

REPORT OF THE SOCIAL AND ETHICS COMMITTEE

FOR THE YEAR ENDED 31 DECEMBER 2015

The Group, by virtue of the Companies Act, established a Social and Ethics Committee (Committee).

THE ROLE OF THE COMMITTEE

As prescribed by the Companies Act, the role of the Committee is to monitor the Group's activities in respect of:

- social and economic development, including the Group's compliance with the 10 principles of the United Nations Global Compact, Organisation for Economic Co-operation and Development recommendations regarding corruption, the Broad-Based Black Economic Empowerment Act and the Employment Equity Act;
- good corporate citizenship, including the Group's promotion of equality, prevention of unfair discrimination and reduction of corruption, contribution to development of the communities in which the Group operates, and its record of sponsorships, donations and charitable givings;
- the environment, health and public safety and the impact thereon of the Group's activities;
- consumer relations and the Group's compliance with consumer protection laws; and
- the Group's standing in terms of the ILO protocol on decent work and working conditions, the Group's employment relationships and its contribution to the educational development of its employees.

In addition, the Group also subscribes to the 10 principles of the International Council on Mining and Metals and the Committee is responsible for monitoring the Group's activities in respect of this protocol.

THE STRUCTURE OF THE COMMITTEE

The Committee consists of the respective chairmen of the Audit, Risk, Remuneration, Nominating and Governance, and the Safety, Health and Sustainable Development committees.

DISCHARGING ITS DUTIES DURING THE YEAR

The Committee met four times during the year. Areas discussed with management included the 10 principles of the International Council on Mining and Metals; the 10 principles of the United Nations Global Compact; community development; Broad-Based Black Economic Empowerment and employment equity requirements; and Mining Charter compliance requirements. The Committee believes that the Group complies with the statutory duties save for issues still being addressed by Management with regard to Employment Equity and Supply Chain related Social Labour Plan targets for Joint Ventures and the Group's Employment Equity Plans..

JERRY VILAKAZI

CHAIRMAN: SOCIAL AND ETHICS COMMITTEE

18 March 2016