



2020 Sector Report: Mining

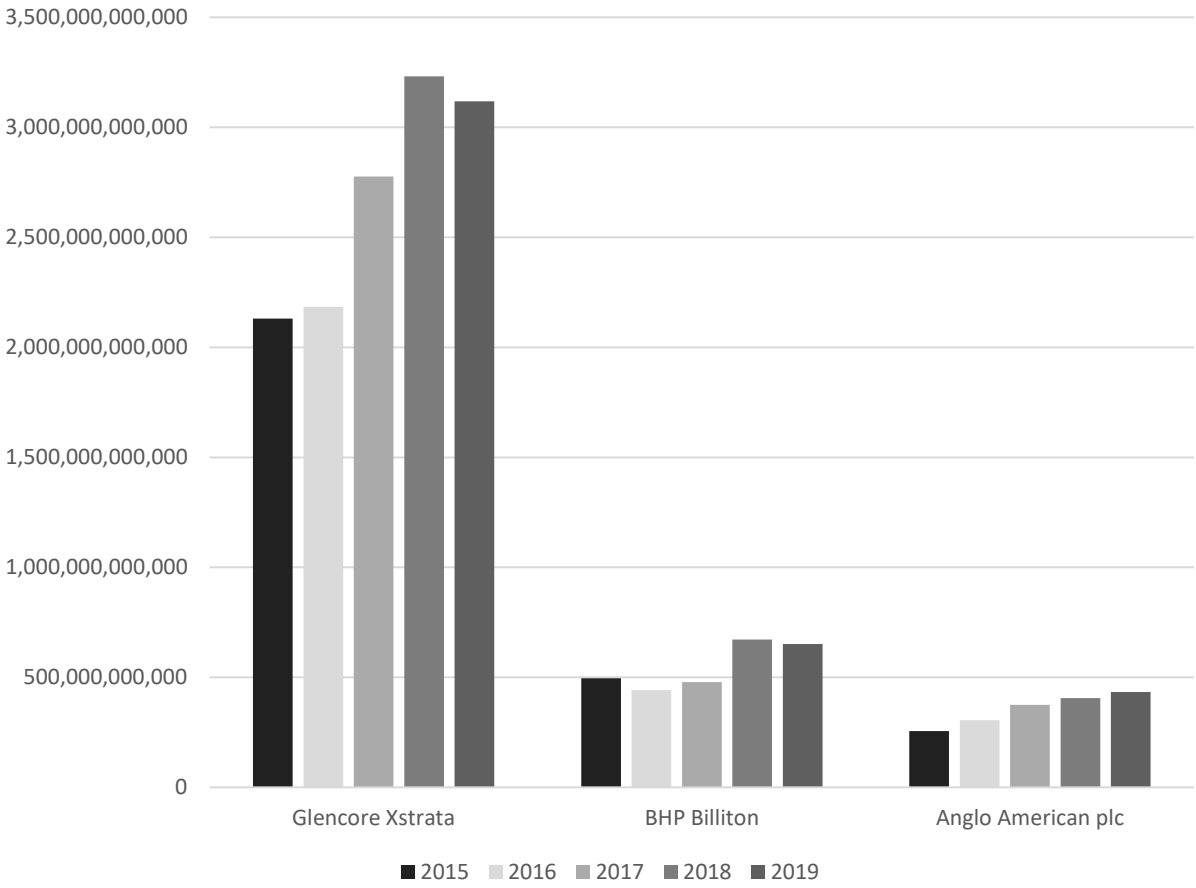
Introduction

In many ways, South Africa's political, social and economic landscape has been dominated by mining, given that, for so many years, the sector has been the mainstay of the South African economy. Although gold, diamonds, platinum and coal are the most well-known among the minerals and metals mined, South Africa also hosts chrome, vanadium, titanium and a number of other lesser minerals.

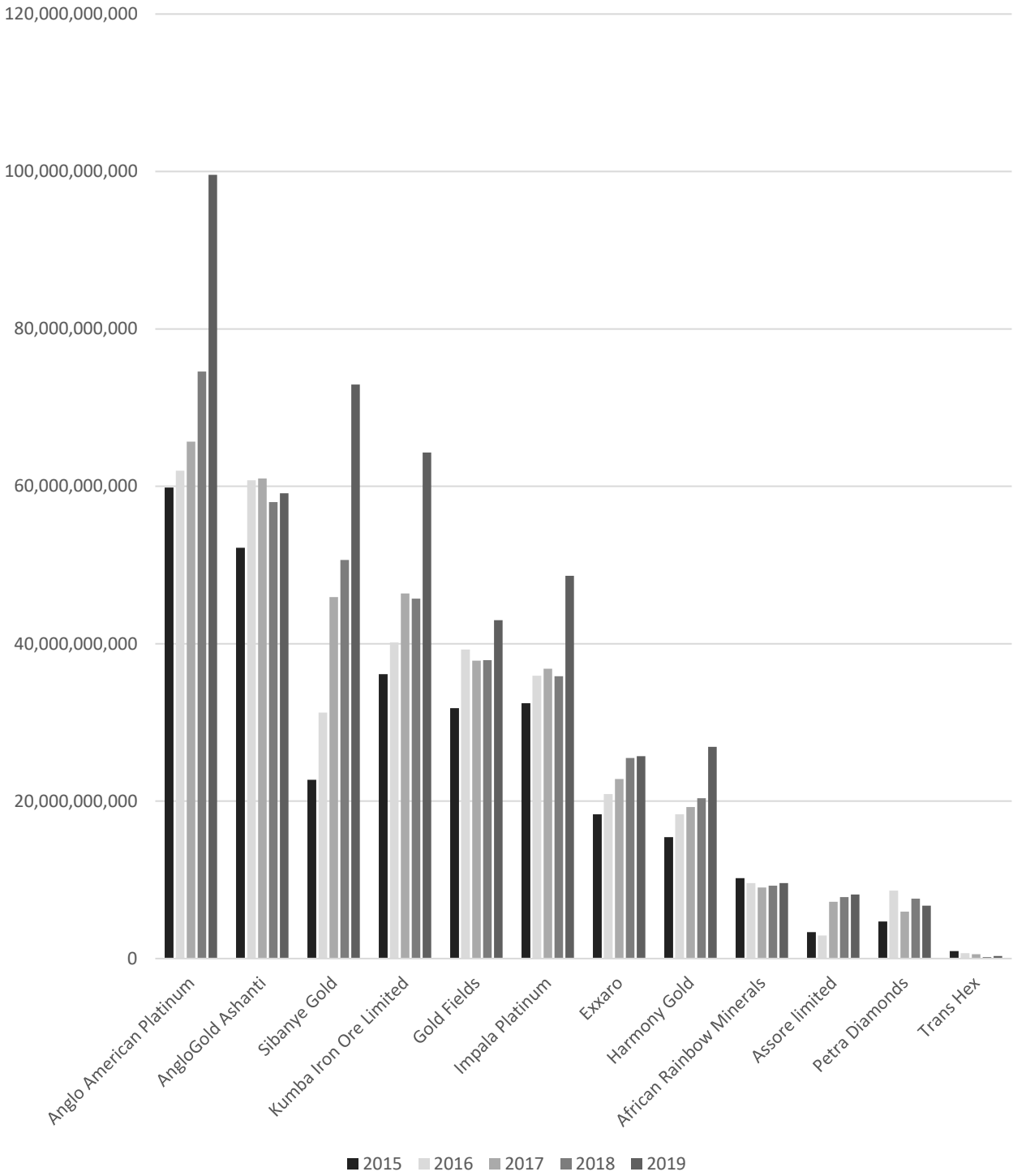
Revenue

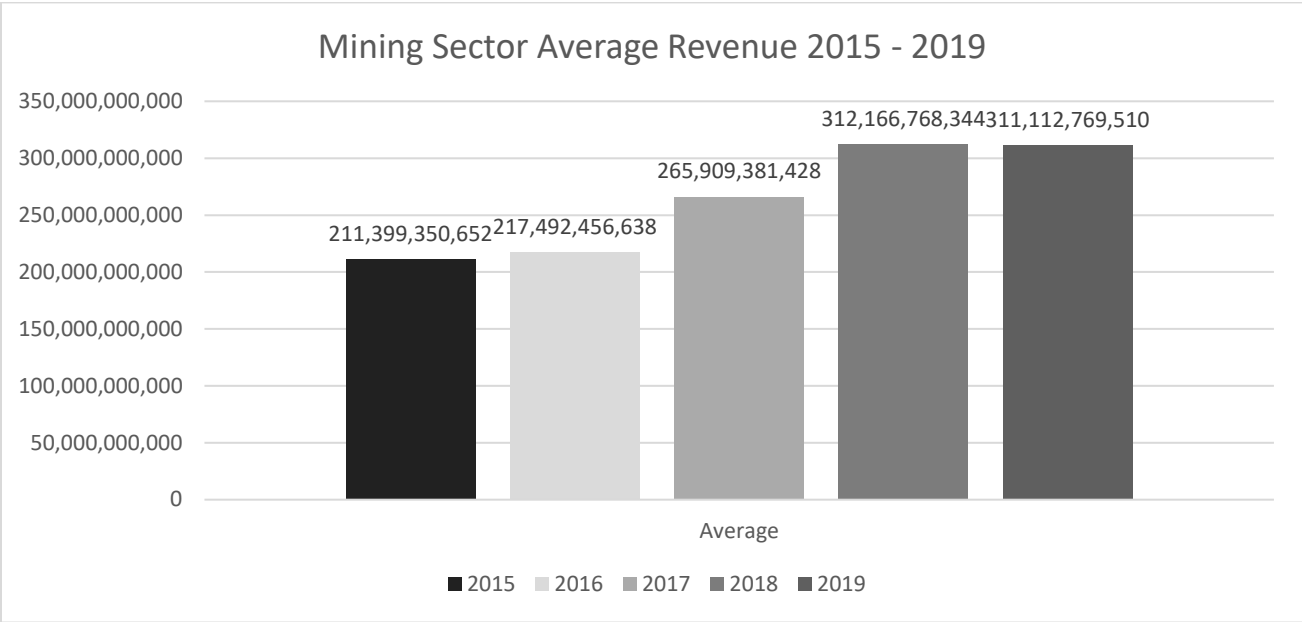
The JSE lists 25 companies in this sector. Our sample list 15 of these companies, making it a representative sample of 60%. Mining is the biggest employer in our sample, reporting employment of over 400,000 people in the 2019 financial year. On average, revenue in this sector in our sample went up by 0.3%. BHP Billiton and Glencore Xstrata reported decreases of 3% and 3.53% respectively, while Petra Diamonds reported a 6.4% decrease in revenue. Out of all other companies, only Petra Diamonds reported year on year decrease in revenue.

Mining Sector Revenue 2015 - 2019



Mining Sector Revenue 2015 - 2019

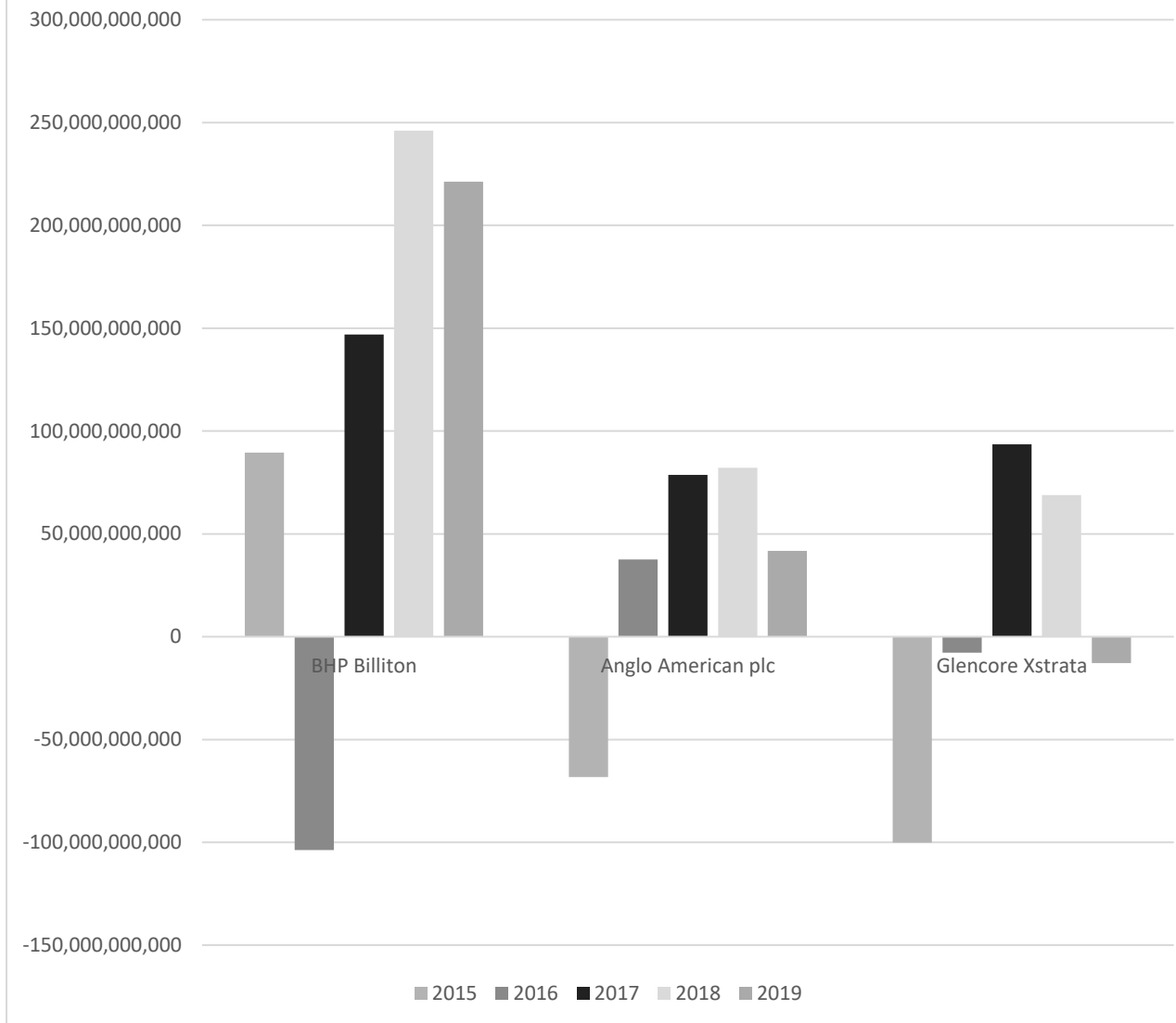




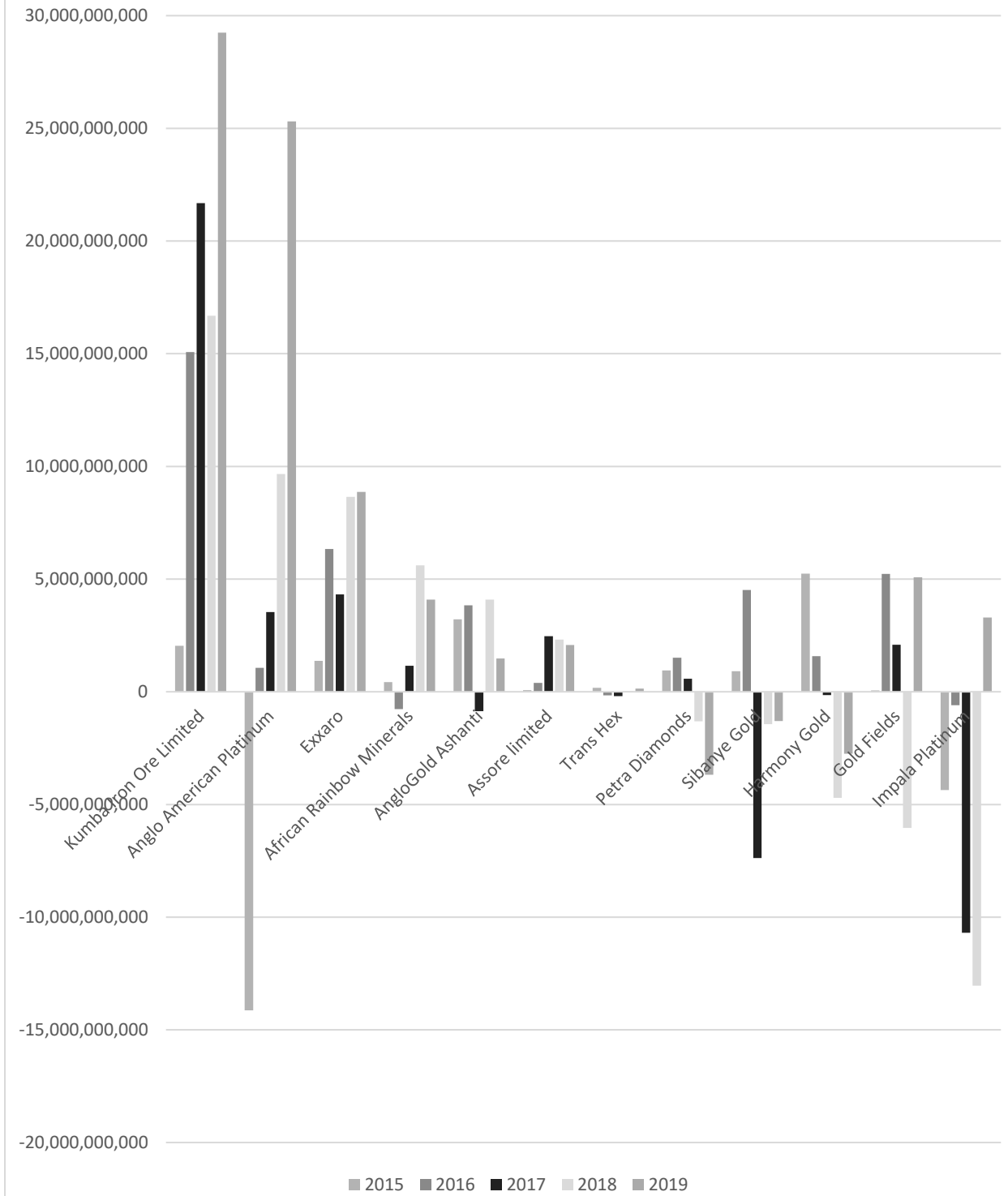
Profit before Tax

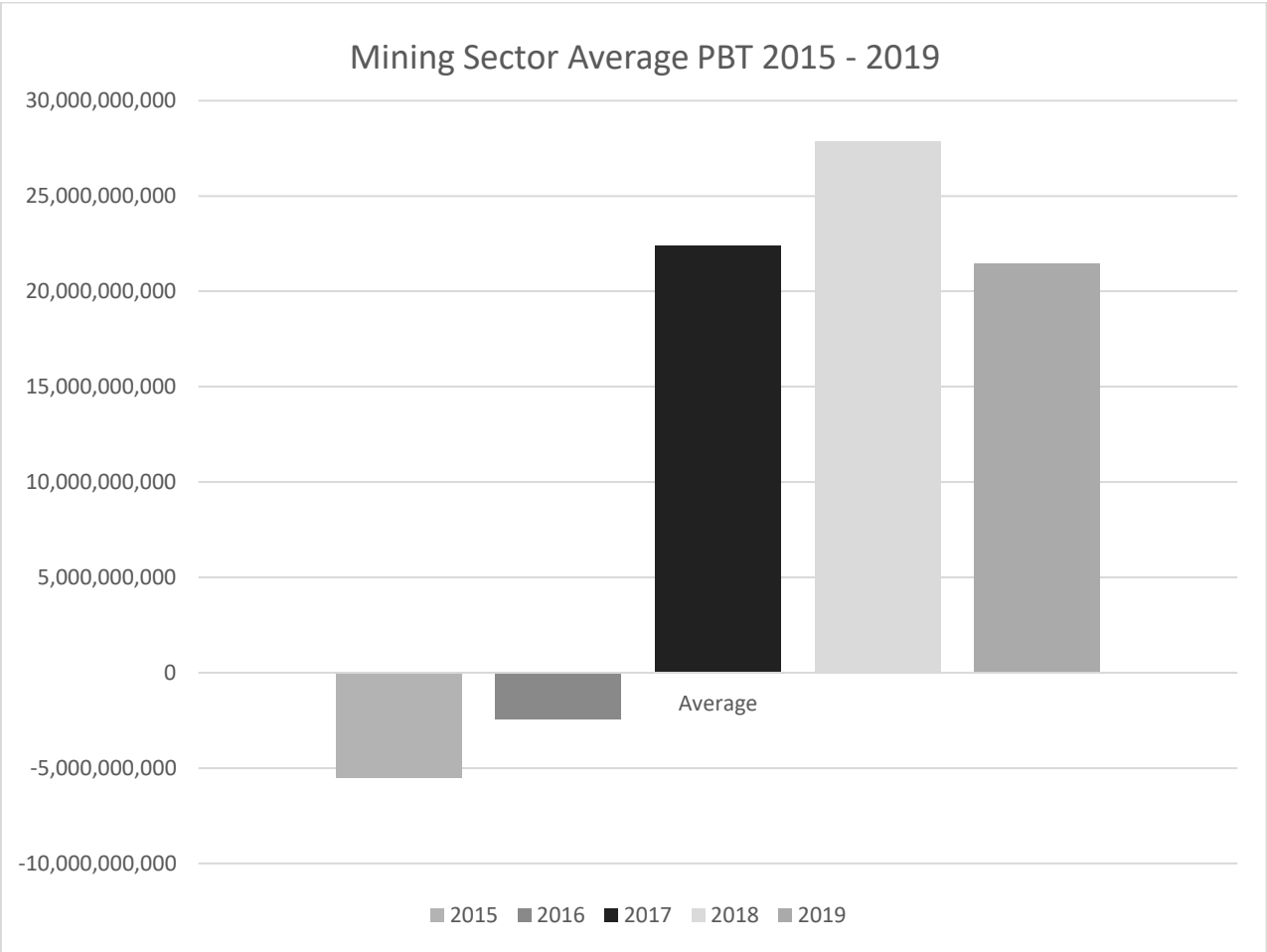
Glencore Xstrata reported a loss of over ZAR 12 billion, along with Petra Diamonds, Sibanye Gold, and Harmony Gold who all reported significant losses. Anglo American plc reported a decrease in profit of over 49%, along with BHP Billiton, African Rainbow Mineral and AngloGold Ashanti who all reported significant year on year decreases. Kumba Iron Ore Limited reported a profit, after reporting a loss in 2018.

Mining Sector PBT 2015 - 2019



Mining Sector PBT 2015 - 2019

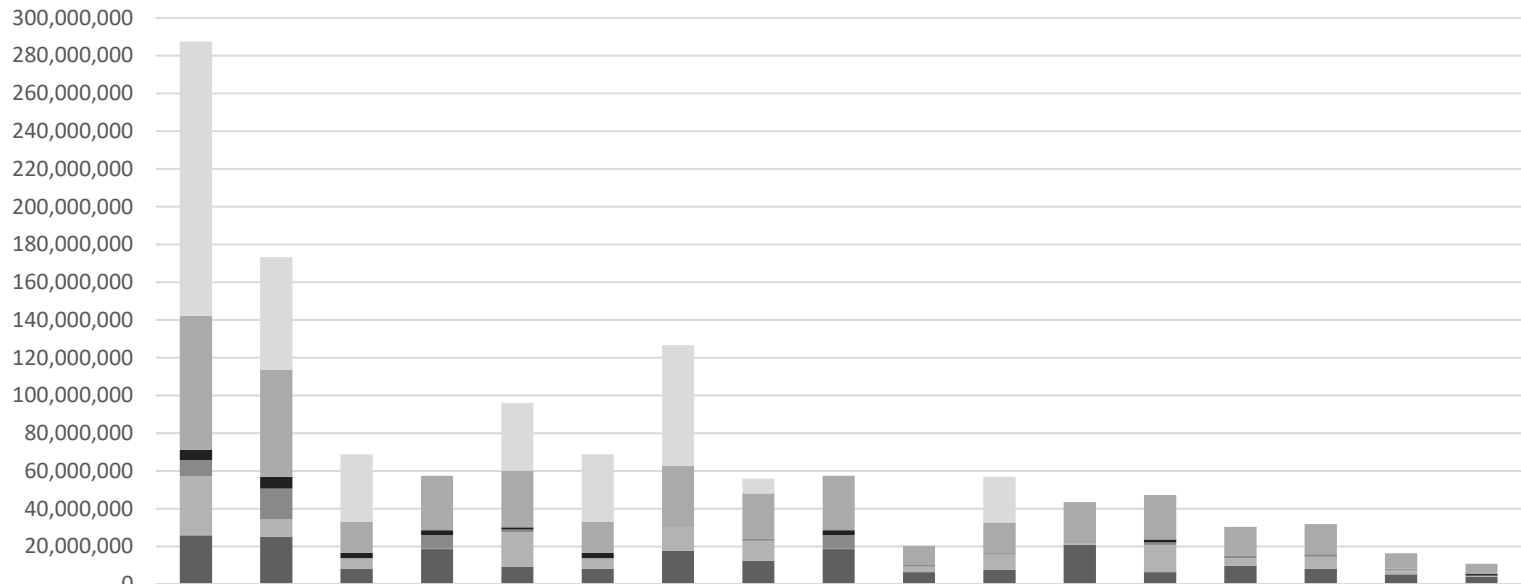




Mining: Executive Pay

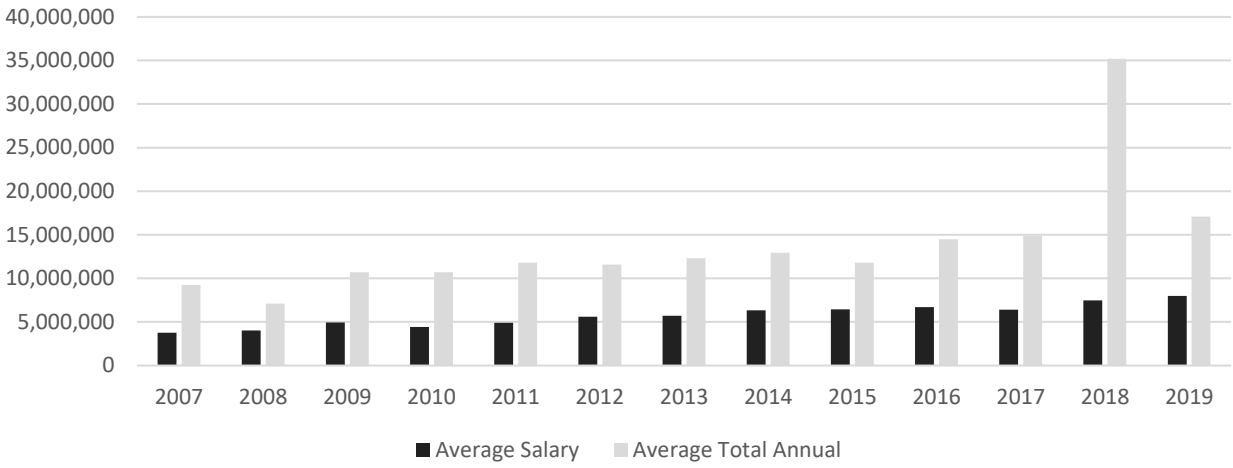
In the mining sector, Anglo American PLC CEO Mark Cutifani was paid an LTI of over ZAR 145 million, bringing his total remuneration to ZAR 216.4 million. BHP Billiton CEO Andrew MacKenzie came in second on this list with total remuneration of ZAR 116 million. Executive directors in the Mining sector had salary increase of almost 7.1%, while a 4% increase was reported for the average total remuneration for non-executive directors in 2019.

Mining Sector CEO remuneration 2019



	Anglo American plc	BHP Billiton	Kumba Iron Ore Limited	AngloGold Ashanti	Anglo American Platinum	Kumba Iron Ore Limited	Gold Fields	Sibanye Gold	AngloGold Ashanti	Exxaro	African Rainbow Minerals	Glencore Xstrata	Assore limited	Impala Platinum	Harmony Gold	Petra Diamonds	Trans Hex
■ LTI payment ZAR	145,346	59,367	35,579	0	35,943	35,579	63,927	7,898,0	0	0	24,275	0	0	101,000	0	91,148	0
■ Annual remuneration ZAR	71,096	56,882	16,636	28,700	30,092	16,636	31,369	24,019	28,700	10,157	16,365	21,782	23,628	15,151	15,927	8,226,8	5,377,0
■ Other payments ZAR	5,288,4	6,250,0	2,788,0	2,578,0	1,076,7	2,788,0	1,449	0	2,578,0	5,260	154,000	0	1,517,0	0	0	0	914,000
■ Benefits ZAR	8,500,0	16,029	265,000	7,374,0	1,589,2	265,000	350,725	1,016,0	7,374,0	924,389	511,000	57,971	1,340,0	1,404,0	1,373,0	637,815	0
■ Cash bonus ZAR	31,461	9,602,9	5,308,0	142,000	18,382	5,308,0	13,237	10,482	142,000	2,741,9	8,185,0	753,623	14,417	4,008,0	6,531,0	2,439,0	515,000
■ Salary ZAR	25,846	25,000	8,275,0	18,606	9,044,3	8,275,0	17,779	12,521	18,606	6,486,2	7,515,0	20,971	6,354,0	9,739,0	8,023,0	5,150,0	3,948,0

Mining ED Average Remuneration 2007 - 2019



Mining NED Average Remuneration 2007 - 2019

