

Strike settlement proposal

HERE IS THE SETTLEMENT PROPOSAL THAT WAS REJECTED BY THE SOUTH DEEP NUM BRANCH.

WE URGE NUM MEMBERS TO GIVE NUM LEADERSHIP THE MANDATE TO ACCEPT THE PROPOSAL. THE PROPOSAL EXPIRES CLOSE OF BUSINESS, MONDAY 26 NOVEMBER

Settlement Proposal

Why we believe this was a good deal for our mine and our people

ENDING THE STRIKE

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| 1 | The strike will be immediately called off by the NUM | The strike has hurt all of us. Our mine and our people have lost money at a time when we can least afford it. Our aim has always been to end the strike and allow our people to come back to work safely so we can build a sustainable South Deep that benefits our employees, communities, shareholders and the country at large. |
| 2 | There is no change to the current retrenchment of 1,084 employees | As we have emphasized many times, reversing the retrenchments was not possible. While it was a difficult decision to retrench our colleagues, it was an absolute necessity if we were to save the remaining 3,500 jobs and set South Deep on a path to sustainability. |

BENEFITS TO EMPLOYEES

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| 3 | The 'No Work, No Pay' principle will still apply. However, the deductions relating to the period that employees did not work will be spread in over a 4-month period | Through this proposal we would ease the impact of this loss so that employees would be able to better manage their monthly expenses and financial commitments, more so over the festive season. |
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BENEFITS FOR RETRENCHED EMPLOYEES

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| 4 | Retrenched employees – both VSPs and forced retrenchments – will receive an additional once-off payment of 4 weeks' salary | We recognise that retrenchment places people in a difficult financial position and wanted to ease the burden on those who were affected, through an additional payment. |
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BENEFITS FOR HOW WE'LL WORK IN FUTURE

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| 5 | The number of NUM full-time Shop Stewards and Health and Safety Representatives to be reduced from 24 to a maximum of 8 | South Deep currently has 24 NUM full-time shop stewards. This is significantly higher than general practice in the industry and places a cost of R1m a month on the mine |
| 6 | The Recognition and other agreements between the NUM and South Deep will be re-negotiated | A number of the current collective agreements were concluded several years ago and needs to be reviewed and modernised in line with South Deep's changing operational requirements. |
| 7 | The NUM and South Deep mine management will embark on a Relationship Building by Objective exercise. | A positive relationship between NUM and South Deep management is in the best interest of all South Deep employees, the union and the company. This exercise, to be independently facilitated, would help us to build a mutually respectful and beneficial relationship. |
| 8 | Conduct a full operational and financial review of South Deep. | This review will help to identify factors that will influence South Deep's ability to meet its operational and financial performance going forward – and investigate potential opportunities to address these. It will build upon – not replicate – other reviews done in the past and will involve close engagement with all stakeholders. |



safety



integrity



respect



responsibility



innovation



delivery



GOLD FIELDS