDGOLD into regular formal and informal contact with officials working at all levels in a variety of sectors including mining, water and environmental affairs, education and labour.

Listed below are the main stakeholder groups identified by DRDGOLD, their key concerns and the process the company undertakes when engaging with them.

Stakeholder group	Key topics and concerns
Shareholders and investors	Operating and financial performance, share price performance and dividends, governance, and issues relating to the overall sustainability of the company, in particular, how risks are managed and opportunities identified. Other concerns include the stability of the mining sector, and safety statistics
Customers	Consistency in supply, quality of supply
Employees	Job security, training and development, remuneration, housing, health and safety
Suppliers and specialist service providers	Sustainability of company, company’s financial performance, employment practices, local procurement practices, business training and support, quality control, preferential procurement practices
Government and regulating authorities	Licence to operate, BEE compliance, employment, education and training, local economic development programmes, environmental impact and rehabilitation, taxation and royalties
Communities and NGOs	Local economic development, employment and local job creation, corporate social investment practices, dust control, health-related issues (in particular HIV and AIDS), environmental impact and rehabilitation, skills development programmes
Media	Financial results, corporate activity, environmental issues, marketing, community-related topics