



GOLD FIELDS

Let's Talk

BRIEF TO THE PEOPLE OF SOUTH DEEP
WEEK OF 11 MARCH 2022

Understanding AIC, Flu vaccines available



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Dear Colleagues

As mentioned in last week's Weekly Brief, we will be running a series of articles focusing on key business concepts over the coming weeks.

In a large organisation like South Deep, with many different departments that have to work together to ensure our success, we believe it is important that all our people have a general understanding of some of the technical and commercial aspects of our business. We also hope you find these articles interesting and that they give you a better understanding of what it takes to mine the gold we mine successfully.

With the recent release of the Gold Fields group financial results, and South Deep Mine's significant contribution to those results, we thought it would be of interest to explain one very important financial aspect of running a mining operation.

AIC (all-in-cost) and why it matters



What is AIC?

AIC or rather All-in-Cost is a measure for mining companies to show the full cost of running a mining operation. This was implemented by the World Gold Council to ensure that mining companies are compared against the same cost basis.

How is it calculated?

AIC is calculated by adding up all the operating costs, adjusted for any work (in our world = Gold) still in process, with community and social costs, capital costs (much like operating costs but for items/projects that have a lifespan of longer than a year and cost more than R500 000), government royalties, share scheme payments, and lease payments. There is also a small portion for rehabilitation costs which is included.

Why is AIC important and why should we all be concerned about it?

Because the AIC has now been standardised, it is a way for the company to see how it is performing against other mining companies and also allows us to understand if we are spending more money than we are making per kilogram of gold mined. If we spend more than we earn from the sale of gold, we will be making a loss and will ultimately go out of business

What are our AIC goals for 2022?

At South Deep we have set the goal to produce a kilogram of gold at a cost of R722 469 per kilogram. Currently the gold price is higher than this amount, which means we are profitable, but that could change at any time and we need to be able to make a profit at a time when there are lower gold prices to be able to sustain our Mine.

How does this relate to #500@750?

This is where it gets tricky. South African gold miners produce gold at a cost measured in the South African rand. Our product however is traded in the international market based on a cost of US Dollar per ounce (or 32.15074 grams) basis. So for us to ensure that we make a profit on both the South African rand measure and the US Dollar measure, we need to increase volumes and efficiencies, reduce wastage in our costs that could push up the cost per kilogram or per ounce. Achieving our aspiration of #500@750 would mean that at any gold price, we will be able to operate profitably for a very long time.

How can we as individuals influence AIC?

Influencing AIC is within all of our control. There are two levers we can pull for AIC. We can reduce wastage by not over-ordering or breaking/ damaging equipment, in other words keeping our operating costs in check and ensuring that the costs we do incur, add value to the business and improve efficiency or our way of working. This combined with increasing the volume of gold produced is key to our future.

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Winter Flu vaccines available at the South Deep clinic

As the evenings start getting darker earlier we are reminded that winter is fast approaching. The seasonal Flu vaccine is now available from the South Deep clinic for any colleagues that would like to ensure they have added protection during the upcoming winter flu season. The flu vaccine is recommended for anyone, but especially those who have a chronic illness such as heart disease, diabetes, TB or are HIV positive. It gives you added protection against severe flu symptoms. If you would like to get the flu vaccine please make an appointment for any Wednesday at the clinic.



IN OUR HANDS

Uncontrolled release of energy

Energy touches every aspect of our lives and without energy we would not survive and industry as we know it would not exist. Any energy released in an uncontrolled manner poses a risk and could result in a Material Unwanted Event (MUE). In February your leaders engaged with you on the MUE Uncontrolled Release of Energy, this is a reminder of the critical controls that need to be in place to prevent this MUE from occurring.

What Critical Controls are in place to prevent Uncontrolled Release of Energy?

<p>Critical Control 1 Design and Operation of Plant and Equipment</p>	<p>Critical Control 2 Documented Standard Operating Procedures for High Risk Work</p>	<p>Critical Control 3 Training and Competence</p>
<p>Critical Control 4 Identify and label all hazardous energy sources</p>	<p>Critical Control 5 Work Planning – Risk Assessment</p>	<p>Critical Control 6 De-energise, Isolation, Test, Lock-out and Make Safe procedure</p>

Eliminating serious injuries and fatalities is in our hands

COVID-19 TESTING UPDATE

	At risk		Returning to work		Risk-based sampling		Persons under investigation		Total
	This week	Total	This week	Total	This week	Total	This week	Total	
Tested 2020	0	310	0	2 550	0	7 050	0	171	10 081
Tested 2021	0	268	0	3 018	0	15 642	0	171	19 099
Tested 2022	0	3	36	695	237	2 208	0	9	2 915
Total Tested	0	581	36	6 263	237	24 900	0	351	32 095
Positive	0	23	2	359	6	1 806	0	257	2 445
Negative	0	558	34	5 904	231	23 094	0	94	29 650
Awaiting Results	0	0	0	0	0	0	0	0	0
Deceased	0	0	0	0	0	4	0	11	15
Active cases	0	0	0	0	0	2	0	0	2
Recovery Testing	0	4	0	18	0	90	0	33	145
Employees in Hospital	0	0	0	0	0	0	0	0	0
Recoveries									
Recovered as per NICD	0	23	2	359	7	1 804	3	257	2 443
Recovered (back at work)	0	23	2	359	14	1 800	4	256	2 438
Unfit for Work/ Sick leave	0	0	0	0	2	3	0	0	3
Medical Assessment in Progress	0	0	0	0	0	2	0	0	2
Not yet Assessed	0	0	0	0	0	0	0	0	0
Vaccination Programme									
Number of 1st vaccinations	4 600								
Number of 2nd vaccinations	3 998								



Safety



Integrity



Respect



Responsibility



Innovation



Collaborative
Delivery



GOLD FIELDS