

BRIEF TO THE PEOPLE OF SOUTH DEEP

21 August 2020



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LET'S TALK

Well done South Deep. Our efforts and sacrifices are paying off



Colleagues

I am pleased to update you on South Deep's performance for the first half of 2020.

Health and safety

During the first six months of this year, we have had to deal with unprecedented challenges brought about by COVID-19. This timeframe has also been marked by the unfortunate loss of two of our colleagues. Abel Magajane lost his life after falling down the ore-pass while doing repair work on the ore-pass chute; and another of our colleagues, who we haven't named at the request of his family, succumbed to COVID-19.

When reflecting on our results, the safety and health of our people remains the most important value, and we can never relax our focus on maintaining the behaviours and protocols necessary to ensure that we return safely to our families each day. We have initiated a body of work to reset our safety performance with the primary objective of eliminating all fatalities and serious injuries. The initiative will focus on *Motivation, Mindset and Method*, and more detail will be communicated shortly.

COVID-19 tested all of us, and I want to pay tribute to all our people and in particular our medical, SHE, HR and project teams who have made huge sacrifices over the past few months, to ensure that we pro-actively manage the impact of the disease. You have shown the world that each of us is

capable of courageous leadership in the workplace, in our families and communities, and that when times get tough, being prepared to live our values becomes more valuable than ever. I also wish to express my appreciation to both the NUM and UASA for working with us through this very difficult time. I am particularly proud of the fact, that whilst the Mine was closed for a period of time and operated at reduced capacity for an extended period, we were still able to maintain payment to our people.

Performance highlights

Despite being on care and maintenance for a portion of the period in review, I am very pleased that South Deep has improved on its performance compared to this time last year. This is a very important achievement, and one that we can be enormously proud of, because it points to the long-term sustainability of our mine.

- Our destress (m/rig) at 30 June 2020 was 68m/rig/month compared to 31m/rig/month at 30 June 2019 showing a 118% improvement in advancement per rig.
- Our stoping compliance showed an 11% improvement, from 78% in June 2019 to 89% in June 2020.

These are just two factors giving rise to our enhanced results:

- In the first half of this year, we produced 3,123kg of gold, which is 10% more than what we produced in the same period last year;
- There has also been improvement in the cost to produce a kilogram of gold. This decreased by 6% to R654,537/kg, compared to R698,982/kg in 2019

Well done South Deep.



safety



integrity



respect



responsibility



innovation



delivery



GOLD FIELDS

Enabling activities

It is comforting to know that the enabling processes we have put in place as part of our strategy have surpassed our expectations and allowed us to weather the challenges of 2020 so far.

The relentless focus through the Siyaphambili program to drive a continuous business improvement mindset into the business, hardwiring new ways of working into our DNA and building the capacity and capability of our front-line leaders

is paying dividends. This with the strong focus on our six strategic themes namely Purposeful Visual Felt Leadership, Reinvigorating our Leadership System, Improving Face Time, Effectiveness of Facetime, Enabling Logistics and Innovation and Technology, will continue to support our primary objective of creating a sustainable and viable business, that will make us a Beacon of Pride. The table below provides a high-level summary of the results that the people of South Deep have achieved.



No	Performance metric	Change %	Average 2019	June 2020
1	Safety engagement index	▼ (90)	1.15	0.12
2	Average meters advanced per drill-rig (Metres per drill category)	1. Development ▲ 21	79.1	95.5
3		2. Degrees ▲ 143	40.9	99.2
4	Effective advance per blast (Average advance per end)	— 0	3.0	3.0
5	Stoping compliance	▲ 8	79	85
6	Mine to Standard (Mining Error Factor)	▼ (32)	44	30
7	Mean Time between failure (Hours per equipment)	1. Drill Rigs ▲ 17	5.1	6.0
8		2. LHD's ▲ 21	7.4	8.9
9		3. Trucks ▲ 37	8.3	11.4
10	Cars turnaround times (Average hours from bank to bank)	▲ 12	3.6	4.0
11	Face time duration (Tipping hours used)	— 7	7.5	8.0
12	Gold recovered (Gold recovered in kilograms)	— 16	576	667

COVID-19

Our forecasts on infection rates are very much aligned to the testing results that we are currently recording, indicating that we are moving past the peak. Key now is to maintain our self-discipline at home, in our communities and at work.

We are often caught in the moment and become consumed with the day-to-day challenges that overshadow our progress. Reflecting back on our journey over the past two years allows us to see how far we have come as a team at South Deep. More importantly it allows us to look to the future with confidence based on the foundations we have built and the consistent and improving performance we continue to deliver. I am humbled by what we have managed to overcome, the progress we have made and the positive legacy we are busy building which is underpinned by living up to our values and working towards common goals.

I am immensely proud of each and every one of our people and what they have managed to achieve individually and collectively, and the sacrifices they have been willing to make to ensure we build a bright and sustainable future that we can all be proud of.

Thank you for all your support and showing up at work every day committed to do your best and, importantly, doing better today than yesterday.

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