



LEADERSHIP

CORPORATE GOVERNANCE

The Group has adopted high standards of accountability, transparency and integrity in the running of the business, and in reporting to shareholders and other stakeholders.

The approach to corporate governance is guided by the principles of fairness, accountability, responsibility and transparency. Special attention has been given to providing stakeholders and the financial investment community with clear, concise, accurate and timely information about the Group's operations and results; reporting to shareholders on an integrated basis on Sibanye's financial and sustainable performance; ensuring appropriate business and financial risk management; ensuring that no director, management official or other employee of the Sibanye Group deals directly or indirectly in Sibanye shares on the basis of unpublished price-sensitive information regarding the Sibanye Group, or otherwise during any prohibited period; and recognition of the Group's social responsibility to provide assistance and development support to the communities in which it operates and to deserving institutions at large.

The full corporate governance report is incorporated in the **Annual Financial Report 2015** that has been published in conjunction with this **Sibanye Gold Integrated Annual Report 2015**.

BOARD OF DIRECTORS

The Company's Memorandum of Incorporation (MOI) requires no fewer than four and no more than 15 members on the Board of Directors. The Board currently comprises 13 members – eight of these are independent non-executive directors, three non-independent non-executive directors and the two executive directors holding the positions of CEO and CFO. The Board, advised by the Nominating and Governance Committee, ensures that the candidates for election as independent non-executive directors are reputable, competent and experienced and are willing to devote the necessary time to the role.

The Board of Directors' Charter (Charter) outlines the objectives and responsibilities of the Board and all Board sub-committees operate in accordance with written terms of reference, which are regularly reviewed by the Board. The Board takes ultimate responsibility for the Group's adherence to sound corporate governance standards and sees to it that all business judgements are made with reasonable care, skill and diligence.

The roles of the Chairman of the Board and the CEO are separate.

The executive directors and the Company Secretary keep the Board informed of all developments in the Group.

The Board met seven times during the year under review.

The current membership of all the Board sub-committees is reflected in the full corporate governance report of the **Annual Financial Report 2015**.





MONITORING PERFORMANCE

In line with recommendations of King III, the Board carried out a rigorous evaluation of the independence of directors and conducted an internal assessment of the effectiveness of the Board and Board sub-committees.

The Chairman is appointed annually by the Board which, with the assistance of the Nominating and Governance Committee, carried out a rigorous review of the Chairman's performance and independence during 2015. The Board concluded that there were no factors that impaired his independence and appointed the Chairman for another year.

The performance of the Company Secretary was evaluated by the Board. The Board was satisfied with his competence, qualifications, experience and maintaining an arms-length relationship with the Board.

ROTATION AND RETIREMENT FROM THE BOARD

In accordance with the MOI, one third of the directors shall retire from office at each AGM. The first to retire are those directors appointed as additional members of the Board, followed by the longest-serving members. The Board, assisted by the Nominating and Governance Committee, can recommend the eligibility of retiring directors (subject to availability and their contribution to the business) for re-appointment. Retiring directors can be immediately re-elected by the shareholders at the AGM.

BOARD OF DIRECTORS' CHARTER

In 2015, the Board reviewed and re-assessed the adequacy of the Charter. This document compels directors to promote the vision of the Group, while upholding sound principles of corporate governance. Directors' responsibilities under the Charter include:

- determining the Group's Code of Ethics and conducting the Group's affairs in a professional manner, upholding the core values of integrity, transparency and enterprise;
- evaluating, determining and ensuring the implementation of corporate strategy and policy;
- determining compensation, development, skills development and other relevant policies for employees;
- developing and setting best-practice disclosure and reporting practices that meet the needs of all stakeholders;
- authorising and controlling capital expenditure and reviewing investment capital and funding proposals;
- constantly updating the risk management systems, including setting management expenditure authorisation levels and exposure limit guidelines; and
- reviewing executive succession planning and endorsing senior executive appointments, organisational changes and general remuneration policies.

The complete Charter is available on Sibanye's website.

