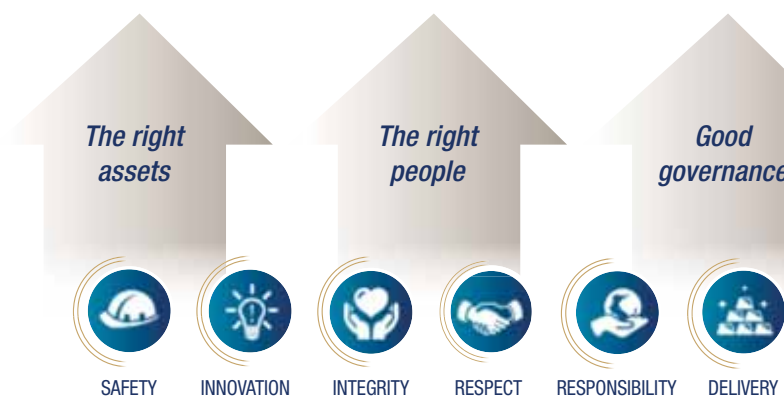


Value Creation and Distribution

Gold Fields' value creation cycle starts with ensuring we have the right assets, the right skills and that good governance is firmly entrenched throughout the organisation. This fundamental foundation strengthens our value proposition to investors, employees, communities and governments, helps attract capital and

1. GET THE FUNDAMENTALS RIGHT

Our business needs three fundamental components in place for us to operate – the right assets in the right locations, the right people to deliver and a culture of good governance which includes strict regulatory compliance and sound management of our impacts in order for us to retain our regulatory and social licence to operate. These are fundamental to our ability to operate sustainably – without them we cannot do business. The Gold Fields Values underpin how we conduct business.



2. STAKEHOLDER VALUE PROPOSITION

With the three fundamentals in place our regulatory and business risks are reduced, our reputation is enhanced and our investment, partner and employee value propositions are strengthened.



Investment Value Proposition

By building a quality portfolio of operating assets we seek to generate a sustainable free cash flow margin and provide superior returns on investment.



Partner Value Proposition

By responsibly managing our environmental and social impacts and sharing the value from our operations with host communities and local economies, we seek to build mutually beneficial relationships with communities and governments.



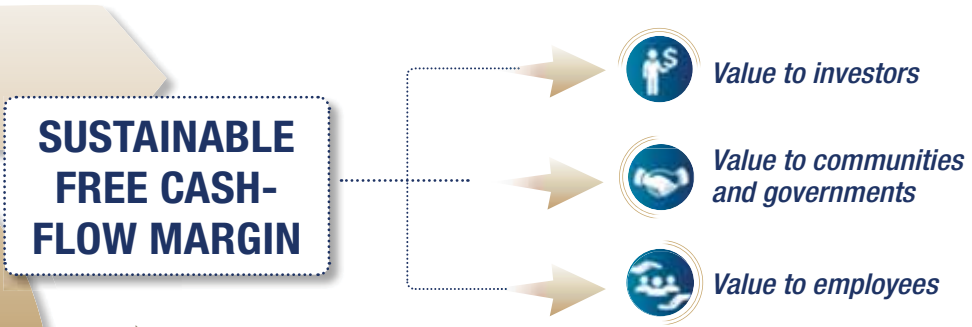
Employee Value Proposition

By developing employees and rewarding them for their delivery against performance objectives, we seek to provide a compelling employee value proposition that will enable us to attract and retain top talent.

skills to the business and affords us access to the right location for our mines and projects. From there we can deliver on our business strategy and distribute value back to stakeholders.

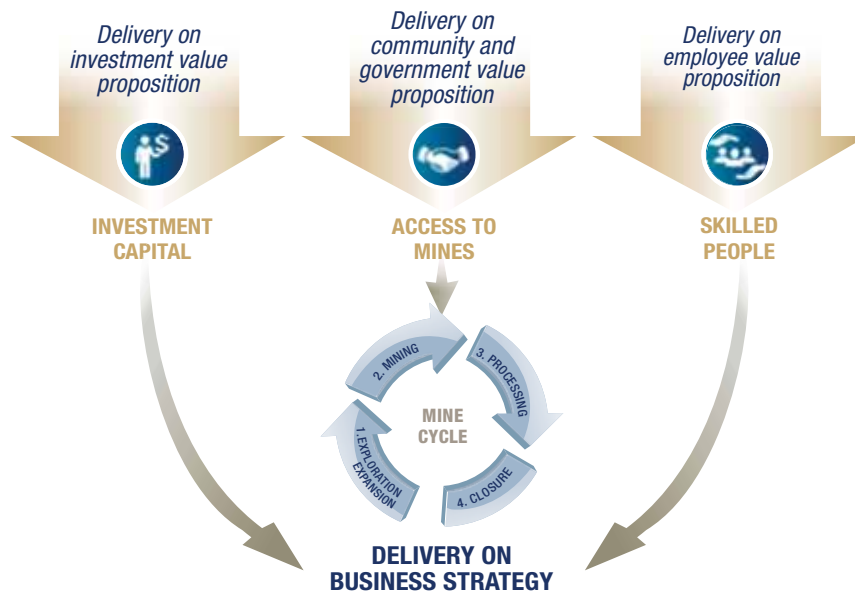
4. DISTRIBUTE VALUE TO STAKEHOLDERS

The delivery on our business strategy of generating a sustainable free cash flow margin enables us to distribute value to shareholders, employees, communities and local economies.



3. USE INPUTS TO DELIVER ON STRATEGY

Delivery on the promises made in our investment, government and community and employee value propositions attract investment capital to the business; access to mines through licences from governments and the support of communities; and the skills of the best people in the industry. These and other critical inputs allow optimal mining efficiency which drives the delivery on business strategy.



Outcomes

Results, Scorecard and Impacts

Gold Fields generates significant value for all the societies in which it operates – some of which can be quantified and others not. The most important means by which Gold Fields generates quantifiable value are outlined below:

TOTAL AND NATIONAL VALUE DISTRIBUTION

National value distribution by region and type 2016 (US\$m)	Government	Business	Employees/contractors	Socio-Economic Development	Capital providers	National value distribution
Americas	35	147	40	9	3	234
Australia	99	720	138	0.3	0	958
South Africa	2 ¹	197	153	4 ²	5	361
West Africa	94	584	104	3	2	787
Corporate	6	–	47	–	112	165
Total Gold Fields	235	1,648	482	16	122	2,505

¹ South Deep does not yet pay income tax as it is in a loss-making position

² This includes spending from the South Deep Community and Education Trusts and SLP commitments.

MANAGING OUR IMPACTS

The nature of our mining operations requires that we understand and manage and minimise the impact of our operation.

Community impacts in 2016



Environmental laboratory, Tarkwa, Ghana

Community investments:
US\$16.2m

Funding of projects that directly benefit our host communities

Host community workforce
employment: 8,567 people

Just under half of our total workforce is sourced from host communities

Host community procurement:
US\$558m

During 2016 Gold Fields procured 41% of its goods and services from host community enterprises

Environmental impacts in 2016

Water withdrawal:
30.3Gℓ



CO₂ emissions:
1.96m tonnes



Mining waste:
187m tonnes



Energy usage:
11.7m GJ








Tailings storage facility at Cerro Corona, Peru



Truck fleet at St Ives, Australia

CREATING SHARED VALUE

 Government	 Business	 Employees and contractors	 Communities	 Capital providers
Payments include				
Mining royalties and land-use payments, taxes, duties and levies dividends	Operational and capital procurements	Salaries and wages, benefits and bonus payments (including shares and payroll taxes)	SED spending, including on infrastructure, health and wellbeing, education and training, local environmental initiatives and donations	Interest and dividend payments to shareholders

Why these stakeholders matter

Governments provide us with access to ore bodies by granting mining and other licences. They also deliver the infrastructure necessary to build and maintain our mines, including roads, electricity and water supply	Our supply chain businesses provide the equipment and services needed to develop and maintain our operations	The technical skills, experience and activity of our people drive the day-to-day operations of our business	Host communities are the source of a significant portion of our workforce and a key component of our social licence to operate	Financial institutions, shareholders and bond holders invest with us, thus enabling us to fund the development, maintenance and growth of our operations and our overall business
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What we contributed in 2016

<ul style="list-style-type: none"> » We paid governments US\$235m (2015: US\$196m) in taxes and royalties, 10% of total value distribution (2015: 8%) » In addition, the Ghanaian government receives dividends relating to its 10% shareholding in Gold Fields Ghana, depending on the Company's performance 	<ul style="list-style-type: none"> » We paid US\$1,648m to suppliers and contractors, representing 68% of total value creation (2015: US\$1,663m/69%) » Of the total 2016 procurement expenditure, US\$1,360m or 83%, was spent on businesses based in operating countries (2015: US\$1,268m/76%) » Within this figure, US\$558m, or 41%, was spent on suppliers and contractors from host communities (2015: US\$514m/35%) 	<ul style="list-style-type: none"> » We paid US\$482m (2015: US\$435m) to employees in terms of salaries, dividends and benefits, representing 19% of total value distribution (2015: 18%) » We also provide employees (where legislated) with additional benefits such as retirement savings, healthcare assistance, life and disability insurance, housing assistance and personal accident cover 	<ul style="list-style-type: none"> » We invested US\$16.2m (2015: US\$13.7m) in terms of SED investment » Independently, the South Deep trusts spent R19.3m (US\$1.4m) in 2016 (2015: R24.3m/US\$1.9m) » 48% of our workforce is drawn from host communities (2015: 59%) » See p99 for an analysis of our host community employment and procurement as well as other benefits and investment in communities 	<ul style="list-style-type: none"> » We paid US\$122m (2015: US\$117m) to the providers of debt and equity capital, mainly in the form of interest and dividends » Net debt was reduced by a further US\$214m to US\$1,166m during 2016
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Outcomes (continued)

Results and Impacts



Financial

Category	2016		2015	2014	2013
Gold price received (US\$/oz)	1,241	■	1,140	1,249	1,386
Revenue (US\$/m)	2,750	■	2,545	2,869	2,906
Operating profit (US\$/m)	1,362	■	1,089	1,191	1,239
Headline earnings/(loss) (US\$/m)	208	■	(28)	27	(81)
Normalised earnings (US\$/m)	191	■	45	85	58
Capital expenditure (US\$/m)	650	■	634	609	739
Net cash-flow (US\$/m) ¹	294	■	123	235	(235)
Free cash-flow margin (%)	17	■	8	13	n/a
Dividend (SA cent/share)	110	■	25	40	22
Total net debt (US\$/m)	1,166	■	1,380	1,453	1,735
Net debt: adjusted EBITDA ² ratio	0.95	■	1.38	1.30	1.50

¹ Net cash-flow from operating activities after taking account of net capital expenditure and environmental payments.

² Net operating profit before depreciation and amortisation, adjusted per exploration expenses and certain other costs.



Business Optimisation

Category	2016		2015	2014	2013
TRIFR (rate per million) ³	2.27	■	3.40	4.04	4.14
Fatalities	1	■	3	3	2
Gold produced – attributable (Moz)	2.15	■	2.16	2.22	2.02
All-in Sustaining Cost (US\$/oz)	980	■	1,007	1,053	1,202
All-in Cost (US\$/oz)	1,006	■	1,026	1,087	1,312
Attributable Gold Mineral Resources (Moz)	101.494	■	102.210	108.843	113.398
Attributable Gold Mineral Reserves (Moz)	48.112	■	46.064	48.123	48.608
Attributable Copper Mineral Resources (Mlb)	5,813	■	5,912	6,873	7,120
Attributable Copper Mineral Reserves (Mlb)	454	■	532	620	708
Brownfields exploration (US\$/m)	79	■	72	58	32
Brownfields exploration – metres drilled	694,527	■	651,189	349,511	250,138

³ Total recordable injury frequency rate.



Licence to Operate

Category	2016		2015	2014	2013
Total value distribution (US\$m)	2,505	■	2,425	2,650	2,980
SED spending (US\$m)	16.2	■	13.7	17.4	17.2
Workforce from host communities (%)	48 ⁴	■	59	57	–
In-country procurement (US\$m)	1,360	■	1,270	1,440	1,440
Host community procurement (US\$m)	558	■	514	600	430
Environmental incidents (Level 3 and above)	3	■	5	4	3
Water recycled/reused (Mℓ)	44,274	■	43,120	42,409	33,453
Water withdrawal (Mℓ)	30,321	■	35,247	30,207	30,302
Electricity (MWh)	1,400,422	■	1,322,353	1,338,075	1,382,106
Diesel (TJ)	6,608	■	6,930	6,066	5,509
CO ₂ emissions ('000 tonnes)	1,964	■	1,753	1,694	1,731
Mining waste ('000 tonnes)	187,036	■	167,357	138,522	190,007
Gross closure costs provisions (US\$m)	381	■	353	391	355

⁴ 2016 reduction due to a change in definition applied at South Deep (p99).



People

Category	2016		2015	2014	2013
Total employees	8,964	■	9,052	8,954	10,167
Contractors	9,127	■	7,798	6,486	6,685
HDSA employees in SA (%) ⁵	72	■	71	71	70
Female employees (%)	15	■	14	14	11
Employee wages and benefits (US\$m)	482	■	435	468	595
Ratio of basic salary men to women	1.31	■	1.09	1.10	1.20
Employee turnover (%)	12	■	8	20	10

⁵ Includes white women as historically disadvantaged South Africans (HDSA).

■ 2016 Performance drop against 2015

■ 2016 Performance on par with 2015

■ 2016 Performance improvement on 2015 or achievement in line with strategy