



GOLD FIELDS

GOLD FIELDS LIMITED

("GFI" or "the Company")

BOARD CHARTER

(Approved by the Board of Directors on 14 November 2017)

1. INTRODUCTION

The Board Charter is subject to the provisions of the South African Companies Act (Act No.71 of 2008) (“Companies Act”), the Company’s Memorandum of Incorporation (“MOI”) and any applicable law or regulatory provision.

2. VISION

- 2.1. The vision of Gold Fields Limited is to be the global leader in sustainable gold mining.
- 2.2. The Board of Directors seeks to enhance shareholder value in a responsible, sustainable and ethical manner. It is responsible for ensuring that the Company pursues its vision while upholding sound principles of corporate governance, protecting the safety and well-being of its employees, the interests of communities which the Company affects and acting as a responsible corporate citizen.

3. COMPOSITION OF THE BOARD, APPOINTMENT AND ROTATION

- 3.1. The Board comprises a balance of executive and non-executive directors, with a majority of non-executive directors. A majority of the non-executive directors is independent. The Board should at all times be suitably constituted and do everything necessary to appropriately fulfill its role and responsibilities.
- 3.2. The Board may determine the number of directors on the Board at any time, subject to compliance with the provisions of the Memorandum of Incorporation.
- 3.3. The Board must ensure that a succession plan is in place for the Chairman.
- 3.4. The directors must elect a Chairman, Deputy Chairman and/ or lead independent non-executive director and determine the period for which they are to hold office. In addition, the Board must appoint a chief executive officer and an executive financial director.
- 3.5. The Board is empowered to fill vacancies on the Board.
- 3.6. Directors are appointed through a formal process and the Nomination and Governance Committee assists with the process of identifying suitable candidates to be proposed to the Board and shareholders.
- 3.7. In recommending Board appointments, there is due consideration to knowledge, skill, experience, independence and diversity to achieve the appropriate balance of executive, non-executive and independent directors.
- 3.8. The Board composition should reflect:

- a majority of non-executive directors;
- a majority of non-executive directors being independent directors;
- racial and gender diversity;
- diversity in respect of relevant business, geographic and academic backgrounds

3.9. Only individuals with sound ethical reputations and business or professional acumen and who have sufficient time to effectively fulfill their role as Board member, will be considered for appointment to the Board. Individuals with material enduring conflicts of interest with the Company or any group Company that cannot be reasonably managed by the normal methods of declaration of interests and temporary recusal from meetings will not be considered for appointment.

3.10. Directors appointed by the Board, retire as directors at the first subsequent annual general meeting unless elected at such shareholder meeting. At least a third of incumbent directors retires by rotation at each annual general meeting and is eligible for re-election, unless shareholders have nominated additional candidates for election, subject to the provisions of the MOI and the Companies Act.

3.11. Subject to the above, directors retire at the end of the year in which they turn seventy (70) years old ("Retirement Date"). In the event that the Chair may become incapacitated for whatever reason, the Deputy Chair will succeed the Chair with immediate effect..

3.12. This Board Charter is considered to be an integral part of the conditions of appointment of all directors.

4. **SELF GOVERNANCE**

The Board is responsible for:

- 4.1. Regularly monitoring and appraising its own performance, those of its sub-Committees and individual Non-Executive Directors;
- 4.2. Annually evaluating the independence of the independent Non-Executive Directors, which evaluation should be rigorous in respect of the independent Non-Executive Directors who have served on the Board for an aggregate term exceeding nine years. Directors are independent if there is no interest, position, association or relationship which, when judged from the perception of a reasonable informed third party, can unduly influence or cause bias decision making;

- 4.3. An external formal evaluation / performance process, with regard to the Board, the Chair, its committees, the individual members and alternate members, if any, must be conducted at least every two years;
- 4.4. Every alternate year, the Board should schedule in its yearly work plan an opportunity for consideration, reflection and discussion of its performance and that of its committees, its chair and its members as a whole;
- 4.5. Maintaining transparency and accurate records of its decisions;
- 4.6. Ensuring that GFI has an effective and independent Audit Committee;
- 4.7. Aiming to educate and update itself continuously;
- 4.8. Meeting at least four times a year in formal sessions, and regularly without its executive members;
- 4.9. The governance of information technology ("IT");
- 4.10. Approving and overseeing the IT framework, IT charter, IT policies, and an IT internal control framework.

5. **ROLE AND FUNCTIONS OF THE CHAIR**

The role and functions of the Chair includes those as are set out in **Appendix A**.

6. **BOARD'S ACTIONS**

The Board discharges its responsibilities through a number of its actions, including:

- 6.1. Determining the Company's Code of Ethics and conducting its own affairs in a professional manner, upholding the core values of integrity, transparency and enterprise;
- 6.2. Evaluating, determining and ensuring the implementation of corporate strategy and policy;
- 6.3. Determining compensation, development, education and other relevant policies for GFI's employees;
- 6.4. Developing and setting disclosure and reporting practices, as required by applicable law and regulation to best serve the needs of its shareholders.

7. STRATEGY FORMULATION AND EXECUTION:

- 7.1. The Board defines the strategic policy intent and objectives of the Company as a business enterprise as well as its values. The Board does not get involved in the day to day management of the Company, except in exceptional circumstances.
- 7.2. The Board approves and implements a formal strategic planning system that reviews and approves or updates strategic plans presented by Management annually and monitors the Company's performance against those plans.

8. RELATIONSHIP WITH THE CEO:

- 8.1. The Board selects, motivates and appoints the CEO, and, if necessary, replaces the CEO. It attends carefully to the issues of succession planning and consequently is also concerned with the performance and succession of the CEO's immediate subordinates.
- 8.2. All Board authority conferred on Management is delegated through the CEO, so that the authority and accountability of Management is considered to be the authority and accountability of the CEO, so far as the Board is concerned. The approval of the Board is required to the levels of sub-delegation immediately below the CEO.
- 8.3. The CEO is expected to act within all specific authorities delegated to him by the Board.
- 8.4. The CEO is accountable to the Board for the achievement of GFI's goals and the CEO is accountable for the observance of the Management limitations.
- 8.5. The functions of the CEO includes:
 - 8.5.1. recommending or appointing the executive team and ensuring proper succession planning and performance appraisals;
 - 8.5.2. developing the GFI's strategy for consideration and approval by the Board;
 - 8.5.3. developing and recommending to the Board yearly business plans and budgets that support the GFI's long-term strategy;
 - 8.5.4. monitoring and reporting to the Board the performance of GFI and its conformance with compliance imperatives;
 - 8.5.5. establishing an organisational structure for GFI which is necessary to enable execution of its strategic planning;

- 8.5.6. setting the tone in providing ethical leadership and creating an ethical environment;
 - 8.5.7. ensuring that GFI complies with all relevant laws and corporate governance principles; and
 - 8.5.8. ensuring that GFI applies all recommended best practices and, if not, that the failure to do so is justifiably explained.
- 8.6. The CEO is the principal responsible for implementation of strategy, execution of the Boards' policies and practices. The Board monitors and reviews his performance with regular dialogue and feedback.
- 8.7. The CEO and CFO shall be members of the Board.
- 8.8. The CEO shall be invited to attend any committee meeting to contribute through information and insights, but shall not be a member of the remuneration, audit or nomination committees.

9. **CORPORATE GOVERNANCE**

- 9.1. Good Corporate Governance shall remain a continuing focal point for the Board and the Board shall maintain a Nominating and Governance Committee to assist in this regard.
- 9.2. The Company is subject to varying governance standards and guidelines mandated in its differing regulatory environments. The Board shall attempt at all times to conform with all but, where requirements conflict, it will seek to pursue the higher standard mandated.
- 9.3. The Board is authorised to form committees to assist it in the execution of its duties' powers and authorities or when required under applicable law. The Board shall establish written formal terms of reference for each committee. The Nominating and Governance Committee, assisted by the Company Secretary, shall annually review the terms of reference of each Board and statutory committee, and recommend to the Board for approval any changes to be made.
- 9.4. Each committee shall evaluate its own performance and the Nominating and Governance Committee shall monitor and report to the Board periodically on the performance of the committees.
- 9.5. The Board may, from time-to-time, form *ad hoc* committees to undertake special tasks or support certain responsibilities of the Board.
- 9.6. Without limitation, the Board is further responsible for:

- 9.6.1. Monitoring the performance of the Company in all respects, including *inter alia*:
 - 9.6.1.1. Performance of the operations;
 - 9.6.1.2. Financial reporting accuracy and integrity;
 - 9.6.1.3. Management performance;
 - 9.6.1.4. Risk exposures and controls;
 - 9.6.1.5. Comparative performance against peers;
 - 9.6.1.6. Stakeholder relationships/engagement and policy;
 - 9.6.1.7. Shareholder satisfaction and communication policy; and
 - 9.6.1.8. Sustainable Development.
- 9.6.2. Authorising and controlling capital expenditure and reviewing investment capital and funding proposals.
- 9.6.3. Setting the capital structure of the Company.
- 9.6.4. Seeking to ensure ethical behavior and compliance with relevant laws, regulations, audit and accounting principles/practices, the Company's own governing documents and the Company's Code of Ethics.
- 9.6.5. Setting the direction concerning the arrangements for Combined Assurance services and functions;
- 9.6.6. The overall system of risk management including setting Management expenditure authorization and exposure limit guidelines. Management is accountable to the Board for designing, implementing and monitoring the process of risk management and integrating it into operations.
- 9.6.7. Review the adequacy and effectiveness of the Company's Information and Technology function;
- 9.6.8. Reviewing succession planning for the Management team and endorsing senior executives' appointments, organizational changes and general remuneration policy.

9.6.9. Providing counsel and advice to the CEO and his or her Management team on all critical and sensitive matters.

9.6.10. Director selection, orientation and education.

10. **REMUNERATION**

10.1. Having regard to the functions performed by the Non-Executive Directors as members of the Board they shall be paid such remuneration, as shall be recommended by the Non-Executive Directors Remuneration Committee and approved by the shareholders of GFI in General Meeting by special resolution within the previous 2 years.

10.2. Executive Directors remuneration is determined by the Remuneration Committee, a sub-committee of the Board, utilising appropriate external advisors. Executive Directors are not paid Director's fees.

11. **CONDUCT OF BOARD MEMBERS**

Board members are expected to:

11.1. act in the Company's best interests, in good faith and with integrity and adhere to all relevant legal standards of conduct;

11.2. avoid conflicts of interest between their personal affairs and those of the Company or, where unavoidable, disclose any such conflict or potential conflict;

11.3. disclose any information they may be aware of that is material to the Company and of which the Board is not aware, unless such Director is bound by ethical or contractual obligations of non-disclosure;

11.4. keep all information learned them, in their capacity as a Director, strictly confidential;

11.5. exhibit the degree of care, skill and diligence that may reasonably be expected of a person carrying out the same functions in relation to the Company as those carried out by that Director, and having the general knowledge, skill and experience of that Director.

12. **BOARD MEETINGS**

12.1. The Board shall meet at least once a quarter, provided that any other member of the Board, through the Chair, may call a meeting at any other time. Non-Board members may be invited by the Board to attend Board meetings. Such persons shall not be entitled to vote at Board meetings.

- 12.2. A quorum for meetings of the Board shall be 4 members present in person or via telecommunication facilities. Non-Board members who are in attendance at Board meetings by invitation do not form part of the quorum for Board meetings.
- 12.3. Where the Board Chair is not present within fifteen minutes of the time stipulated for a Board meeting, the Board members present at the meeting must elect one of them to chair that meeting.
- 12.4. A meeting of the Board may be conducted by electronic communication and/or one or more members may participate in a meeting of the Board by electronic communication so long as the electronic communication facility employed ordinarily enables all persons participating in that meeting to communicate concurrently with each other without an intermediary, and to participate effectively in the meeting.
- 12.5. Each member of the Board has 1 vote on a matter before the Board and a majority of the votes cast on a resolution is sufficient to approve that resolution.
- 12.6. In the case of a tied vote the Chair of the Board may not cast a deciding vote even if the Chair did not initially have or cast a vote and the matter being voted on fails.
- 12.7. A round robin resolution of the Board shall be as valid and effectual as if it had been passed at a meeting of the Board duly called and constituted, provided that each Board member has received notice of the matter to be decided upon and that the majority of the Board members have voted in favour of the matter. A round robin resolution may be executed in any number of counterparts and will have the same effect as if the signatures on the counterparts were on a single copy of the round robin resolution.
- 12.8. The Company Secretary shall be the secretary of the Board and shall ensure that minutes of all Board meetings are taken. Minutes must be formally approved by the Board at the next meeting thereof.

13. **NO PERSONAL LIABILITY ARISING FROM APPOINTMENT**

Subject to the above provisions and any relevant legislation, the members of the Board shall not attract any personal liability arising from their appointment, and GFI shall indemnify members of the Board against all and any claims howsoever arising.

14. **BOARD EXPENSES**

GFI will pay all travelling and other expenses properly and necessarily incurred by the Board in and about the business of the Company.

15. COMPANY SECRETARY

- 15.1. The Board will appoint and replace the Company Secretary, and will empower the Company Secretary to enable him or her to properly fulfil his or her duties.
- 15.2. The Company Secretary should maintain an arms-length relationship with the Board and should not be a director.
- 15.3. The Board will ensure that the Company Secretary has the requisite knowledge, skills and experience to fulfil the function of Company Secretary. On an annual basis, the Board must consider and satisfy itself on the competence, qualifications, expertise and experience of the Company Secretary.
- 15.4. The Company Secretary will, in addition to his or her statutory duties, fulfil the duties of a Company Secretary as contemplated in the King Report on Corporate Governance for South Africa, 2016.

Appendix A Role and functions of the Chair

1. Setting the ethical tone for the Board and the Company;
2. Providing overall leadership to the Board without limiting the principle of collective responsibility for Board decision, while at the same time being aware of the individual duties of the Board members;
3. Identifying and participating in selecting Board members (via Nomination and Governance Committee), and overseeing a formal succession plan for the Board, CEO and certain senior Management appointments such as the Chief Financial Officer (CFO);
4. Formulating (with the CEO and Company Secretary) the yearly work plan for the board against agreed objectives, and playing an active part in setting the agenda for board meetings;
5. Presiding over Board meetings and ensuring that time in meetings is used productively. The Chair should encourage collegiality among Board members without inhibiting candid debate and creative tension among Board members;
6. Managing conflicts of interest. It is not sufficient to merely table a register of interest. All internal and external legal requirements must be met. The Chair must ask affected Directors to recuse themselves from discussions and decisions in which they have a conflict, unless they are requested to provide specific input, in which event they should not be party to the decision;
7. Acting as a link between the Board and Management and particularly between the Board and the CEO;
8. Being collegial with Board members and Management while at the same time maintaining an arm's length relationship;
9. Ensuring that Directors play a full and constructive role in the affairs of the Company and taking a lead role in the process for removing non-performing or unsuitable Directors from the Board;
10. Ensuring that complete, timely, relevant, accurate, honest and accessible information is placed before the Board to enable Directors to reach an informed decision;
11. Monitoring how the Board works together and how individual Directors perform and interact at meetings. The Chair should meet with individual Directors once a year about evaluating their performance. The Chair should know Board members' strengths and weaknesses;

12. Monitoring to develop skill and enhance Directors' confidence (especially those new to the role) and encouraging them to speak up and make an active contribution at meetings. The monitoring role is encouraged to maximise the potential of the Board;
13. Ensuring that all Directors are appropriately made aware of their responsibilities through a tailored induction programme, and ensuring that a formal programme of continuing professional education is adopted at Board level;
14. Ensuring that good relations are maintained with the Company's major shareholders and its strategic stakeholders, and presiding over shareholders' meetings;
15. Building and maintaining stakeholders' trust and confidence in the Company;
16. Upholding rigorous standards of preparation for meetings by, for example, meeting with the CEO before meetings and studying of the meeting information packs distributed; and
17. Ensuring that decisions by the Board are executed.

Chair of the Board**Date**