



BOARD CHARTER

(Updated and approved by the Board on 6 November 2018)



COMMITMENT



ACCOUNTABILITY



RESPECT



ENABLING



SAFETY

1. **VISION**

Superior value creation for all stakeholders through mining our multi-commodity resources in a safe and healthy environment.

2. **SELF GOVERNANCE**

The board of directors (the “Board”) of Sibanye Gold Limited (“Sibanye-Stillwater”, or the “Company” or the “Group”) is responsible for:

- 2.1. Appointing an independent non-executive chairperson (the “Board Chair”) on an annual basis;
- 2.2. Reviewing the independence of the Board Chair and factors that may impair his/her independence on an annual basis as set out in Appendix B;
- 2.3. Appointing a lead independent non-executive director in the absence of an independent Board Chair pursuant to King IV: Principle 7.32 and Principle 9.72;
- 2.4. Having a Board composed of a majority of independent non-executive directors, and of such directors a majority being independent non-executive directors, with the requisite skill and gender mix and geographic background to meet the Company's evolving needs in a collective way, such that no one individual has unfettered decision-making power. The Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”) are *ex officio* members of the Board;
- 2.5. setting targets and approving a policy on the promotion of gender diversity and race diversity at Board level to be implemented by the Nominations and Governance Committee;
- 2.6. Regularly monitoring and appraising its own performance, those of its sub-Committees and individual independent non-executive directors;
- 2.7. Annually evaluating the independence of the independent directors including those directors serving for longer than nine years;
- 2.8. Maintaining transparency and accurate records of its decisions;
- 2.9. Ensuring that Sibanye-Stillwater has an effective and independent Audit Committee;

- 2.10. Implementing a retirement age of 72 for its members. In certain cases the Board reserves the right to extend the age limit to 75 years depending on the Board member's fitness to serve as a director;
- 2.11. Aiming to educate and update itself continuously;
- 2.12. Meeting at least four times a year in formal sessions, and regularly without its executive members;
- 2.13. Recommending to the shareholders suitable nominees for election as directors in accordance with pre-determined criteria which are both formal and transparent as set by the Nominating and Governance Committee;
- 2.14. The governance of information technology ("IT");
- 2.15. Approving the IT framework, IT charter, IT policies, and an IT internal control framework; and
- 2.16. The Board shall have the authority to appoint and dismiss the head of Sibanye-Stillwater's Internal Audit Department. The evaluation of the Sibanye-Stillwater's Internal Audit Department's competence, gravitas and objectivity has been delegated to the Audit Committee.

3. **ROLE AND FUNCTIONS OF THE BOARD CHAIR**

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

4. **BOARD'S ACTIONS**

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

- 4.1. Retaining full and effective control over the Company and providing effective and ethical leadership in the best interest of the Company and conducting its own affairs in a professional manner, upholding the core values of integrity, transparency and enterprise;
- 4.2. Determining and setting the tone of the Company values including principles of ethical business practice, human rights considerations and the requirements of being a responsible corporate citizen, which includes assessing and responsibly responding to the negative consequences of the Company's activities and outputs on the triple context in which it operates and the capitals which it uses and affects;

- 4.3. Bringing independent, informed and effective judgment to bear on material decisions of the Company and Group companies including material Company and Group policies, the Group Approval framework;
- 4.4. Satisfying itself that the Group is governed effectively in accordance with corporate governance best practices, appropriate and relevant industry rules, codes, standards and internal control systems;
- 4.5. Evaluating, determining and ensuring the implementation of Group operational and strategic plans and policy;
- 4.6. Reviewing and approving purchases or sales of investments/acquisitions and disposal of legal entities/subsidiaries;
- 4.7. Recommending to the shareholders the change to authorised or issued share capital other than issue of shares in terms of approved Employee Share Plans;
- 4.8. Approving the Group dividend policy and declarations;
- 4.9. Approving the hedging and derivatives policy;
- 4.10. Approving budgeted capital expenditure identified in Operational plan - Individual AFE value > R500 million > USD 50 million;
- 4.11. Approving unbudgeted capital expenditure NOT identified in Operational plan - Individual AFE value > R250 million > USD 25 million;
- 4.12. Approving loan facilities >R500 million >USD 50 million or term > 1 year;
- 4.13. Approving any legal action with a financial implication likely to be in excess of R25 million (USD 2.5 million);
- 4.14. Reviewing and approving annually the Group Approval Framework;
- 4.15. Developing and setting disclosure and reporting practices, as required by applicable law and regulation to best serve the needs of its shareholders.

5. **STRATEGY FORMULATION AND EXECUTION:**

- 5.1. The Board is responsible for steering the Company and setting its strategic direction, setting objectives of the Company as a business enterprise as well as its values. In

managing or directing the affairs of the Company the Board has authority to exercise all of the powers and perform any of the functions of the Company except to the extent that the Companies Act 71 of 2008, as amended ("the Companies Act) or Memorandum of Incorporation ("MOI") provide otherwise. The Board does not get involved in the day to day management of the Company, except in exceptional circumstances.

- 5.2. The Board 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.

6. RELATIONSHIP WITH THE CEO:

- 6.1. The Board selects, motivates and, if necessary, replaces the CEO (in consultation with the Nominating and Governance Committee). 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.
- 6.2. The CEO is the principal responsible for execution of the Boards' policies and practices. The Board monitors and reviews his performance with regular dialogue and feedback.
- 6.3. The CEO shall be a member of the Board.

7. CORPORATE GOVERNANCE

- 7.1. 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.
- 7.2. 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.
- 7.3. 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. Each Board and statutory committee, assisted by the Company Secretary, shall annually review its terms of reference, and recommend to the Board for approval of any changes made. The Board shall also review this Charter on an annual basis and may delegate this function to the Nominating and Governance Committee.

- 7.4. The Board shall establish six committees namely, the Audit Committee, the Risk Committee, the Remuneration Committee, the Nominating and Governance Committee, the Safety, Health and Sustainable Development Committee and the Social and Ethics Committee. The Board may, from time-to-time, subject to relevant rules, laws and other regulations, change the number of committees, their names and/or their purposes.
- 7.5. 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.
- 7.6. The Board may, from time-to-time, form *ad hoc* committees to undertake special tasks or support certain responsibilities of the Board.
- 7.7. Without limitation, the Board is further responsible for:
- 7.7.1. Monitoring the performance of the Company in all respects, including inter alia:
 - 7.7.1.1. Performance of the operations;
 - 7.7.1.2. Financial reporting accuracy and integrity;
 - 7.7.1.3. Management performance;
 - 7.7.1.4. Risk exposures and controls;
 - 7.7.1.5. Health and safety performance;
 - 7.7.1.6. Comparative performance against peers;
 - 7.7.1.7. Shareholder satisfaction and communication policy; and
 - 7.7.1.8. Sustainable Development.
 - 7.7.2. Authorising and controlling capital expenditure and reviewing investment capital and funding proposals.
 - 7.7.3. Setting the capital structure of the Company.

- 7.7.4. Approving the Group tax's policy that is compliant with applicable laws and also congruent with responsible corporate citizenship and takes into account reputational repercussions;
- 7.7.5. Seeking to ensure ethical behaviour and compliance with relevant laws and other regulations, audit and accounting principles/practices, the Company's own governing documents and the Company's Code of Ethics.
- 7.7.6. 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.
- 7.7.7. Reviewing succession planning for the management team and endorsing senior executives' appointments, organizational changes and general remuneration policy.
- 7.7.8. Providing counsel and advice to the CEO and his or her management team on all critical and sensitive matters.
- 7.7.9. Director selection, orientation and education.

8. REMUNERATION

- 8.1. Having regard to the functions performed by the independent non-executive directors as members of the Board they shall be paid such remuneration, as shall be recommended by the Remuneration Committee and approved by the shareholders of Sibanye-Stillwater at a general meeting by a special resolution within the previous 2 years.
- 8.2. Executive directors' remuneration is determined by the Remuneration Committee, a sub-committee of the Board, with the authority to utilise appropriate external advisors. Executive directors are not paid director's fees.

9. CONDUCT OF BOARD MEMBERS

Board members are expected to:

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

- 9.2. submit to the Board a declaration of all financial, economic and other interests held by members and related parties at least annually, or whenever there are significant changes and at the beginning of every meeting in respect of any matter on the agenda. Members are to avoid conflicts of interest between their personal affairs and those of the Company or, where unavoidable, disclose any such conflict or potential conflict;
- 9.3. 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;
- 9.4. keep all information learned by them, in their capacity as a director, strictly confidential;
- 9.5. 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.

10. **BOARD MEETINGS**

- 10.1. 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.
- 10.2. 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.
- 10.3. 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.
- 10.4. 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.
- 10.5. In the case of a tied vote the Board Chair may not cast a deciding vote even if the Board Chair did not initially have or cast a vote and the matter being voted on fails.
- 10.6. 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.

10.7. 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.

11. NO PERSONAL LIABILITY ARISING FROM APPOINTMENT

Subject to the above provisions and to the fullest extent permitted under relevant rules, laws and other regulations, the members of the Board shall not attract any personal liability arising from their appointment, and the performance in good faith of their functions as members of the Board. Sibanye-Stillwater shall indemnify members of the Board against all and any claims arising from the execution of their functions.

12. BOARD EXPENSES

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

13. COMPANY SECRETARY

13.1. 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.

13.2. The Board will ensure that the Company Secretary has the requisite knowledge, skills and experience to fulfil the function of Company Secretary.

13.3. The Company Secretary will, in addition to his or her statutory duties, fulfil the duties of a Company Secretary as contemplated in the *King IV Code on Corporate Governance*.

Appendix A Role and functions of the Board 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 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 Board 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 Board 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 Board Chair should meet with individual Directors once a year about evaluating their performance. The Board 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 and Company Secretary before meetings and studying of the meeting information packs distributed; and
17. Ensuring that decisions by the Board are executed.

Appendix B Non-Executive Director Independence

A non-executive director will not be deemed independent if:

1. He / she is a significant provider of financial capital, or ongoing funding to the organisation; or is an officer, employee or a representative of such provider of financial capital or funding;
2. He / she is currently employed, or has a family member currently employed as an executive officer, by another company that has made payments to or received payments from the Company for property or services in an amount that exceeds, in any single fiscal year, the greater of U.S.\$1 million or 2% of the other company's consolidated gross revenues;
3. He / she receives, or has an immediate family member that receives, more than U.S.\$120,000 in direct compensation from the Company in any twelve-month period (other than director and committee fees and other specified types of payments);
4. He / she participates in a share-based incentive scheme offered by the Company;
5. He / she owns securities in the Company, the value of which is material to his / her personal wealth;
6. He / she has been in the employ of the organisation as an executive manager during the preceding three financial years, or is a related party to such executive manager;
7. He /she is a current partner or employee of the Company's internal or external auditor or has an immediate family member who is a current partner at such a firm, or is a member of the audit team of the external audit firm who works or has worked on the Company's audit;
8. He / she is a significant or ongoing professional adviser to the organisation, other than as a member of the Board;
9. He / she is a member of the board or the executive management of a significant customer of, or supplier to, the organisation;
10. He / she is employed, or has an immediate family member who is employed, as an executive manager of another company where any of the Company's present executives simultaneously serve or have served on that company's compensation committee;
11. He / she is a member of the board or the executive management of another organisation which is a related party to the organisation; or
12. He / she is entitled to remuneration contingent on the performance of the organisation.