Tax strategy and policy report
Our tax strategy is to proactively manage our tax obligations in a transparent, responsible and sustainable manner, acknowledging the differing interests of all our stakeholders.

Gold Fields has invested and allocated appropriate resources in the group tax department to ensure we comply with our global tax obligations. The Group does not engage in aggressive tax planning and seeks to maintain professional real time relationships with the relevant tax authorities. In material or complex matters the Group would generally seek advance tax rulings, or alternatively obtain external counsel opinion.

Gold Fields has appropriate controls and procedures in place to ensure that we comply with relevant tax legislation in all the jurisdictions in which we operate. This includes compliance with Transfer Pricing (TP) legislation and associated TP documentation requirements, which is governed by our Group TP Policy. Our Group TP Policy is fully compliant with OECD guidelines and is regularly updated and benchmarked by independent experts. Uncertain tax positions are properly evaluated, and reported in terms of International Accounting Standard (IAS) 37 – Provisions, Contingent Liabilities and Contingent Assets. All material uncertain tax positions as per IAS 37 are fully disclosed to, and evaluated by our external auditors.

The Group is subject to South African Controlled Foreign Companies (CFC) tax legislation which is aimed at taxing passive income and capital gains realised by its foreign subsidiaries (to the extent that it was not taxed in the foreign jurisdiction). Therefore tax avoidance on passive income or capital gains cannot be achieved by shifting such passive income to low or tax haven jurisdictions.

The Group does not embark on intra-group gold sales and only sells its gold (or gold-equivalent product) directly to independent third parties at arm’s-length prices – generally at the prevailing gold spot price. Active business income is therefore fully declared and taxed in the source country where the relevant mining operation is located, with the revenue accruing to the source country.

The Group is reporting its key financial figures on a country-by-country basis as from 2017 onwards. The country-by-country reports are filed with the South African Revenue Service, which will exchange the information with all the relevant jurisdictions with which it has concluded or negotiated exchange of information agreements. Gold Fields also reports its total tax contribution and indicative tax rate on a country-by-country basis in its Annual Financial Report.
A fit for a purpose workforce

The following forms part of the Integrated Annual Report and provides further detail on some of the ongoing people-related programmes and interventions undertaken during 2018.

The HR strategy focuses on five pillars, as outlined below.

<table>
<thead>
<tr>
<th>Attracting and retaining committed people with the right skills and capabilities</th>
<th>A continued focus is still required to ensure we have the right people with the right skills to deliver value to the business. There is an increased demand for highly specialised skills and we are competing in a constantly changing environment with a number of expansion projects.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enabling our people to be agile and adaptive to remain relevant in a rapidly evolving environment</td>
<td>As our industry evolves, our people will need to embrace new ways of working. Our focus is on building an agile workforce for the future.</td>
</tr>
<tr>
<td>Creating an environment in which our people are engaged and enabled to take care of their wellbeing</td>
<td>Financial and non-financial recognition build a compelling employee value proposition and create an environment that engages and takes care of our people.</td>
</tr>
<tr>
<td>Harnessing the potential of a multi-generational and global workforce</td>
<td>Strengthening the global and regional talent pipelines to sustain the future.</td>
</tr>
<tr>
<td>Leveraging diversity and inclusion</td>
<td>Ensuring that the work environment embraces the potential value in all employee categories or groupings, and removing any obstacles preventing such categories or groups from making meaningful work contributions.</td>
</tr>
</tbody>
</table>

Outlined below is a summary of the progress made during the year on interventions that support the achievement of the HR strategy – and the focus for the year ahead.

**ENHANCING THE EMPLOYEE EXPERIENCE**

<table>
<thead>
<tr>
<th>Achieved in 2018</th>
<th>Focus for 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Promoted the value proposition for employees, gaining a deeper understanding of their experiences and needs through engagement and focus groups, particularly at regional level.</td>
<td>Deliver refreshed employee brand initiatives to sustain momentum.</td>
</tr>
<tr>
<td>Rolled out employee engagement surveys which enabled the business to gauge how our people think and feel about working for the Group and to ask for their input when reshaping the people solutions that will directly impact them.</td>
<td>Deliver on three action plans arising from gaps identified in the engagement surveys.</td>
</tr>
<tr>
<td>Conducted external peer review benchmarking¹ to inform fit-for-purpose people strategies.</td>
<td>Utilise insights to calibrate fit-for-purpose people strategies and plans.</td>
</tr>
<tr>
<td>Completed the roll-out of exit interview approach across all operations to ensure that the insights gained from employees leaving the Group informs employee engagement and retention strategies.</td>
<td>Develop strategy to retain employees identified as high-potential and who occupy specialist/mission critical positions within the Group.</td>
</tr>
<tr>
<td>Introduced enhanced employee benefits in some regions to support a competitive employee value proposition.</td>
<td>Continue to improve the reward component of the employee value proposition in line with global best practices and business strategy.</td>
</tr>
<tr>
<td>Introduced flexible work arrangements.</td>
<td></td>
</tr>
</tbody>
</table>

¹ The Gold Fields Human Resources Report 2018
A fit for a purpose workforce continued

### ENABLING A WORKFORCE FOR THE FUTURE

<table>
<thead>
<tr>
<th>Achieved in 2018</th>
<th>Focus for 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expanded technology-based learning platforms.</td>
<td>Implement all training via e-learning.</td>
</tr>
<tr>
<td>Global implementation of success factors employee central.</td>
<td>Expand the use of the platform and the advanced capabilities it offers.</td>
</tr>
<tr>
<td>Successful implementation of the remaining modules of success factors.</td>
<td>Explore technology solutions that offer employees total rewards statements with a full view of their reward and benefits.</td>
</tr>
<tr>
<td></td>
<td>Implement more flexible offerings for employees in line with new ways of working.</td>
</tr>
</tbody>
</table>

### LEARNING OPPORTUNITIES

<table>
<thead>
<tr>
<th>Achieved in 2018</th>
<th>Focus for 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Training programmes rolled out in: leadership and emerging leadership development, supervisory training and management development.</td>
<td>Deliver a suite of leadership and management development programmes to employees.</td>
</tr>
<tr>
<td>Conducted training in the following technical areas:</td>
<td></td>
</tr>
<tr>
<td>■ Virtual reality</td>
<td></td>
</tr>
<tr>
<td>■ Safety (OHS).</td>
<td></td>
</tr>
<tr>
<td>Conducted training in the following leadership development areas:</td>
<td></td>
</tr>
<tr>
<td>■ Unconscious bias</td>
<td></td>
</tr>
<tr>
<td>■ Diversity and inclusion</td>
<td></td>
</tr>
<tr>
<td>■ Line manager training.</td>
<td></td>
</tr>
<tr>
<td>Conducted training in the following skills based areas:</td>
<td></td>
</tr>
<tr>
<td>■ OIM.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Equip managers from team leader to executive level with the skills to confidently and flexibly lead in a rapidly changing operating environment.</td>
</tr>
<tr>
<td></td>
<td>Targeted investment in customised leadership development programmes to accelerate the development of women at all levels with approximately 700 participants.</td>
</tr>
</tbody>
</table>
### STRENGTHENING OUR SOCIAL COMPACT

<table>
<thead>
<tr>
<th>Achieved in 2018</th>
<th>Focus for 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aligned with various employment legislative changes across our global footprint.</td>
<td>Continue to build strong relationships with key stakeholders.</td>
</tr>
<tr>
<td>Delivered a range of initiatives that focused on the upliftment of the vulnerable and previously disadvantaged groups.</td>
<td>Implement transformation agenda.</td>
</tr>
<tr>
<td>Provided development opportunities within our host communities.</td>
<td></td>
</tr>
<tr>
<td>Delivered a range of health and wellness initiatives to employees across the Group, including wellness days, medical assessments and counselling services, and offered a range of training initiatives to build personal resilience and coping skills.</td>
<td>Continue to provide a variety of health and wellness services to our employees to enrich their lives.</td>
</tr>
<tr>
<td>Implemented employee housing and site accommodation strategy to ensure improved standard of living.</td>
<td></td>
</tr>
<tr>
<td>Participated in a range of employee volunteering programmes with a focus on community, education and development.</td>
<td></td>
</tr>
<tr>
<td>No reported incidents of non-compliance to employment laws and regulations.</td>
<td></td>
</tr>
<tr>
<td>Continue to make steady progress towards achieving a workforce that is more representative of local demographics.</td>
<td></td>
</tr>
<tr>
<td>Provided unconscious bias training to employees and communities to address the myths and stereotypes on matters relating to diversity and inclusion.</td>
<td></td>
</tr>
</tbody>
</table>

### HIGH-PERFORMANCE CULTURE

<table>
<thead>
<tr>
<th>Achieved in 2018</th>
<th>Focus for 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rolled out the Company strategy, linked to the Group scorecard, and regional scorecards.</td>
<td>Introduce a new performance management philosophy and approach that drives regular line manager coaching to support personal improvement, growth and business contribution.</td>
</tr>
<tr>
<td>Enhanced our performance management system and underlying processes.</td>
<td>Introduce a range of reward and recognition initiatives to retain top talent and ensure sustainable long-term performance.</td>
</tr>
<tr>
<td>Encouraged collaboration by rewarding team and individual successes.</td>
<td>Introduce a range of enhanced and more flexible benefit solutions better suited to individual employee preferences in our South African operations.</td>
</tr>
<tr>
<td>Survey and focus groups used to get employee input on shaping new performance management approach.</td>
<td>Simplify and improve transparency of rewards and benefits packages to enhance employee understanding around the value of their benefits.</td>
</tr>
<tr>
<td></td>
<td>Evolve our approach to performance management based on regular feedback from our leaders and employees.</td>
</tr>
</tbody>
</table>
## INSPIRATIONAL LEADERSHIP

<table>
<thead>
<tr>
<th>Achieved in 2018</th>
<th>Focus for 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clarified organisational design.</td>
<td>Clearly understand competencies required in the future.</td>
</tr>
<tr>
<td>Interviewed and hosted workshops with top leadership to design a Gold Fields leadership identity for the future.</td>
<td>- Ensure we have catalysts for change and accountable role models&lt;br&gt;- Embed accountability in our leaders&lt;br&gt;- Introduce a range of learning solutions to better equip line managers as performance coaches&lt;br&gt;- Nurture leaders capable of being catalysts for the change required to achieve our strategic objectives in an increasingly complex and rapidly changing environment&lt;br&gt;- Deliver a leadership identity that clearly defines what great leadership needs to look like at Gold Fields&lt;br&gt;- Design and deliver leadership development solutions that support the emerging leadership identity&lt;br&gt;- Ongoing investment in bespoke leadership programmes for specific business areas and geographies.</td>
</tr>
</tbody>
</table>
Salient human rights issues at Gold Fields
Salient issue – health and safety
Occupational incident or exposure leading to physical and/or psychological harm and/or illness

Causes
- Negligence
- Poor understanding of link between mining and community health and safety
- Catastrophic infrastructure failure
- Exposure to harmful environment
- Inadequate safety standards and implementation/enforcement
- Poor safety culture
- Non-compliance with legislation, policies, standards and/or procedures
- Natural events
- Failure of infrastructure
- Poor occupational assessment (physical and mental)
- Organisational culture
- Poor leadership
- Occupational and personal stress
- Fatigue
- Pollution
- Inadequate resources to control risks

Preventative controls
- Policies and procedures – up to date, communicated and understood
- Targeted health education and awareness campaigns
- Compliance to regulatory framework
- Health and safety management system
- Organisational culture interventions
- OHSAS certifications
- Disciplinary and grievance procedure
- Behaviour based safety programmes
- Occupational health assessments
- Proper design, certified where applicable
- Health and safety training on relevant risks
- Support to public health institutions in host communities
- Infrastructure maintenance policy
- Zero Harm commitments
- Employee assistance programmes
- Board and management oversight
- Industry networking and collaboration
- Employee support and life skills programme
- Risk management
- Community grievance mechanism
- Recognition and incentive programme

Consequences
- Injury, disability, loss of life
- Loss of government support
- Illness and incapacitation
- Legal liability (civil and/or criminal)
- Psychological effects
- Increased anti-mining sentiment in communities
- Business interruption
- Low morale
- Fines and sanctions
- Reputational damage
- Scrutiny from regulators
- Difficulty in attracting skills

Mitigation and damage control
- Accident investigation and close out of corrective actions
- Provide access to medical care to indigent community members
- Family compensation
- Health care
- Rehabilitation
- Address community concerns/complaints
- Compensation and insurance

Considerations for further mitigation
- Focus on psychological harm (e.g. risks arising from Fly-In, Fly-Out work arrangements)
- Consideration of shared value opportunities, such as safety and wellness training
Salient issue – water
Loss of water containment

Causes
- Non-compliance with standard procedures
- Poor maintenance of infrastructure
- Extreme rainfall event/flood
- Failure to design and operate for extreme events
- Inadequate infrastructure
- Inadequate water balance model
- Inadequate monitoring process
- Inadequate environmental geochemical understanding
- Water use competition between mining operations and the community is a major issue
- Seepage and discharge of untreated waste water generated by mining operations
- Inadequate awareness and training on environmental policies (water use, access and preservation)
- Power failure
- Extracting water from unauthorised sources
- Affect sources of water unrelated to the operation
- Fires
- No change management process
- Inadequate water quality and water analysis
- Lack of understanding of water catchment
- Theft and sabotage
- Seismicity – failure of infrastructure
- Lack of understanding of the distribution and importance of local water sources to the community
- Human error to operate facilities with risk to impact water quality

Preventative controls
- Group water guideline
- Group environmental policy statement
- Standard procedures
- Implementation of water management plans
- Fit for purpose design, infrastructure and construction
- Group Head of Water appointed
- Adequately resourced structures
- Integrated TSP guideline
- For projects – comply with international EISA in relation to issues of groundwater (i.e. undertake hydrocensus and baseline studies on surface water quality, water users, groundwater and hydrology for impact assessment and mine-related water infrastructure planning)
- Establish regular surface water monitoring stations in major impact areas/river systems/water sources
- Initiate cost-effective water and sanitation infrastructure projects/water supply options for the community (e.g. rainwater collection tanks, boreholes equipped with solar powered pumps)
- Training to operators
- Automation of pumping systems
- Climate change vulnerability assessments

Consequences
Impact on people
- Environmental pollution and loss of containment of surface and ground water
- Loss of access to water for agriculture, irrigation and domestic purposes
- Degradation of river system water quality in the form of sedimentation, heavy metal contamination and low pH
- Losses in spring flows
- Impacts on water users’ human rights to livelihood, health and dignity (sanitation) as communities rely extensively on local water sources for potable and domestic purposes (e.g. farming, bathing, laundry, cooking)
- Impact on fauna, flora and aquatic ecology
- Loss of labour source of project workers

Impacts on business
- Loss of licence to operate (social and legal)
- Reputational loss
- Loss of production
- Impact on investor confidence
- Increased scrutiny from stakeholders including NGOs
- Cost of remediation and business interruption
- Impact on suppliers if the operation/project is not continued
- Fines, sanctions and penalties, including shutdown or suspension of operations
- Impact on water resource/resource loss
- Disruption of operations

Mitigation and damage control
- Crisis management plan/emergency procedures and response plans
- Remediation and rehabilitation
- Engagement of authorities, NGOs and investors
- Alternative water supplies to impacted communities
- Insurance and compensation
- Provide response plan to authorities
- Increased monitoring

Considerations for further mitigation
- Region/site water management steering committees to be enhanced
- Leverage innovation and technology opportunities
- Implementation/integration of post closure water management plans

Leading up to the event

Once the event has occurred
Salient human rights issues at Gold Fields

**Impact on people**

**Salient issue – human resources**

### Causes

- Behaviour at work
- Potential for harassment, victimisation, bullying
- Potential for discrimination/lack of diversity
- Women and disabled people
- Lack of cultural sensitivity
- Unfair labour practices
- Working environment
- Unsafe and unhealthy working environments would impact human rights
- Potential substance abuse that requires managing
- Potential for domestic/family violence that we may need to manage

### Preventative controls

- Effective policies and procedures
- Increased knowledge of key human rights risks in the HR domain to focus on each year
- Employee assistance programme
- Clear and consistent application of disciplinary procedures for transgressions
- Grievance procedures
- Whistleblower programme
- Mediation
- 360 degree feedback programme
- Employee engagement programme including focus groups and feedback to employees
- Encourage bottom-up communication (listen, consider and respond)

### Consequences

- FIFO potential impact
- Impact of refreshments on right to earn a living and downstream impacts
- Ensuring no child and forced labour in our operations
- Use of contractors and suppliers increase the potential human rights risks as it is a wider focus area

### What are the potential human rights risks in the people/HR space?

**Mining cycle**

- Impact of mine closure on people’s livelihoods

**Policies and procedures**

- Ineffective HR policies and procedures that do not encompass the human rights of employees

**Leadership**

- Inadequate Board and management oversight
- Unethical leadership that contravenes rights
- Possibility to improve the pension funds of the people who work in this industry using the tools existing in the legislation (Heavy Work Law)

**Host community**

- Requirements for local employment of host community residents

### Mitigation and damage control

- Training and awareness programmes with employees and leaders with a particular focus on groups that are at risk, e.g. security personnel and those who manage disciplinary/grievance processes (HR/HRM line managers). This would extend to suppliers and contractors
- Human rights reporting categories included in reporting to better track and monitor human rights issues in the grievance process. Trend analysis of potential human rights violations

**Human rights policy statement**

The Gold Fields Limited Group of Companies strives to ensure that every individual within the Group respects the rights and freedoms enunciated below in respect of all identified stakeholders such as fellow employees, associates, business partners, host communities, etc and to secure their effective recognition and observance throughout the Group. Gold Fields seeks to protect the right to:

- Human dignity;
- not be subjected to any form of unfair discrimination or harassment;
- fair treatment (subject to considerations of affirming previously disadvantaged groups);
- freedom and security of person;
- not be subjected to slavery, servitude, and forced labour;
- freedom of conscience, religion, thought, belief, opinion and cultural heritage;
- freedom of expression (subject to considerations of confidentiality and the prohibition of hate speech and incitement to cause harm);
- peacefully assemble;
- freedom of association;
- make political choices and to exercise those rights outside of working hours;
- freedom of movement including the minimisation of involuntary resettlement (subject to fair compensation where the latter is unavoidable);
- fair labour practices;
- not be employed if you are a child;
- not be arbitrarily deprived of property or possessions;
- freely participate in the cultural life of your choice;
- lawful, reasonable and fair action; and
- not be subjected to arbitrary arrest or detention.

Gold Fields supports local legislation and the United Nations Universal Declaration of Human Rights and the Voluntary Principles on Security and Human Rights. Employees of Gold Fields will play a fundamental role in protecting the above mentioned rights by:

- integrating the protection of such rights into everyday practice;
- acting proactively and adhering to the local legislation and Group’s human rights policy;
- encouraging diversity in accordance with the local legislation and Group policy;
- training of and guidance for all relevant staff, including security staff and contract personnel;
- respecting the cultural heritage of communities surrounding our mining activities; and
- stipulating that suppliers and contractors conduct themselves in accordance with local legislation and this human rights policy.
Salient issue – resettlement
Land acquisition and economic compensation and resettlement

Causes
- Mining activities in populated areas
- Mergers and acquisitions
- Environmental
- Access and infrastructures
- Influx of communities into mining areas
- Artisanal mining in formal mining areas
- Exploration
- Inadequate consultation

Consequences
- Societal disturbance/conflict
- Disruption in livelihoods
- Loss of livelihoods
- Cultural heritage issues
- Increased hardship for vulnerable people
- Loss of access to resources/infrastructure

Impact on people
- Loss of reputation (media, community, shareholder, government)
- Financial loss
- Loss of social licence to operate
- Project delays/stoppages
- Prosecution of executives/legal claims for compensation
- Impact on future mining applications
- Indirect impact on community due to reputational and financial losses incurred by the company
- International condemnation/adverse international media coverage/protracted delays/loss of social licence to operate/senior executives prosecuted

Preventative controls
- Avoidance and where not possible minimise displacement
- Community influx strategy
- ASM strategy
- Comprehensive socio-economic baseline studies
- Stakeholder engagement plan
- Grievance mechanism
- Resettlement framework
- Land acquisition and resettlement action plan (e.g. stakeholder communication, committees to multi-negotiate)
- Livelihood restoration plan
- Negotiating committee and process (e.g. surveys and census)
- Specific Company policy and guidelines and handbook

Mitigation and damage control
- Alternative sustainable livelihood strategies
- Ongoing effective engagement
- Monitoring and measuring of impacts
- Compensation and replacement of structures and assets
- Host community procurement and employment
- Respect for local cultural customs, traditions, rights, interests
- Public infrastructure investment
- Grievance mechanism

Considerations for further mitigation
- Human rights impact assessments
- Medium and long-term business planning (include future resettlement issues)
- Learning from expert reviews (Asanko)
- Systems for recording agreement obligations and controls
- Compliance with international good industry practice
- Work with local government to align national and international standards

Land acquisition and economic compensation and resettlement

Leading up to the event

Once the event has occurred
Salient issue – procurement
Human rights breach by supplier

**Causes**
- Re GFL
  -  Gold Fields product and/or service specifications
  -  Suppliers’ human rights commitments
  -  Contractors’ human rights commitments (operational allowances, e.g. overtime) (South Africa)
  -  Inadequate contract management/review
  -  Gold Fields view on Tier 2 suppliers and potential transparency exposure
  -  Non-compliance consequences/penalties for suppliers (Australia)/ineffective in acting as a deterrent
  -  Lack of understanding of supply chain risk (i.e. focus just on supplies, not entire supply chain) (Australia)
  -  Lack of understanding of scope/scale of potential human rights abuses (Australia)
  -  Multi-national supply chain (Australia)
  -  Lack of supply chain transparency (Australia) (South Africa) – re suppliers
  -  Cost pressures (Australia)
  -  Programmes and initiatives to maximise procurement from host community-based suppliers (Philippines)
  -  Local content requirements and perceived or real unfairness (Philippines)
- Re people
  -  BSC compilation and/or inadequate management oversight
  -  Supplier’s contract person/contract manager’s understanding of his/her company’s approach to human rights
  -  Inadequate training (Australia)
  -  Lack of understanding of relevance to and impact on Gold Fields (Australia)
  -  Host community-based supplier understanding of and commitment to human rights (Philippines)
  -  Lack of individual understanding regarding the contrary conduct to human rights (Chile)
  -  Inadequate training on the possible effects of the supply chain on human rights violations (Peru)
  -  Disregard of alerts flagging potential human rights violations within a service/purchase order (Peru)

**Preventative controls**
- Re GFL
  -  CoC contractor and supplier certification
  -  Monthly risk screening of suppliers (via Dow Jones)
  -  Supplier awareness and development programmes
  -  Contract management and robust product/service specifications
  -  Procurement processes; i.e. Tender Review Committee, due diligence, etc.
  -  Governance and compliance framework
  -  SOX and COSSO controls
  -  Internal screening risk calculator (“SRC”) applied to all suppliers with confirmed risk mitigated screening matches
  -  Monthly recertification of active SAP and Dow Jones active suppliers to ensure all active vendors are screened
  -  Compliance with local legal requirements (e.g. impending Australian Modern Slavery Act (Australia)/Local content in procurement (Ghana))
  -  Involvement with organisations such as the Walk Free Foundation, UNGC, etc. (Australia)
- Re people
  -  Skilled analysis of the screening outcome and profiled risk view derived from the SRC program (Philippines)
  -  Training and awareness creation (Ghana) of local suppliers’ managers on human rights (Philippines)
  -  Continuous training of employees (own and contractors) related to Gold Fields’ operations (Chile)

**Consequences**
- Re GFL
  -  Decline in Gold Fields’s ESG ratings
  -  Product and/or service disruption, with a potential loss in production and income
  -  Human Rights Commission involvement and scrutiny
  -  Shareholder/stakeholder condemnation
  -  Reputation damage and negative impact on social licence to operate (Philippines)
  -  Gold Fields’ subsidiary liability for suppliers’ human rights breach (Philippines)
  -  Financial loss/liability (Ghana)
  -  Regulatory breaches leading to fines and sanctions (Ghana)
  -  Application of governmental sanctions (Chile)
  -  Suspension or loss of permits to operate (Chile)
  -  Manifestations that affect the company or operation (Chile)
  -  Adverse media (Peru)
  -  Social/community disappointment and rejection (Peru)
  -  Loss of social licence (Peru)
  -  Loss of operational permits or licences (Peru)

**Human rights breach by supplier**

**Mitigation and damage control**
- Re GFL
  -  Termination of contract
  -  Emergency contract management, from a crisis management point of view
  -  Criminal prosecution
  -  Disassociation or remediation
  -  An alternate Plan B supplier re supply of goods and services
  -  Grievance mechanism (Australia)
  -  Technical collaboration with governments and social associations for the reintegration of victims of human rights infringements (Chile)
- Re people
  -  Reorientation, training and counselling (Philippines)
  -  Contractually establish indemnification obligation of the contractor towards the persons under his dependence who are affected by non-compliance of human rights related to your activities of contractor (Chile)

**Considerations for further mitigation**
- Constant risk and gap analysis and continuous improvement
- Enhanced due diligence for risk-flagged suppliers or suppliers with confirmed screening matches
- Contractor audits?
- Due diligence Supplier Code of Conduct focusing on procurement requirements, as the Group CoC already covered ethical conduct requirements
- Third party (ultimate parent company) screening?
- Consider compliance with UK Modern Slavery Act as best practice – issuing modern slavery compliance statement (Australia)
- Training and ongoing awareness – scope/scale of human rights issues (Australia)
- Consider implementing tender requirement re human rights awareness and compliance (Australia)

Leading up to the event

Once the event has occurred

<table>
<thead>
<tr>
<th>Human rights breach by supplier</th>
<th>Mitigation and damage control</th>
<th>Considerations for further mitigation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Re GFL</td>
<td>Re GFL</td>
<td>Constant risk and gap analysis and continuous improvement</td>
</tr>
<tr>
<td>Inadequate capacity (including financial and technical capacity) of local suppliers to adopt comprehensive human rights programmes (Ghana)</td>
<td>Decline in Gold Fields’s ESG ratings</td>
<td>Enhanced due diligence for risk-flagged suppliers or suppliers with confirmed screening matches</td>
</tr>
<tr>
<td>Poor pre-evaluation of potential suppliers (Chile)</td>
<td>Product and/or service disruption, with a potential loss in production and income</td>
<td>Contractor audits?</td>
</tr>
<tr>
<td>Lack of supervision at suppliers regarding the use of workers in conditions of desperation (massive migrations), and inadequate payments for their services (Chile)</td>
<td>Human Rights Commission involvement and scrutiny</td>
<td>Due diligence Supplier Code of Conduct focusing on procurement requirements, as the Group CoC already covered ethical conduct requirements</td>
</tr>
<tr>
<td>Gold Fields makes commitments to maximise employment in the host community in countries where a difference can’t be made (Chile)</td>
<td>Shareholder/stakeholder condemnation</td>
<td>Third party (ultimate parent company) screening?</td>
</tr>
<tr>
<td>Inadequate evaluation of the real effect generated by Gold Fields’ decisions and actions in the host community (Chile)</td>
<td>Reputation damage and negative impact on social licence to operate (Philippines)</td>
<td>Consider compliance with UK Modern Slavery Act as best practice – issuing modern slavery compliance statement (Australia)</td>
</tr>
<tr>
<td>Inadequate vendor/contractor screening and risk assessment (Peru)</td>
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Impact on stakeholders of mine closure

Salient issue – mine closure

Causes

- Insufficient or incorrect liability estimate for implementation of mine closure plan
- Insufficient or incorrect resources for implementation of mine closure plan
- Financial provision (environmental reclamation/rehabilitation; bond or other) insufficient or incorrect; or the security may not be realised
- Absent, incomplete or incorrect mine closure plan. Regulator does not accept mine closure plan or prescribes opposing or other requirements
- Delayed, failed or ineffective start to implementation of mine closure plan
- Delayed, failed or ineffective implementation of progressive rehabilitation
- Changing landscape (e.g. community influx, statutory changes, mining activities)
- Emergence of AMD, contaminated land/soil and or other issues not previously identified
- Lack of suitable materials for mine closure to meet mine closure prescriptions (such as rock, topsoil etc.)
- Post closure liability not fully understood or planned for
- Social, community and socio-economic risk and liability not fully understood or planned for
- Poor controls, monitoring and evaluation of mine closure plan implementation
- Rehabilitation activities impacted by natural catastrophic event (fire, flood, earthquake, drought, extreme rain event) or faunal disturbances or sabotage
- Long-term impacts of rehabilitation through climate change
- Regulator does not agree to relinquishment
- Catastrophic failure or sabotage of mine infrastructure
- Premature, partial or unscheduled mine closure
- Operation enters into care and maintenance
- Mergers and acquisitions do not consider mine closure
- Mining activities

Preventive controls

- Group guidance for mine closure plans that include statutory compliance, IOMM requirements, industry good practice, comprehensive coverage of all aspects (i.e. environment, community, social, procurement, human resources, biophysical, indirect activities, human rights, resettlement, etc.), care and maintenance, unscheduled closure and a resourcing and scheduling plan (detailed versus conceptual closure?)
- Compliance assessment of mine closure plan against Group guidance
- Strategy for provision where gaps exist
- Effective portfolio management
- Annual review and update of mine closure plan
- Performance monitoring protocols for completed rehabilitation
- Regular review and update of Group guidance
- Standardised Group guidance for closure cost estimates (scheduled and unscheduled) aligned with SOX and IFRS requirements. Supported by procedure manual and updated COSO controls
- Annual review and update of closure cost estimate (scheduled and unscheduled)
- Assurance and review of closure cost estimate (scheduled and unscheduled)
- Operational and/or budgets to include applicable closure costs including indirect closure costs
- Due diligence framework to include mine closure plan, liability and provision consideration
- Mine closure requirements for exploration and project activities including compliance with statutory requirements for mine closure
- Progressive rehabilitation to be included in life-of-mine (LoM) closure cost and scheduling
- Progressive rehabilitation plans to be developed and included in business plans (one year, detailed) and three-year plans

Ineffective, incomplete or failed implementation of mine closure plan

- Progressive rehabilitation monitoring and evaluation of implementation
- Progressive rehabilitation lessons learnt: document and update
- Co-operative management between Mine Closure lead and mine planning lead to ensure appropriate scheduling and scheduling changes
- Post closure liability (water management) plans developed for all operations
- Pre-feasibility study for post closure liability management (or mitigation) implementation
- Group financial reporting for post closure liability estimate
- Group provision for post closure liability, or strategy for provision
- Social transitioning strategy that considers stakeholder engagement, host community employment and procurement
- Annual review and update of risk assessment and management plan
- Implementation of social transitioning strategy
- Effective stakeholder engagement for mine closure
- Artisanal/mining of “closed” landforms or activities
- Premature, partial or unscheduled mine closure
- Operation enters into care and maintenance
- Mergers and acquisitions do not consider mine closure
- Mining activities

Consequences

- Risk to human rights impact not addressed, but occur and perpetuated, including loss of livelihood, access to water, sanitation, resources, quality of life
- Environmental impacts not addressed, but occur and perpetuated
- Non-compliance to legal and or other obligations
- National and regional social impacts not addressed, but occur and perpetuated
- Host community social impacts not addressed, but occur and perpetuated
- National and regional economic impacts not addressed, but occur and perpetuated
- Catastrophic failure of infrastructure or landform resulting in death, damage or loss
- Grievances and complaints which impact on ability for, or timing of, relinquishment
- Reputational impact on Company, potential financial impacts, and multi-jurisdictional investment risks
- Financial losses to Company (short term)
- Financial losses to Company (long term) in addressing post closure liabilities
- Regulator does not agree to relinquishment
- Impact on mergers and acquisitions and potential asset value
- Director, sanction, penalty or fine against Company
- Delayed “walk-away” or completion of mine closure activities

Leading up to the event

Mitigation and damage control

- Reactive and emergency management of social, environmental and other impacts
- Emergency response plan
- Protect value with regulator and/or other stakeholders – including partnerships. Robust engagement and relationship
- Reputation management
- Care and maintenance plan
- Mitigate and protect for the long term
- Appropriate insurances
- Effective portfolio management
- Effective and increased stakeholder engagement
- Portfolio management adjustments
- Legal interventions
- Contingency planning and risk assessments
- Crisis management plan
- Compensation
- Human resources (employee), social and community approach/strategy – response

Once the event has occurred

- Contingency planning and risk assessments
- Crisis management plan
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Salient issue – public security
Abuse of power by public and private security

Causes
- Political unrest/community unrest due to political, economic, civil or social factors
- Excessive force
- Criminal acts
- Non-compliance to security policy and legislation
- Poor liaison with public and private law enforcement
- Ineffective application of local/international law
- Poor governance
- Underestimation and analysis of risks
- Incorrect information
- Misuse of information
- Ineffective training of security
- Acts of terrorism
- Political interference and agitation
- Negative interaction between public and private security
  - Lack of understanding of impacts and risks of presence of private or public security forces

Consequences
- Injury and loss of life
- Loss of ability to work
- Trauma
- Right to security and safety compromised
- Investigation/enquiry and disciplinary action
- Loss of right to protest
- Significant reputational damage to the Company
- Legal liability – criminal/civil liability
- Indirect impact on community due to reputational and financial losses incurred by the Company
- Anti-mining sentiment and protests

Preventative controls
- Competent security provider
- Compliance with voluntary principles on security and human rights
- Code of Conduct for security personnel
- Scenario planning
- Deployment of security personnel proportionate to risk profile – periodic review
- Ongoing risk assessments
- Compliance with local regulatory requirements (if any)
- Training and development
- Security personnel vetting process – due diligence on human rights record and ongoing monitoring
- Relationship with public security
- Security industry networking
- Grievance procedures
- Community capacity development
- Robust contractual arrangements with termination provisions for non-compliance
- Engagement and training of security companies on human rights expectations
- Corporate security policies, standards and procedures
- Private security contract management
- Application of international standards and UN guidelines

Mitigation and damage control
- Compensation and insurance
- Independent enquiries and investigations (judicial bodies)
- Human Rights Commission (HRC) (not every jurisdiction has one – particularly where risk is greatest. No application of HRC outside of relevant jurisdiction)
- Disciplinary action and terminations
- Crisis management plans
- Removal of security companies
- Grievance procedures – recording of all complaints and thorough and confidential investigation of all credible complaints

Considerations for further mitigation
- Cooperation/coordination with peer companies on complaints of human rights abuse by public and private security providers.

Leading up to the event

Once the event has occurred