



RICHARDS BAY COAL TERMINAL
PROPRIETARY LIMITED

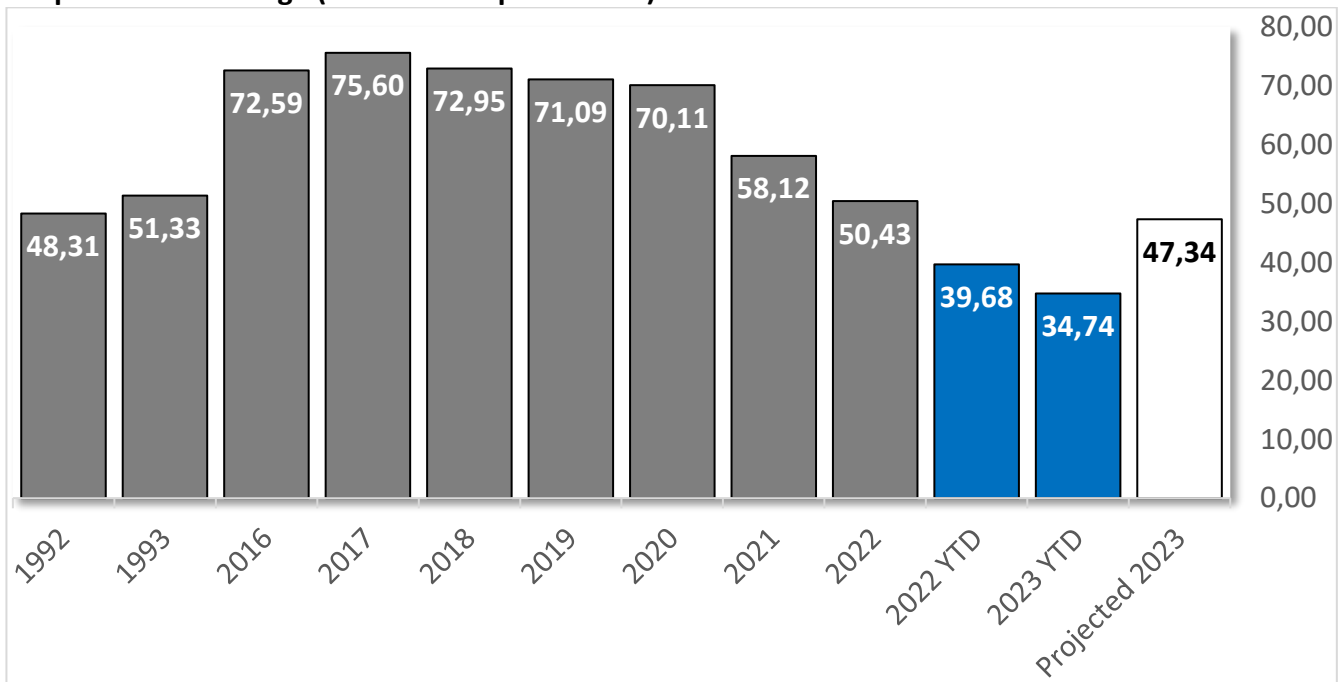
MEDIA RELEASE – RBCT REMAINS OPERATIONAL DESPITE STRIKE AND RAIL CHALLENGES

On 14 September 2023, RBCT was served with a notice that the organised labour had opted to embark on an industrial action, despite concerted efforts by RBCT Management to avert the strike. RBCT is of the view that the final wage increase offer made by RBCT Management does not take into consideration the prevailing rail challenges being faced by the Terminal and is the optimal offer, which is above CPI and is market related.

From the onset of the wage negotiations, which commenced in May 2023 between RBCT and the Association of Mineworkers and Construction Union (“AMCU”), being a newly recognised Union at RBCT, it was disclosed by the RBCT Management Team that the export coal value chain business is struggling, given the fact that the rail volumes have decreased to levels last seen 31 years ago. The year to date annualised rate is 46.47Mt, which is the lowest rate recorded by the Terminal since 1992 (48.59Mt). This is public knowledge, as a number of media houses have shed light on these issues. RBCT has lost in excess of 40% of its business (volumes) and has become approximately 35% more expensive.

The below graph indicates the volumes railed to RBCT, which have significantly decreased due to the ongoing rail challenges:

Graph: Railed Tonnage (Million Tons per Annum)



The actual YTD tonnage as at 30 September 2023 is 34.74Mt. RBCT is only able to receive coal by rail.

The Terminal is in a “Job-Saving” mode, especially given the sense that the current low volume situation is unlikely to change in the short term. The sustainability of the Terminal and the preservation of jobs are key priorities.

A concerted effort has been made by RBCT to reach common ground with AMCU and resolve the strike that has been ongoing for a period of 19 days.

On 22 September 2023, the below unaffordable FINAL offer was made by RBCT Management to AMCU, in an effort to resolve the strike. The FULL offer is on condition that a Three-Year Wage Agreement is accepted. The offer made is as follows:

1. Salary Increase

Employees in the B and C Bands will receive a basic salary increase for the ensuing three-year period, as set out below:

- Year 1 – **6%**;
- Year 2 – **6%**; and
- Year 3 – CPI plus 1%, with a minimum of **6%**.

2. Standby Allowances to Increase, as set out below:

- Year 1 – **7%**;
- Year 2 – **6%**, in line with the basic salary increase; and
- Year 3 – CPI plus 1%, with a minimum of **6%**.

3. Shift Allowance to increase from 9.5% to 10% of the basic salary.

4. Long Service Recognition Incentive to increase by 100%.

5. Transport – RBCT continues to provide Transport to and from work for all employees in the B and C Bands. In addition to this, RBCT will provide transportation to and from the funeral service of late employees.

6. GAP Cover – company contribution to increase by 100%.

7. Housing Allowance – by mutual agreement between RBCT and the union, the housing allowance was incorporated into the basic salary of employees in 2001. This was a request at the time, as it positively influenced the company contributions towards the provident funds as well as the overtime rates.

Regrettably, the RBCT non-striking employees have experienced acts of violence and intimidation, which commenced at the onset of the strike action. As part of RBCT's engagements with AMCU, these acts have been brought to their attention.

The acts of violence/intimidation include the following:

- Shots have been fired at two of the RBCT busses transporting both RBCT employees and contractors to and from work. In addition to this, one of the busses has been stoned.
- On separate days, the houses of three employees have been stoned, resulting in damage, with one incident including the discharge of a petrol bomb.
- From Thursday (28 September 2023) to Saturday (30 September 2023), shots were fired at the houses of five employees, with two incidents also including a petrol bomb being discharged. RBCT is very fortunate that no one was injured during any of these incidents. Historically, RBCT and its employees have not experienced incidents of this nature.

RBCT is offering a **R100 000** reward for information that leads to arrests and conviction of people linked to the recent violent attacks directed at RBCT non-striking employees. This information will be channeled to the detectives handling the cases and their Commanders through the RBCT Whistle-Blower Line: 080 020 5094.

It is imperative that RBCT continues to operate safely, therefore, all the necessary steps have been taken in order to ensure the safety of our employees, while balancing the impact of the strike with the responsibility to continue moving coal, taking into consideration that volumes remain low and will continue to remain low in the short to medium term.

The Terminal has continued to operate throughout the period of the strike.

For more information or media inquiries, please contact our Corporate Affairs Department at Communications@rbct.co.za.

END OF RELEASE

About Richards Bay Coal Terminal Proprietary Limited:

RBCT is one of the leading coal export terminals in the world. Located in Richards Bay, in the KwaZulu-Natal province of South Africa, it is strategically positioned to serve the global seaborne coal market.
