

MARKET DISCLOSURE AND COMMUNICATIONS POLICY

Revised on 30 April 2018

1 Overview

- 1.1 This Market Disclosure and Communications Policy (**Policy**) applies to all Directors, employees and contractors (**Employees**) of South32 Limited (the **Company**) and its related bodies corporate (together, the **Group**).
- 1.2 The purpose of this Policy is to ensure:
- that the Company fulfils its legal obligations to identify and keep the market fully informed of Inside Information and to protect and control access to such Inside Information pending its announcement to the **stock exchanges**; and
 - that the Company effectively communicates with its shareholders and market participants.
- 1.3 The Company has a primary listing on the Australian Securities Exchange (**ASX**), a secondary listing on the Johannesburg Stock Exchange (**JSE**) and a standard listing on the London Stock Exchange (**LSE**) (**stock exchanges**). The Company also trades in over-the-counter American Depository Shares.
- 1.4 The Company has also adopted Market Disclosure Procedures (**Procedures**) that set out internal procedures to assist with implementing this Policy and complying with its relevant legal obligations.

2 Continuous disclosure obligations

- 2.1 **Inside Information** is information about a company that:
- is not available to the market (i.e. it has not been made public); and
 - if it were made public, it would be likely to have a significant effect (upwards or downwards) on a company's share price.
- 2.2 Where the Company becomes aware of Inside Information in respect of the Group, the Company must immediately (i.e. promptly and without delay) disclose that Inside Information to the stock exchanges.
- 2.3 The Company is not required to immediately disclose Inside Information where:
- one or more of the following circumstances apply:
 - the Inside Information concerns an incomplete proposal or a matter being negotiated;
 - the Inside Information is insufficiently definite or not precise in nature to warrant disclosure;
 - the Inside Information is generated for legitimate internal management purposes; or
 - the Inside Information is a trade secret;

and

(b) the Inside Information is confidential;

and

(c) a reasonable person would not expect the Inside Information to be immediately disclosed and a delay in disclosure would not be misleading.

Company Secretariat Disclosure together with the Chief Executive Officer (**CEO**), Chief Financial Officer (**CFO**) and Chief People and Legal Officer (**CP&LO**) will determine whether information is Inside Information under applicable Australian and UK laws.

- 2.4 As soon as any one of the above three conditions is no longer satisfied, the Company must comply with its continuous disclosure obligation and immediately disclose the information to the stock exchanges.
- 2.5 When the Company determines that Inside Information must be disclosed, the Inside Information must first be given to all the stock exchanges before the Inside Information is given to media, any other person or put on the Company's website.
- 2.6 If the ASX considers that there is or is likely to be a false market in the Company's securities and asks the Company to give it information to correct or prevent a false market, the Company must immediately give the ASX (and the JSE and LSE, if necessary) that information.

3 Approval of announcements

- 3.1 Overall responsibility for compliance with the Company's disclosure obligations rests with the Board. However, the day to day responsibility for the review of information that could be Inside Information is delegated to the CEO, with support of the CFO and CP&LO.

Approval of announcements by the Board

- 3.2 The procedure for making usual disclosures to the market is outlined below, however there are certain announcements to the market that require Board approval.
- 3.3 The Board is responsible for approving announcements about matters that fall within its reserved powers (unless there has been a delegation to management) or the matter is regarded as significant to the Company. Significant matters include announcements pertaining to half year and full year results; market sensitive earnings surprise; financial projections or statements as to the Company's future financial performance; declarations of dividends and dividend policy; material changes to mineral resources and ore reserves; guidance; company transforming transactions or events (e.g. changes to strategy); and any other matters that the CEO or the Chair of the Board consider to be of fundamental significance to the Company.
- 3.4 All reasonable effort must be made to have significant announcements urgently considered and approved by the Board prior to release. However, if Board approval cannot be obtained on short notice, the CEO, or in the CEO's absence, the CFO and the CP&LO, or if either is unavailable, the CFO or CP&LO alone are authorised to approve the announcement (in each case, in consultation with the Chair of the Board, where practicable). The announcement will be considered by the Board at the first possible opportunity following its release to determine what, if any, further steps need to be taken by the Company.

Approval of other announcements by the CEO, CFO and CP&LO

- 3.5 The CEO, CFO and CP&LO are responsible for:
- (a) determining whether Inside Information with respect to the Group exists;
 - (b) determining whether an immediate announcement is required or whether an announcement may be required in the future; and
 - (c) approving the content of announcements,
- and regularly engage with the Chair of the Board on these matters.
- 3.6 The CEO or his delegate approves the release of all market announcements.
- 3.7 If the CEO is unavailable to review Inside Information that may require immediate disclosure, or review a market announcement, or decide whether a market announcement should be made, or approve the release of a market announcement, then the CFO and the CP&LO, or if either is unavailable, the CFO or CP&LO alone are authorised to do so.

4 Disclosure Officers

Disclosure Officers are responsible for ensuring that all information about the activities of their relevant operation or function that has the potential to be Inside Information, is reported to Company Secretariat Disclosure and the Group Manager Investor Relations (**Disclosure Team**), so that the Disclosure Team can analyse the information and make a recommendation to the CEO, CFO and CP&LO as to whether an immediate announcement is required or whether an announcement may be required in the future.

5 Trading halts and voluntary suspensions

The Company may request a trading halt or, in exceptional circumstances, a voluntary suspension to prevent trading in a false or uninformed market or to otherwise manage the Company's disclosure obligations. The CEO (in consultation with the Chair of the Board, where practicable) will make decisions about trading halts and voluntary suspensions. If the CEO is unavailable, then the CFO and the CP&LO, or if either is unavailable, the CFO or CP&LO alone are authorised to make decisions about trading halts and voluntary suspensions (also, in consultation with the Chair of the Board, where practicable).

6 Communications

Authorised Spokespeople

- 6.1 Company representatives authorised to speak on behalf of the Company must have the prior approval of the CEO or the CEO's delegate in this regard. This includes any communications to the financial markets such as investors and analysts; media persons; government or any other member of the public.
- 6.2 The Company's authorised spokespersons are the Chair of the Board; CEO; CFO; VP Corporate Affairs and the Group Manager Investor Relations; and in the case of governance-related

engagements, the Chair of the Remuneration Committee and the CP&LO (**Authorised Spokespeople**).

- 6.3 Authorised Spokespeople must not provide any Inside Information that has not already been provided to the relevant stock exchanges or, comment on information that may have a significant effect on the price of the Company's shares. This includes any guidance on actual or forecast information pertaining to financial or production performance.
- 6.4 Any questions or enquiries (whether received in writing, verbally or electronically including via the website) from the financial community, should be referred to the Group Manager Investor Relations (or his/her delegate) and any questions or enquiries from media or government, should be referred to the VP Corporate Affairs (or his/her delegate).

Communication blackout periods

- 6.5 The Company imposes restrictions on engaging with, including but not limited to, buy-side investors and sell-side brokers in the lead up to the disclosure of its Quarterly Operational Reports and Financial Results. This is to avoid the risk of creating a false market by inadvertently disclosing information that is incomplete or uncertain.
- 6.6 The Company's communication blackout periods are:
- (a) Quarterly Operational Reports: from one week prior to disclosure on the exchanges.
 - (b) Financial Results: from two weeks prior to disclosure on the exchanges.
- (Communication blackout periods are different to the security dealing blackout periods as set out in the Securities Dealing Policy).

Briefings to institutional investors and stockbroking analysts

- 6.7 From time to time, the Company holds open and one-on-one briefing sessions with analysts and investors. Only the Company's Authorised Spokespeople may conduct such sessions. The Company has implemented an External Communications Procedure for such sessions.
- 6.8 If the Company receives requests from analysts or similar third parties for guidance in relation to their reports or models, the Company and its representatives will not authorise or endorse analysts' commentary, estimates or conclusions contained in any commentary.

7 Rumours and market speculation

Subject to its continuous disclosure obligations, the Company's general practice is that it will not comment on rumours or market speculation. Any rumours or market speculation must immediately be reported to the Disclosure Team so that consideration can be given as to what further action to take (if any).

8 Breaches of the Policy

Breaches of continuous disclosure laws have serious consequences for the Employee concerned and for the Company. Breaches of this Policy may lead to disciplinary action being taken against the Employee, including termination of employment in serious cases. Any person who becomes aware of a violation of this Policy should immediately report it to Company Secretariat Disclosure.