

Royal Bafokeng Holdings (Pty) Limited
(the "Company")

Human Resources and Nominations Committee:
Terms of Reference

A. Constitution

1. The human resources and nomination committee ("Committee") of the board of directors of the Company (the "Board") is hereby constituted with the membership, resources responsibilities and authorities as set out in these terms of reference.
2. The primary responsibility of the Committee is to provide an independent and objective body that will make recommendations on the remuneration and other relevant human resources policies and practices for the executive directors, senior management and the Company in general, as well as to assist the Board in the nomination, appointment and assessment of directors and executives reporting directly to the CEO.
3. It is specifically noted that the Company has a partnership compensation philosophy, as a result of which employees are offered relatively low basic salaries and capped cash bonuses in exchange for a defined participation in the growth in value achieved by Investments under the Company's management.
4. The Board has established the RBH Share Trust (the "Share Trust") to facilitate the participation of the Company's employees and any other participants so nominated by the Committee and approved by the Board.

B. Composition

1. The Committee shall comprise at least three members, each of whom shall be appointed by the Board.
2. The majority of members of the Committee shall be Non-Executive Directors.
3. The Chief Executive Officer shall be an ex-officio member of the Committee.
4. The Board shall appoint the Committee chairman from amongst the members of the Committee. The Chairman of the Committee shall be an independent Non-Executive Director and the Board shall determine the period of office.
5. Members shall be appointed for terms of office of three years, at expiration of which they may be re-elected by the Board.

6. The Board shall have the power at any time to remove any members from the Committee and to fill any vacancies created by such removal.
7. The Committee shall be entitled to nominate a Secretary to the Committee.
8. Membership of the Committee will be disclosed in the Company's annual report.

C. Meetings

1. The Committee will meet formally at least twice a year.
2. Further meetings of the Committee may be called by any member of the Committee or by the Secretary.
3. A quorum will consist of a majority of Committee members, present and voting on the matter for decision.
4. Notice of each meeting of the Committee, confirming the venue, time and date, and enclosing an agenda of items to be discussed will, unless otherwise agreed by all concerned, be forwarded to each member of the Committee and any other person required to attend, not less than three working days prior to the date of the meeting.
5. Other parties may be called upon to attend by prior approval of the chairman of the Committee. No invited attendee will have vote at meeting of the Committee.
6. In the absence of the Committee Chairman or any appointed deputy, the members present will elect someone to chair the meeting.
7. The Secretary will keep appropriate records of all meetings of the Committee as well as minutes of the proceedings and all decision made.
8. The Chairman of the Committee will not have casting vote.

D. Responsibilities and Duties

1. In respect of **remuneration issues**:

- 1.1 recommend to the Board that remuneration of Non-Executive Directors of the Company;
 - 1.2 recommend to the Board the policy for the remuneration of the Company's Executive Directors and the other members of the Company's Executive Management, the objective of such policy shall be to ensure that the members of the Executive Management of the Company are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for individual contribution to the success of the Company;
 - 1.3 approve the remuneration of the individual Executive Directors within the parameters of the policy as referred to above;
 - 1.4 recommend to the Board targets for any performance related pay schemes operated by the Company;
 - 1.5 recommend to the Board general salary increases and mandates for negotiations, and review and assess any ad hoc remuneration matters;
 - 1.6 with the terms of the agreed policy, determine and approve the total individual remuneration packages of each executive manager, including bonuses and incentive payments;
 - 1.7 determine and approve the policy for and scope of service agreements for the executive management team, termination payments and compensation commitments;
 - 1.8 recommend to the Board and oversee any major changes in employee benefit structures throughout the Company; and
 - 1.9 recommend to the Board the specific unit allocations for all participants (whether employed by the Company or not) nominated by the Chief Executive Officer in the RBH Share Trust.
2. In respect of **other human resource matters:**
- 2.1 approve and oversee the implementation of a proper system of succession planning;
 - 2.2 approve and oversee the implementation of employment equity plants;

- 2.3 approve and oversee the implementation of the talent management strategy of the Company;
- 2.4 approve the HIV/AIDS strategy and the implementation of any relevant plans; and
- 2.5 address any other human resources management issue which the Board wishes to table for recommendation and/or decision by the Committee.

3. In respect of **nomination issues**:

- 3.1 make recommendations to the Board to the appointment of Non-Executive Directors, including independent Non-Executive Directors of the Board;
- 3.2 make recommendation to the Board on the appointment of the Chief Executive Officer;
- 3.3 make recommendations on the composition of the Board generally and the balance between executive and Non-Executive Directors appointed to the Board;
- 3.4 regularly review the Board structure, size and composition and make recommendations to the Board with regards to any adjustments that are deemed necessary;
- 3.5 identify and nominate candidates for the approval of the Board to fill vacancies on the Board and on the committees for the Board as and when they arise, as well as put in place plans for succession, in particular of the Chairman of the Board and the Chief Executive Officer;
- 3.6 recommend directors that are retiring by rotation, for re-election;
- 3.7 undertake a regular evaluation of the performance of the Chairman of the Board, the Chief Executive Officer and individual directors.

4. In **general**:

- 4.1 safeguard all information supplied to it as required by law; and
- 4.2 give due consideration in fulfilling its mandate to the principles of good governance and the Code of Corporate Practices and Conduct as contained in the Kind Report on Corporate Governance for South Africa, 2002.

E. Reporting and Accountability

- 1. The chairman of the Committee will account to the Board for its activities and make recommendations to the Board concerning any matters arising from the above responsibilities.
- 2. Approved copies of the minutes of all Committee meetings will be submitted to the Board at the following Board meeting and the Chairman of the

Committee will use this opportunity to report on any matters of importance, if necessary.

3. The chairman (or an alternate member) of the Committee shall attend the bi-annual Kgotha Kgothe to answer any shareholder questions concerning matters falling within the ambit of the Committee.
4. In addition to all of the above, the Committee will deal with any other matters formally delegated by the Board to the Committee from time to time.
5. The activities and effectiveness of Committee will be assessed and reviewed by the Board from time to time.

F. Authority

1. The Committee is authorized by the Board to investigate any activity within its terms of reference or required any employee of the Company to attend meetings of the Committee, or part thereof, and the Committee will have free and unrestricted access to all information required to by it to carry out its duties in terms hereof.
2. The Committee may consult with and seek any information it required from any employee and all employees shall be required to co-operate with any request made by the Committee in the course of its duties.
3. The Committee is authorized by the Board, in carrying out its duties under these terms of reference, to obtain any outside or other independent professional advice as it considers necessary.
4. The Committee will be provided with the necessary resources reasonably required to carry out its duties under these terms of reference.

G. Remuneration of Committee Members

Members of the Committee will remunerated at the rate determined by the Board from time to time.

H. General

These terms of reference may be amended, as required, subject to the approval of the Board.

As approved by the Board of Directors of Royal Bafokeng Holdings (Pty) Limited at its meeting held on 11 December 2008.

Kgosi Leruo Molotlegi
Chairman of the Board