



COMBATTING ILLEGAL MINING



Illegal mining presents a growing crime risk to the sustainability of the mining industry in South Africa. It undermines the rule of law and property rights, degrading the state's ability to attract investment and meet its developmental goals.

"It is illegal to mine for minerals and to be in the possession of unwrought precious metal ore, PGMs, gold-bearing material, or rough diamonds in South Africa."

Illegal mining is organised, transnational, and poses material risks to our operations, as well as to the viability of South Africa's mining industry. Criminal syndicates facilitate these activities, often by infiltrating underground areas, damaging infrastructure, and resorting to violence.

In our South African operations, the operating environment is made riskier and more challenging because of organised/syndicated illegal mining, which poses a particular problem for the gold operations. At our SA PGM operations, non-ferrous metal-related theft — particularly of copper cable — is the main security threat.

South African law prohibits mining without authorisation, but illegal miners mainly face minor charges like trespassing or possession of minerals — penalties that have little deterrent effect due to light sentences and fines.

Illegal miners frequently steal valuable materials and equipment from our operations. Enforcement efforts rely heavily on collaboration between Sibanye-Stillwater, SAPS, and the Directorate for Priority Crime Investigation (DPCI). Prosecution under existing law remains limited. To address this, we are partnering with the National Prosecuting Authority (NPA) to strengthen legal measures, improve prosecution effectiveness, and expand criminalisation under the Precious Metals Act.

Beyond economic losses and safety threats, illegal mining also harms local communities and the environment. Illegal mining remains the primary driver of violent and accidental deaths in areas adjacent to our operations. Armed conflict between rival groups, hazardous excavation methods, and resistance to law enforcement continue to pose serious risks not only to those involved but to surrounding communities and, in some cases, our personnel. While communities are often seen as victims of this instability, it is important to acknowledge that certain segments actively support illegal mining syndicates, providing safe haven, logistical support, and access to services such as accommodation and transport. This complicates both policing efforts and community engagement initiatives.

To improve community safety, a multi-faceted approach is necessary, incorporating stronger law enforcement, socioeconomic development, and technological advancements.



State custodianship of mineral resources

The MPRDA provides for state custodianship of mineral resources for the benefit of all South Africans. Mining and related activities are regulated by numerous statutes, which make **no provision** for informal or artisanal mining.

The state (through the Department of Mineral and Petroleum Resources) grants authorisations, including prospecting and mining rights, mining permits and environmental authorisations.

It is illegal to be in possession of unwrought precious metal ore, PGMs, gold-bearing material or rough diamonds without the required statutory authorisation.

 See www.dmr.gov.za/mineral-policy-promotion/small-scale-mining/

Artisanal and small-scale mining

According to the International Council on Mining and Metals (ICMM), artisanal and small-scale mining (ASM) includes a range of operations “from small, informal subsistence activities through to organised, formal, small commercial mining activities”.

ASM is broadly understood to refer to “mining activities that are labour intensive and capital, mechanisation and technology poor”.

In March 2022, an ASM policy was published as an expression of the SA government’s intent to formalise the ASM industry. The objective of the policy is to foster the creation of a formalised ASM industry while contributing to the economy in the form of taxes, royalties, job creation, and the elimination of illegal ASM operations. However, the Draft Mineral Resources Development Bill (2025) proposes amendments to the MPRDA to legitimate and regulate “artisanal” and “small-scale” mining. Should the bill become law, we will adapt our policies and practices

SOCIAL IMPACTS OF ILLEGAL MINING

Illegal mining near communities is linked to rising crime rates, gender-based violence (GBV), prostitution, teenage pregnancies, and substance abuse. It also leads to human rights violations, as community members, employees, and contractors can be forced into illegal activities. Locally-based employees face serious threats and intimidation. Underground miners are at a high risk of dangerous encounters with illegal miners, which often involve violence, criminal rivalries, and land disputes. These problems also harm surrounding communities.

Overall, illegal mining is driven by organised crime syndicates. These syndicates accelerate violence, community collusion, intimidation, and extortion, while — more recently — also fuelling contests for land control. These activities have severe social impacts on local communities and employees, including threats to safety, coerced involvement, erosion of trust, and broader community disruption — directly contributing to our material matter on security, crime, extortion, and cyber exposure.

ENVIRONMENTAL IMPACTS OF ILLEGAL MINING

- Sabotaged water pipelines lead to contamination of the environment
- Illegal water use and wastage
- Increased incidence of sinkholes
- Increased mercury contamination (owing to its use in processing gold-bearing material)
- Associated hazards of excavating and re-opening closed shafts

SIBANYE-STILLWATER PROTECTION SERVICES

Human rights

Sibanye-Stillwater Protection services offers specialised security and investigation for our South African operations. The team conducts risk assessments to ensure effective security and compliance with Group policies.

Protection services strictly follows legal, constitutional, and human rights standards. Induction training includes human rights in security.



Click here for details on our Security and Human Rights Policy

Our approach is guided by the Voluntary Principles on Security and Human Rights, ensuring best practices in mining. In terms of compliance and accountability, we have fulfilled necessary requirements under key laws, including those governing GBV, the Protection of Personal Information Act (POPIA), and the Financial Intelligence Centre Act (FICA).

Training covers both human rights and responsibilities when dealing with suspects. See page 86, 2025 Sustainability report on the training statistics.



Click here for more about our commitment

Attacks on Protection services personnel

Attacks on Protection services personnel by illegal miners pose serious safety concerns. These incidents can range from stone-throwing to the use of firearms against security staff. All such attacks are documented and reported in detail to the Board via Audit Committee reports.

Protection services operates under strict rules of engagement and life-saving protocols to limit the use of force and lower the risk of injury or fatality for everyone involved, including illegal miners. Team members receive extensive tactical and weapons training, and our internal security is supported by specialist tactical units.

In 2025, there were 151 recorded assaults on Protection services staff (up from 141 in 2024), with 15 injuries related to 12 incidents (2024 saw 17 injuries over 12 incidents). Security personnel receive thorough instruction in rules of engagement and life-saving measures, prioritising the safety of both sides. Importantly, arresting and rehabilitating illegal miners provides greater safety than allowing them to persist in hazardous and destructive activities.

Underground intrusions at our SA PGM operations

Organised crime syndicates involved in the illicit trade of copper and other non-ferrous metals continue to target industries dependent on these commodities. At our SA PGM operations, underground intrusions and theft of copper reticulation cable represent the most significant security threat.

The area's geological characteristics, combined with a complex subterranean network developed over a century of mining, have created conditions that unfortunately facilitate copper theft. Criminals breach inclines by — among other means — creating access points from the surface into underground workings. Protection services combats this issue through specialised personnel deployment, drones, and intelligence gathering. Where feasible, breaches are sealed with concrete.

Management-supported mitigation strategies include:

- Implementation of an underground sealing programme
- Focused attention on outcrop areas, including vegetation management
- Deployment of technology and intelligence-driven operations
- Sealing of surface holes, utilising excavation to expose main lines to underground infrastructure, and filling voids with waste and concrete
- Strengthening controls over the issuance and ordering of reticulation cable, as well as ensuring adequate availability of surplus cable

Employees complicit in illegal underground mining

Around 22,000 employees access our underground SA gold operations daily, making access management complex. To combat complicity in illegal mining, we use biometric systems (including wave readers), smart turnstiles, remotely-operated padlocks, intelligent lamp room controls, car inspections, CCTV with thermal features, drones, frequent stop-and-searches, trained rescue teams, reward programmes, saturation patrols, and armed guards. The approximately 3,000 contractors who enter each day account for a high rate of collusion incidents, although most arrests for collusion are of Sibanye-Stillwater employees. Some employees also assist syndicates in recruiting individuals from contractor teams.

Between 2021 and 2024, a notable trend involved employees abandoning their workstations or handing over clock cards to illegal miners, creating the false impression that employees remained underground. In 2025, the current modus operandi has shifted: employees now primarily assist illegal miners with food and logistical supplies. Contractor trucks, material cars with hidden compartments, and oil drums transporting items to shaft areas are being used to conceal food and other supplies, which are then conveyed underground.

Protection services has demonstrated it can close specific control loopholes. However, unless contractor governance, access discipline, and disciplinary throughput are structurally strengthened, insider facilitation will continue to regenerate risk through new methods.

Criminal gangs often rely on the complicity of employees to gain access to underground workings and to subvert our access controls. Assistance by employees takes the form of various actions, including carefully planned and executed methods of concealing food, medicines, liquids, supplies, notes, mobile phone SIM cards, and money for illegal miners. We have certain restrictions to limit employees from carrying extra food underground to sustain illegal miners.

The Group places great importance on the integrity and loyalty of Protection services officials, as well as all employees. To prevent collusion, Protection services work closely with the Group's Organisational growth function, PSIRA (Private Security Industry Regulatory Authority), and business partners. Their strategies include employee vetting, screening, profiling, and investigations. Additionally, thorough pre-employment screening is performed to reduce risks when hiring and placing new staff.

Insider threat programme

Sibanye-Stillwater recognises the increasing risk posed by internal integrity issues as a significant vulnerability in our operations, particularly in relation to illegal mining activities. In response, we have formalised the Insider threat programme. This programme, developed in partnership with Deloitte Innovation, incorporates polygraph testing, targeted surveillance, and robust fraud detection measures. It aims to institutionalise behavioural analytics and ongoing vetting for sensitive roles by linking human resources, audit, and security data streams. This enables early anomaly detection and strengthens our defences against insider threats. We are currently piloting phase 1: procurement and supply chain integrity.

Despite these efforts, collaboration between insiders and external criminal networks remains serious, as criminal groups intensify their efforts to recruit and coerce our personnel.

In 2025, we recorded 729 incidents of employee and contractor collusion with illegal miners (2024: 695).

Surface illegal mining

Historically, surface illegal mining has mostly affected the SA gold operations. However, it has become an evolving threat for the SA PGM operations. At the gold operations, perpetrators target specific areas containing gold-bearing material (GBM), then move into these areas in large numbers under darkness to collect it. Protection services teams are often attacked by these surface illegal miners. At the SA PGM operations, some members of the local community "sell" their land to illegal miners to mine for chrome rock.

Dealing with amalgamated gold-bearing material

Amalgamated GBM is a semi-refined material consisting of refined gold and mercury, which is used to separate out the gold. The amalgam is important in prosecuting suspects. Once found on a suspect, the amalgam is sealed in a specially designed tamper-proof exhibit bag and secured in a safe at our Central investigations department. The suspect and the sealed exhibit are handed over to the SAPS, who attend the scene. Once the police have completed their forensic analysis, the exhibit is returned to the Central investigation department for safekeeping until the court case (as per guidance in the Criminal Procedure Act and the disposal order made by the court).

Undocumented foreign nationals

Around 90% of those detained by Protection services in connection with illegal mining are undocumented foreign nationals. Unfortunately, those who are in the country illegally can easily be tempted to join criminal gangs, such as illegal mining syndicates. Due to lax border control, in many instances, when found and deported, they simply walk back over the border to continue their illegal activities.

A proactive risk-based approach to crime

Protection services takes a proactive response to crime prevention, working with the authorities to apprehend crime bosses and break up the crime syndicates who are behind most of the illegal mining.

Protection services emphasises intelligence-driven risk mitigation. This entails deriving informed insights that enable us to prioritise areas for urgent attention. This approach will ensure optimal use of all available resources, including technology, vetting, and personnel.

The Group has established collaborations with law enforcement agencies, employing intelligence-led strategies to identify and dismantle illegal operations. Innovative tactics, aimed at reducing risk of violence, are used to coax illegal miners out of hiding and arrest them. Furthermore, all weapons recovered in tactical interventions are delivered to SAPS for analysis and destruction.

Our efforts are focused on the following key risk areas:

- Insider threat
- Illegal mining
- Illegal intrusion
- Damage to and theft of critical infrastructure
- Threats to and from local communities
- Fraud and commercial crimes
- People safety

Protection services has various programmes to reduce copper theft, including underground sealing programmes, as well as preventive and detective controls. In terms of technological support, the security control environment at our SA operations is equipped with early warning systems, unmanned aerial vehicles, as well as tactical response and stopper teams. We conduct R&D and testing for other technologies and innovations on an ongoing basis. We work proactively with the authorities and other stakeholders to identify and apprehend higher-tier criminals, with the aim of stemming the illicit outflow of copper from the country.

Thanks to an ongoing emphasis on intelligence gathering and on developing a good security control environment, we are able to make numerous arrests before illegal miners enter underground workings. Raids on illicit supply chains underline our proactive approach to combatting illegal mining, and they too lead to numerous arrests.

An anonymous reporting platform, managed externally and independently by Deloitte, is available for anonymous tip-offs and whistleblowing. All of the calls are investigated and many provide valuable leads on planned and committed crimes.

Community engagement

Illegal mining remains a significant challenge, deeply entrenched within local economies and leveraging informal community structures for protection and logistics. The financial pressures faced by employees, exacerbated by rising commodity prices, have made it difficult for some to resist the allure of substantial financial incentives offered by criminal syndicates. Notably, the surge in the gold price has driven up the number of participants in illegal mining and given rise to structures that almost resemble formal mining operations.

To effectively combat this issue, the Group recognises the need for a strategic shift from tactical suppression to network disruption and socioeconomic stabilisation. While Protection services' partnerships with law enforcement and local authorities have delivered valuable tactical successes, these alone are insufficient for lasting impact. Sustained community engagement and targeted alternative economic interventions are essential to address the underlying socioeconomic drivers of illegal mining. Without them, disrupted syndicates are likely to reconstitute — potentially in more organised or resilient forms — filling the resulting vacuum.

Our focus is on integrating enforcement with developmental collaboration, addressing both the criminal and socioeconomic dimensions of illegal mining. The Group is committed to investing in community engagement initiatives that build local governance capacities. This includes training for local councillors and supporting community development projects that build collaboration and address underlying socioeconomic factors that contribute to crime.

Through comprehensive strategies and partnerships, the Group aims to enhance safety, security, and shared value in the communities it serves, ultimately creating a safer and more sustainable environment for all stakeholders. Additionally, internal communications have been initiated to reinforce ethical conduct, including weekly updates featuring case studies, podcasts, and educational videos that highlight the consequences of collusion.

Illegal mining incidents and arrests (underground)

	Number of incidents reported to which Sibanye-Stillwater responded	Number of illegal miners arrested	Number of employees (including contractors) charged with aiding and abetting illegal miners
2013	143	321	89
2014	129	257	62
2015	144	282	45
2016	253	485	479
2017	515	1,405	449
2018	92	141	144
2019	185	483	185
2020	227	549	183
2021	187	473	239
2022	363	1,115	200
2023	459	1,239	483
2024	540	1,487	737
2025	614	1,438	877
Total	3,851	9,675	4,172

Performance

Our SA gold operations are targeted by criminal gangs who deal in precious metals and are behind our most serious security threat, underground illegal mining. During 2025, we recorded 614 incidents of illegal mining (2024: 540) and made 1,438 arrests (2024: 1,487) of illegal miners at our SA gold operations.

At our SA PGM operations, the main threat is underground intrusions and theft of copper cable, co-ordinated by crime syndicates dealing in the illicit trade of copper and non-ferrous metals. In 2025, we dealt with 1,328 copper-related incidents (2024: 1,720), with 416 suspects (2024: 458) arrested by Protection services. Direct financial losses relating to copper theft amounted to R39 million (2024: R53.4 million), of which R9.5 million (2024: R11.5 million) was recovered by Protection services.

A total of 447 anonymous calls (2024: 352) were received during 2025 at the SA operations, with most of these relating to fraud and corruption. Many of the calls provided valuable leads, which were investigated.

Those concerned were charged and disciplined in terms of our Code of ethics, and were subject to criminal investigation if their misconduct involved criminal offences. All crimes are recorded on the crime management system and investigated accordingly.

Group incidents

Area	Reported through other mechanism	Anonymous calls	2024	2023
		2025		
Fraud	78	161	76	66
Breach of Company policy	N/A	79	65	73
Procurement fraud	56	54	35	29
Corruption	41	17	25	27
Illegal mining	727	29	43	39
Theft of mine property	N/A	9	17	10
Time and attendance fraud	27	8	3	11
Industrial action	N/A	0	0	0
Theft of gold-bearing material	N/A	11	7	2
Arson	N/A	0	0	0
Trespassing	N/A	0	1	1
Human resource related issues	N/A	25	36	13
Theft of PGM	N/A	2	3	2
Copper theft	N/A	8	5	1
Other	N/A	44	36	31
Total	929	447	352	305

US: Seven calls received; EU: one call received; AUS: one call received. These nine cases were related to one - theft, two - breach of policy, two - human resources related, two - safety related, and two sexual harassment related



[Click here for more information on illegal mining in the integrated annual report](#)

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OUR VISION:

To be a leader in creating shared value for all stakeholders