

Proposed restructuring at South Deep

What happens now?

THERE ARE NOW **TWO SEPARATE AND INDEPENDENT FORMAL PROCESSES** UNDERWAY

1

Section 189 of the Labour Relations Act (LRA)

The LRA allows employers to retrench employees for operational reasons (based on economic, technological, structural and similar needs).

Section 189 of the LRA is in place to make sure that employers do not retrench unless they have no other choice. It makes sure that employers consult with affected employees and/or their representatives before they go ahead with retrenchments.



STEP 1

Issue the Section 189 notice (this was done on 14 August 2018)



STEP 2

Start the consultation process (to take place within 60 days ending 14 October 2018)

The consultations must include discussions about

- the chance that there is another way to deal with the problem instead of retrenching
- how to minimise the number of people to be retrenched
- if there is any way to change when the retrenchments happen
- how to support those that may be retrenched
- how the people who will be retrenched are chosen
- severance pay

Gold Fields is participating in this process in good faith and will consider all options suggested to us. We will treat all affected employees fairly and with dignity, care and respect.

Gold Fields will ensure that that all affected employees, through their trade unions, will have the opportunity to –

- understand what we are proposing to do and why
- ask questions and give their views
- help us explore ways of retrenching as few people as possible
- make suggestions for other ways of dealing with the problems we face

2

Section 52 of the MPRDA (Mineral and Petroleum Resources Development Act)

Section 52 of the MPRDA requires any mining company which is facing problems to inform the Minister of Mineral Resources if:



the downscaling of operations is going to result in the dismissal, for operational reasons, of more than 10% of the workforce or more than 500 people

This means that Gold Fields was required by law to inform the Minister of Mineral Resources of the challenges we are facing at South Deep, and that we are considering retrenching more than 500 employees. We are required to do this after informing employees and representative trade unions, and we have done so.

The Company submitted its section 52 notifications to the Minister on 30 August 2018 and will start engaging the Department of Mineral Resources in due course.

Section 189 of the LRA and Section 52 of the MPRDA are different processes, provided for in different legislation with different objectives. The processes are not dependent on each other.

WE WILL KEEP YOU UPDATED ON WHAT HAPPENS IN THESE DISCUSSIONS

**WE URGE ALL PARTIES TO PARTICIPATE CONSTRUCTIVELY
IN THE PROCESSES NOW UNDERWAY.
ANY DELAYS WILL PUT MORE JOBS AT RISK**



safety



integrity



respect



responsibility



innovation



delivery



GOLD FIELDS