

# Gold Fields glitters at Top 100 Companies awards

Diversified gold producer returned R76,826 to shareholders who held the stock for five years from 2018 to 2023

*Business Times*



Gold Fields Interim CEO, Martin Preece after his company was named the top company during the Sunday Times Top100.

Gold Fields has proven that all that glitters is indeed gold when it was ranked No 1 in this year's Sunday Times Top 100 Companies awards.

The ranking came as the 130-year-old diversified gold producer delivered solid results despite a challenging operating environment. Gold Fields owns the South Deep mine, its sole mine in South Africa, and operates mines in Ghana, Peru and Australia, and two projects in Canada and Chile.

The Sunday Times Top 100 Companies award assesses the performance of JSE-listed companies with a minimum market cap of R5bn. Companies are rated according to the performance of their share prices assuming an initial investment of R10,000 at the closing price on August 31 2018, held for five years from September 1 2018 to August 31 2023.

Gold Fields returned R76,826 to shareholders who held the stock for five years from 2018 to 2023.

Speaking at the awards ceremony on Thursday, interim Gold Fields CEO Martin Preece described the mining industry as one of long, hard winters and short, warm summers, referring to the cyclical nature of the minerals and metals industry.

“The Business Times Top 100 award recognises consistent share price performance, but I want to assure our shareholders that our company is well managed to their benefit, and more importantly to the benefit of the other stakeholders, those being our communities and people who need our support and help. Our company could not prosper if it did not take into account and seek to address some of the societal issues that impact our people, community and government.”

Preece said the company's solid performance over the past few years could be credited to strong operational teams across its projects and mines around the world. “We are mining at South Deep at 3,000m and have nearly completed building a new mine on the Atacama Desert in the Andes. We have skills and diversity in our business.”

He said the recognition confirms the company's purpose, vision and strategy to sustainably and safely deliver gold every day.

“I think corporates globally, and critically in South Africa, continue to be a force for good and will continue to make a positive impact on our world and our great country. In the mining industry, responsible and sustainable mining is not only key to our world today but is critical in unlocking a greener future for our children and grandchildren.”

Gold Fields boasts the biggest market cap among JSE-listed mining stocks, which increased by 42% on the JSE in 2023 as the US banking crisis saw investors fleeing to gold – a traditional “safe haven” investment in times of crises.

Mining companies dominated the Top 5 of the Top 100 Companies, underscoring the importance of the industry as the bedrock of the economy, accounting for 7.5% of GDP in 2022 and employing 500,000 people.

DRDGold took the second spot, returning R73,843 to investors over the five years. In third place was Impala Platinum with a return of R71,022. Sibanye-Stillwater was fourth with a return of R41,797, and in fifth place was Harmony with a return of R34,004 to investors.

The Top 100 Companies honoured former Shoprite CEO Whitey Basson with the Lifetime Achiever Award, and Bidvest CEO Mpumi Madisa was named Business Leader of the Year.

## TOP 100 COMPANIES OVER FIVE YEARS\*

Share name	Market cap as at Aug 31 2023 (Rbn)	Total return (%)	*Final value (R)	Compound annual growth rate (%)	Share name	Market cap as at Aug 31 2023 (Rbn)	Total return (%)	*Final value (R)	Compound annual growth rate (%)
1 Gold Fields	217.01	668.27	76,827	50.3	51 Santam	34.38	19.86	11,986	3.7
2 DRD Gold	16.53	638.43	73,843	49.2	52 Oceana Group	9.04	17.81	11,781	3.3
3 Impala Platinum	88.05	610.22	71,022	48.0	53 Vodacom Group	224.12	16.92	11,692	3.2
4 Sibanye-Stillwater	81.35	317.98	41,798	33.1	54 Italtile	16.06	15.88	11,588	3.0
5 Harmony Gold Mining Company	48.71	240.04	34,004	27.7	55 Resilient REIT	14.47	12.49	11,249	2.4
6 Northam Platinum	49.38	219.56	31,956	26.2	56 Liberty Two Degrees	5.01	11.87	11,187	2.3
7 AngloGold Ashanti	135.45	193.80	29,380	24.1	57 Sanlam	150.13	11.43	11,143	2.2
8 Datatec	8.43	190.45	29,045	23.8	58 Reunert	11.11	9.28	10,928	1.8
9 Pan African Resource	7.47	175.56	27,556	22.5	59 Barloworld	16.07	8.93	10,893	1.7
10 Kumba Iron Ore	133.79	174.09	27,409	22.3	60 Vukile Property Fund	13.86	8.10	10,810	1.6
11 BHP Group	2,771.00	170.40	27,040	22.0	61 Fortress REIT A	15.84	4.74	10,474	0.9
12 Afrimat	8.93	166.54	26,654	21.7	62 Nedbank Group	105.34	3.94	10,394	0.8
13 African Rainbow Mining	40.22	144.94	24,494	19.6	63 Old Mutual	61.54	0.36	10,036	0.1
14 Sirius Real Estate	24.43	138.29	23,829	19.0	64 Equites Property Fund	9.84	-2.60	9,740	-0.5
15 Exxaro Resources	58.62	136.94	23,694	18.8	65 Pepkor	59.78	-2.78	9,722	-0.6
16 Compagnie Fin Richemont	1,403.12	132.22	23,222	18.4	66 Lighthouse Capital	9.64	-3.45	9,655	-0.7
17 Anglo American	678.14	130.32	23,032	18.2	67 African Rainbow Capital Investments	7.53	-5.08	9,492	-1.0
18 Anglo American Platinum	175.38	121.60	22,160	17.3	68 Adcock Ingram	9.38	-7.80	9,220	-1.6
19 Glencore	1,376.85	108.40	20,840	15.8	69 Quilter	28.66	-8.39	9,161	-1.7
20 Montauk Renewables	26.42	97.38	19,738	14.6	70 Mondi plc	153.41	-8.88	9,112	-1.8
21 Hosken Consolidated Investments	19.60	88.03	18,803	13.5	71 Tsogo Sun Gaming	12.93	-9.43	9,057	-2.0
22 Alexander Forbes Group	7.71	86.29	18,629	13.3	72 Super Group	11.80	-10.16	8,984	-2.1
23 Investec plc	77.88	78.70	17,870	12.3	73 Life Healthcare Group	31.50	-10.85	8,915	-2.3
24 Investec	32.75	78.33	17,833	12.3	74 Astral Foods	7.34	-10.93	8,907	-2.3
25 OUTsurance Group	61.30	73.82	17,382	11.7	75 AVI	24.53	-12.72	8,728	-2.7
26 Capitec Bank	183.98	71.70	17,170	11.4	76 Discovery	98.77	-12.76	8,724	-2.7
27 PSG Konsult	18.02	63.67	16,367	10.4	77 Anheuser-Busch InBev SA NV	1,880.83	-14.79	8,521	-3.1
28 Woolworths	73.34	61.48	16,148	10.1	78 Coronation Fund Managers	11.20	-15.11	8,489	-3.2
29 MTN Group	226.72	58.91	15,891	9.7	79 JSE	8.36	-15.46	8,454	-3.3
30 Grindrod	7.41	53.90	15,390	9.0	80 Investec Property Fund	5.96	-17.20	8,280	-3.7
31 Bidvest	96.96	53.69	15,369	9.0	81 Wilson Bayly Holms-Ovcon	8.06	-20.23	7,977	-4.4
32 Stor-Age Prop REIT	5.97	52.97	15,297	8.9	82 Tiger Brands	29.47	-20.74	7,926	-4.5
33 ADVTECH	11.44	50.98	15,098	8.6	83 Growthpoint Properties	40.52	-24.32	7,568	-5.4
34 Absa Group	154.54	50.57	15,057	8.5	84 RCL Foods	9.81	-24.62	7,538	-5.5
35 Reinet Investments S.C.A	79.23	50.26	15,026	8.5	85 Sun International	9.69	-25.00	7,500	-5.6
36 BID Corporation	142.49	48.63	14,863	8.2	86 Dis-Chem Pharmacies	20.56	-25.29	7,471	-5.7
37 Clicks Group	65.96	48.56	14,856	8.2	87 Attacq	6.35	-28.87	7,113	-6.6
38 Shoprite	156.01	48.54	14,854	8.2	88 Mr Price Group	33.97	-29.86	7,014	-6.8
39 Naspers -N-	1,401.03	43.06	14,306	7.4	89 Fortress REIT B	6.70	-30.40	6,960	-7.0
40 AECI	11.37	41.38	14,138	7.2	90 The Foschini Group	34.58	-31.15	6,885	-7.2
41 South32	188.54	40.57	14,057	7.0	91 Famous Brands	6.03	-33.62	6,638	-7.9
42 Momentum Metropolitan	28.68	39.84	13,984	6.9	92 Globe Trade Centre S.A.	11.49	-34.34	6,566	-8.1
43 Firstrand	411.74	37.47	13,747	6.6	93 Aspen Pharmacare	76.84	-37.69	6,231	-9.0
44 Standard Bank	323.78	37.23	13,723	6.5	94 The Spar Group	19.79	-39.62	6,038	-9.6
45 MAS Real Estate	14.90	35.93	13,593	6.3	95 Shaftesbury Capital	54.88	-40.90	5,910	-10.0
46 Remgro	83.64	33.06	13,306	5.9	96 Pick n Pay Stores	17.20	-41.69	5,831	-10.2
47 British American Tobacco	1,545.79	26.08	12,608	4.7	97 Telkom SA SOC	13.83	-42.02	5,798	-10.3
48 Tharisa	5.36	23.27	12,327	4.3	98 Omnia	9.19	-43.34	5,666	-10.7
49 Truworths International	29.60	22.31	12,231	4.1	99 Redefine Properties	25.25	-45.11	5,489	-11.3
50 NEPI Rockcastle	72.07	19.91	11,991	3.7	100 Netcare	19.05	-46.21	5,379	-11.7

\*Return over five years from September 1 2018 to August 31 2023, on a theoretical R10,000 investment. The results were compiled by Vestra Advisory. The executive management of Arena Holdings have also considered certain subjective qualifying criteria, relating to the Top 100 Companies' perceived compliance with good governance and ethical conduct.  
Graphic: Ruby-Gay Martin.

## PREVIOUS WINNERS

2022 Montauk Renewables	2017 Finbond Group	2012 Capitec Bank	2007 DAWN
2021 Kumba Iron Ore	2016 Calgro M3	2011 Assore	2006 Mittal Steel SA
2020 DRDGOLD	2015 Fortress Income Fund B	2010 Capitec Bank	2005 Grindrod
2019 Capitec Bank	2014 Coronation Fund Managers	2009 Basil Read	2004 Grindrod
2018 Capitec Bank	2013 Coronation Fund Managers	2008 Basil Read	2003 Mvelaphanda Resources

# Gold Fields: Chasing value, not ounces

## Number 1: Gold Fields

Business Times

A challenging operating environment characterised by high mining cost inflation and competition for skills in its key mining jurisdictions hasn't held Gold Fields back from delivering solid results. The 130-year-old diversified gold producer was ranked No 1 in the Sunday Times Top 100 Companies.

Gold Fields owns and operates mines in South Africa, Ghana, Australia and Peru and two projects in Canada and Chile. In recent years the company has transformed itself into a modern and global business that has embedded environmental, social & governance (ESG) into its business.

In line with its plans, it decreased attributable production by 4%, with all-in costs rising only 3% in the first half of 2023. Though normalised earnings decreased 9% year on year, the company generated free cash flow of \$140m, allowing it to declare an interim dividend of R3.25 a share, up from R3 a share in the first half of 2022. A strong balance sheet means when opportunities present themselves, the company is in a position to take them, says interim CEO Martin Preece.

Across the globe, inflation is eroding mining margins. Gold Fields has not been immune from these cost pressures and has responded by aggressively managing efficiencies to contain costs. It has also launched an asset optimisation programme to remove wastage.

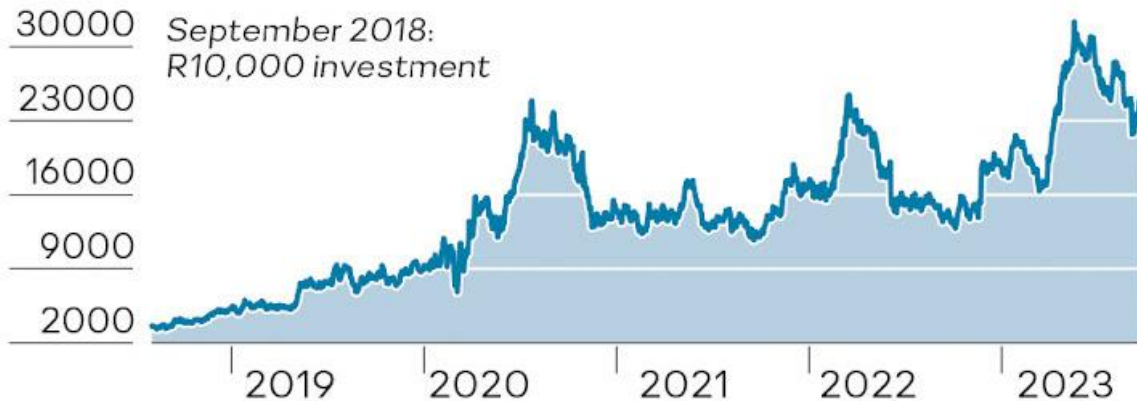
In Australia, the company has consistently committed at least \$30m a year to exploration to replenish reserves. The nature of gold mining in Australia, says Preece, requires ongoing exploratory drilling, which is ultimately a more cost-effective strategy than acquiring new mines.

The company recently agreed to ambitious targets in a new sustainability-linked loan backed by a syndicate of 10 Australian and international banks. Under the facility agreement, Gold Fields will receive a margin adjustment based on its performance against sustainability-linked key performance indicators relating to increasing female representation in its global workforce, reducing carbon emissions and using more recycled water.

## Gold Fields

Share price, daily (cents)

August 2023: R76,827



Graphic: Ruby-Gay Martin

The five-year A\$500m syndicated credit facility, with a A\$100m accordion option, is one of the first sustainability-linked loan transactions in the Australian mining industry and the first for a gold mining company in the country.

The sustainability-linked indicators are the same as those being used by Gold Fields in its five-year \$1.2bn revolving credit facility announced in May this year. They are also aligned to the company's strategy and its 2030 ESG targets, which prioritise gender diversity, decarbonisation and water stewardship.

Preece says the company is confident its Salares Norte project in Chile, a high-grade, epithermal gold-silver open-pit deposit situated high in the Andes in northern Chile, will start to generate returns before the end of the year.

As one of the world's lowest-cost mines, the inclusion of Salares Norte will have a significant impact on Gold Fields' profile by accelerating production growth and reducing all-in costs, it will materially improve the value of the group's portfolio.

"We're not chasing ounces at all costs but instead looking at where we can get the best value," says Preece, adding that the group plans to keep investing in growth opportunities to improve the quality of its portfolio.

The company's safety performance remains a challenge, he says. The company reported one operational fatality and three serious injuries during the first half of 2023, and one non-operational fatality in Ghana.

“We recognise that we still have work to do regarding safety, despite the exponential improvements we have made in this area in recent years.”

Another challenge is finding appropriate skills. Its Australian operations are the most affected by a shortage of requisite skills, he says.

“Ultimately Gold Fields is a people business, employing 23,000 people around the world,” says Preece. “We’re working on developing our culture journey, including ensuring a sense of belonging for all our people. We’re cognisant that young people don’t want to work in the old ways.”

Gold Fields was in the news this year after releasing a report highlighting worrying levels of sexual harassment, racism and bullying. Preece says the company takes these allegations extremely seriously, adding that even one allegation is too much.

“All the allegations were deeply disturbing,” he says. “At a board and leadership level we have zero tolerance for sexual harassment, racism and bullying. Releasing that report transparently was an important first step towards rebuilding trust with our people.

“We spend the majority of our waking hours at work and being at work needs to be a positive experience. We are working hard to implement the actions recommended by the report, build a more respectful workplace culture and build leadership capacity.”

In October the group announced the appointment of Mike Fraser as CEO and executive director, with effect from January 1 2024. Fraser is currently CEO of AIM-listed Chaarat Gold and before that was president and COO of South32’s key metal businesses.

Preece will continue as interim CEO until December 31 and will remain part of the group’s executive management team once Fraser comes on board.