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LET'S TALK

Important agreement reached with unions



COVID-19 continues to have a tremendous impact on the lives of many, as its ripple effect is felt across the globe. In South Africa, the efforts announced by President Ramaphosa – including the national lock-down – seem to have had a positive impact in slowing infections. But, even so, more than 2,500 South Africans are known to have been infected, and 34 people have died. These continued infections led the President to extend the lock-down by a further 14 days.

We know and understand that the lock-down has had a significant impact on employees and their families, even though South Deep continued to pay employees their basic income during the 21-day period. We have been concerned, like you have been, of the impact of the extension of the lock-down by a further 14 days on employees and their families, and the company.

We have heard today from the Minister of Minerals and Energy that, in line with the Cabinet's decision to slowly re-start the economy, mining will be allowed to resume to 50% of operation.

In the past few days we have been meeting with both the NUM and UASA to find ways to continue to find creative solutions to address the challenges we jointly face. We are pleased to advise that we reached a very important agreement yesterday that will enable us to:

1 Pay all employees their basic income and fixed allowances for the full five weeks of the lock-down until 30 April 2020, even if they are not at work.

This will cost the company around R160 million over the five weeks. Variable and other allowances, such as Fulco, overtime, standby and bonuses will not be paid to employees who are not at work during this time.

2 Preserve employees leave days.

3 Make up some of the production that has been lost over the Christmas break to offset these significant costs. To achieve this, the 2020 Christmas break

will be regarded as normal production days, with employees required to report for duty. While the three public holidays during this time – 25, 26 December 2020 and 1 January 2021 will be observed, the company will be calling for volunteers to work on these three days to enable the company to offset the costs of paying employees during the five week shutdown.

The Coronavirus is going to continue to present South Africa and our people with many difficult challenges for the rest of this year. If we let it, it could have a big negative impact on our lives and our business. But, if we work together, openly and transparently, we can come up with solutions that work to the benefit of all.

In line with the announcements made by the Minister of Mineral Resources and Energy today, we will be commencing the process of re-starting operations in a staggered and responsible way.

Our focus will be on ensuring that our people are healthy when they return to work, and stay that way. There will be many more rules that we will need to remember and follow, but they will be in all our best interests.

Employees will be updated of developments through briefs, WhatsApp messages and phone calls, and on our Facebook page. Employees should not report for duty, unless specifically contacted to do so by the HR Department or their line manager.

Lastly, we appeal to everyone to stay safe and stay home until work restarts for them. And to remember, the coronavirus won't go away just because the lock-down has ended. We will need to be extra careful, not only at work, but especially at home, when we travel and in our communities to apply the same rules to keep us safe everyday and everywhere.

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safety



integrity



respect



responsibility



innovation



delivery



GOLD FIELDS