



Environmental, social and governance report 2020



Anglo American Platinum Limited

Purpose: re-imagining mining to improve people's lives

We are grounded in our purpose to re-imagine mining to improve people's lives. We are transforming the very nature of mining for a safer, cleaner, smarter future. We are using more precise technologies, less energy and less water; we are reducing our physical footprint for every ounce of PGM and base metal we produce.

We are combining smart innovation with the utmost consideration for our people, their families, local communities, our customers, and the world at large – to better connect precious resources in the ground to all of us who need and value them.

Our focus is on our four strategic priorities to deliver the next phase of value creation for stakeholders.

- Stimulate new markets and leverage new capabilities
- Embed anti-fragility across our business
- Maximise value from our core
- Be a leader in environmental, social and governance (ESG)



Refers to other pages in this report.



Supporting documentation on the website

Integrated annual report
Annual financial statements (AFS)
Ore Reserves and Mineral Resources report
Notice of annual general meeting



www.angloamericanplatinum.com/investors/annual-reporting/2020

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About this report

This report expands on the environmental, social and governance (ESG) performance summarised in the Anglo American Platinum 2020 integrated annual report and should be read with that report on our website. It follows on from a similar report in 2019.

Our suite of reports is aimed at a broad range of stakeholders for a full view of our activities in the past year and progress against sustainability-related goals. Where relevant, readers are referred to more information in another report. This facilitates an informed assessment of the value Anglo American Platinum creates in society and of its long-term sustainability. With longer-term comparatives, readers should note that corporate activity over the past six years will skew year-on-year comparisons, as will the anomalies of 2020 (such as lockdown restrictions).

As with the integrated annual report, content has been guided by the following frameworks and grouped under our pillars of value:

- International <IR> Framework of the International Integrated Reporting Council
- South African Companies Act 71 2008, as amended (Companies Act)
- JSE Listings Requirements
- King Report on Corporate Governance for South Africa 2016 (King IV*)
- GRI Standards 2016 guidelines (index on page 198 )
- Anglo American plc group safety and sustainable development (S&SD) indicators, definitions and guidance notes for non-financial indicators available on request

Assurance

- Financial and non-financial aspects of our 2020 suite of reports are independently assured. The external assurer's report on specific non-financial indicators is on page 195 .

We welcome your feedback on this report which should be addressed to cosec.platinum@angloamerican.com.

Key sustainability indicators

1

fatality at managed operations
2019: 0

4%

improvement in total recordable
case frequency rate (TRCFR)
2019: 17%

R3.8 billion

host community procurement

80%

of management comprises
historically disadvantaged South
Africans
2019: 78%

3.94Mt

GHG emissions, CO₂ equivalent
2019: 4.4Mt

22.3Mm³

total water withdrawal
2019: 25.1Mm³

18.05 million GJ

energy used
2019: 20.08 million GJ

0 level 4 and 5

environmental incidents –
target achieved
2019: 0

R803 million

total social spend
2019: R619 million

ESG ranking highlights

Anglo American Platinum has again demonstrated leading ESG performance in 2020, with our strong management of environmental, social and governance issues reflected in global rankings by leading agencies:

- **ISS** ranked Anglo American Platinum as Prime, indicating that we meet the demanding ESG requirements stipulated by ISS corporate rating methodology
- **Sustainalytics**: our overall ranking improved, entrenching Anglo American Platinum as strong ESG performer among our peers in the precious metals sector. Our ESG-related disclosure follows best practice, with strong oversight at board and leadership levels signalling strong accountability to investors and the public.
- **FTSE Russell** again ranked Anglo American Platinum as the ESG leader among the top 5 platinum and precious metal peers. We maintained the highest ratings for overall ESG (4.8), environmental (4.7), social (4.7) and governance (5.0)
- **FTSE/JSE Responsible Investment Index**: we remained a constituent of the top 30 index
- Maintained inclusion in **Bloomberg Gender-Equality Index** in 2020



SUSTAINALYTICS

Best-practice
disclosure



FTSE4Good

ESG leader in
sector, top 30
index since
inception

ISS ESG

Prime rating



DRIVING SUSTAINABLE ECONOMIES

'A' rating for
climate change
'A' for water
security



One of
380 global
companies

S&P Global

S&P Global
Yearbook status
top 15% in
industry

IRMA

75 level of
performance
for Unki mine

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Good governance underpins our sustainable mining plan

A truly integrated approach to business requires assessing all six capitals and how these contribute to our stakeholder value creation. We believe good governance is the overarching principle for the way we do business. Equally important, our capitals are fundamental to how we manage all aspects of our business to achieve our purpose and strategy. Our governance universe (below) illustrates our compliance with the acknowledged standard for good governance set out in King IV (principles shown below as IV 1-9, etc) to ensure our business strategy and underlying sustainability strategy achieve the desired governance outcomes.

Our governance philosophy

The board is committed to the highest standards of corporate governance and has applied King IV throughout its structures. It exercises effective and ethical leadership to give effect to its strategy and ensures accountability for the company's performance.

We believe good governance promotes our required outcomes of ethical culture, good performance, effective control and legitimacy.

The board is the focal point for and custodian of the company's governance framework. Our governance universe (overleaf) illustrates how the pillars of value are governed via four governance segments – board, finance, risk, social and sustainable – in support of our strategy and purpose. The elements in each segment are governed by appropriate processes, systems and resources to ensure we achieve our governance outcomes.

IV

Capitals



Financial



Human



Social and relationship



Manufactured



Natural



Intellectual

Governance universe

- Board structure
- Memorandum of incorporation and charters
- Board evaluation
- Succession planning and rotation
- Key policies
- Board organisational culture and ethics
- Compliance with key legislation
- Remuneration and reward
- Key performance indicators

- Planning and budget
- Operational performance
- Asset reliability
- Internal controls
- Capital allocation
- Monitoring and evaluation
- Funding and evaluation
- IT governance
- Taxation
- Outlook

Board governance
IV 1, 9, 13, 14

Financial governance
IV 10, 12, 15

Social and sustainable governance
IV 16

Risk governance
IV 11

- Sustainability strategy
- Social way and performance
- Safety and health
- Environment
- Stakeholder engagement and communication
- Transformation
- Human resource development
- Technical mining standards

- Risk management
- Operational risk assurance
- Internal audit

**Purpose,
strategy
and
values**

Ethical leadership

Good performance

Effective control

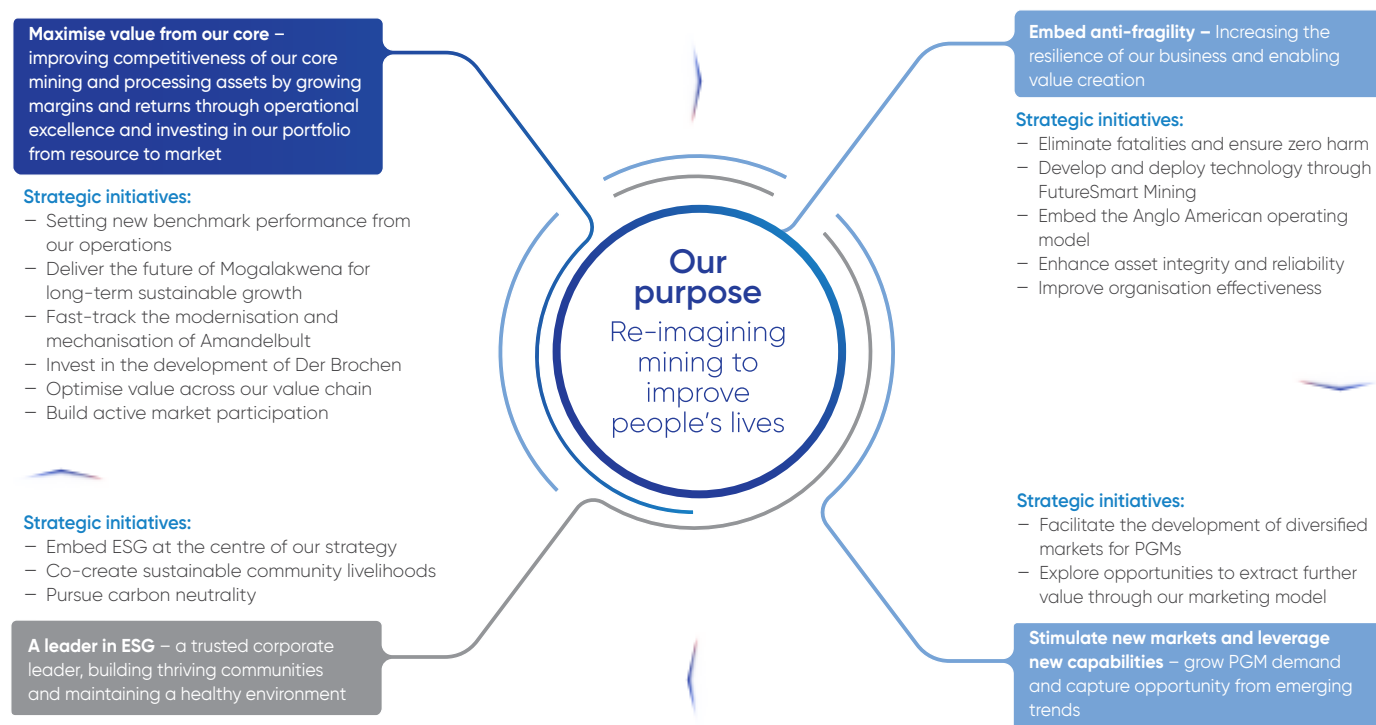
Trust and legitimacy

Governance elements of the business model and value-creation process

Business strategy

Our metals and minerals move the world towards a cleaner, greener and more connected future – a more sustainable future. Today, Anglo American Platinum is leading the industry in finding new ways to source, mine, process, supply and market our products and discovering new uses for them. Using less water, less and more environmentally conscious energy and more precise technologies, we are reducing our physical footprint for every ounce of precious metal we produce. We are also fully accountable for extracting maximum value from the financial and mineral resources entrusted to us. We are transparent in the way we conduct our business and are working together to develop better jobs, better businesses and better education for the health and financial wellbeing of our local communities.

Our strategy is detailed in our integrated annual report and, in this report, we concentrate on the ESG pillar.



ESG integral to business strategy

Our integrated annual report includes a detailed roadmap and timeline to achieve our strategic priorities. At the corporate level, salient milestones over the short to long term for the ESG pillar include:

- 1-2 years: embed ESG in all areas, develop social compact with communities, independent verification of our ethical mining standards, reduce CO₂ emissions by 6%
- 3-5 years: ESG lens integral to how work is done and embedded ESG metrics central to our decisions, establish pilot programmes for new industries in our communities, implement energy-efficiency initiatives
- +5 years: recognised beyond our industry as a leading sustainability-driven company, thriving communities with sustainable livelihoods and low dependence on our mines, +30% reduction in carbon emissions by 2030 to reach carbon neutrality by 2040

Our commitment to be a leader in ESG is integral to our business strategy and drives our sustainable mining plan (detailed on page 11 ). This group-wide initiative was launched in early 2018, outlining nine stretch goals for 2030 across three major sustainability pillars – being a trusted corporate leader, building thriving communities and enabling a healthy environment. Progress towards these goals is monitored monthly by our leadership team (platinum management committee or PMC) and implemented via tailored five-year plans in a flexible and integrated response to group, business unit and local priorities.

Key sustainability issues at Anglo American Platinum operations



Key contributions to Covid-19 relief

WeCare programme totalling
R500 million

Total **R2.1 billion** including salaries to employees unable to work

Non-executive directors contributed **30%** of fees for three months

CEO, finance director contributed **30%** of their salaries for three months



Nutrition

Over the critical period from April to December, we distributed:

- 48,000 food parcels and vouchers to communities around our operations in South Africa and Zimbabwe
- Over 160,000 beneficiaries



Water

South Africa

In addition to our ongoing community water projects, we provided water trucks to support another 21 villages in host communities:

- Around 100,000 people each received 50 litres of water/day
- Supporting two municipalities (Rustenburg and Polokwane) by providing water tankers to reach 5,400 people. In addition, we piped water to communities through the Hallcore project.

Zimbabwe

- Around Unki, 17 boreholes are supplying communities with fresh water



Healthcare

South Africa

We supported 77 clinics in/around our host communities, focused on:

- Screening stations
- Medical Personal Protective Equipment (PPE)
- Training and clinician support
- Training videos for broader community

Zimbabwe

- Donated about USD540,000 (R8,1 million) to equip Gweru provincial hospital's Intensive Care Unit (ICU) facility



Community awareness and education

Awareness sessions covered:

- Anglo American Platinum's support to communities on the WeCare Programme
- COVID-19 awareness
- Assistance provided to communities and employees



Donation to Gweru Hospital, Zimbabwe.

Health:

over **69,000** people benefit from community health programmes

Water:

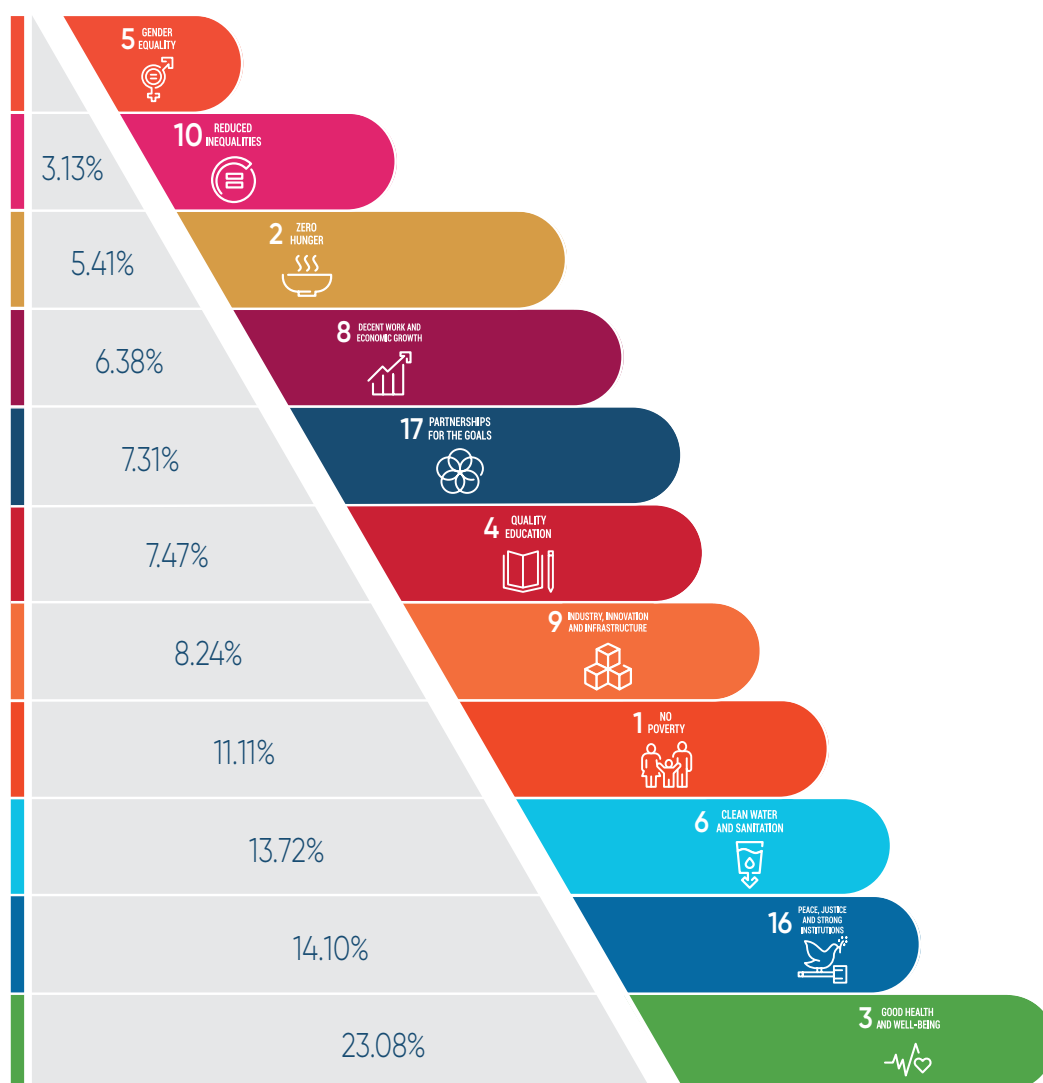
over **100,000** people provided with water

Covid-19 response

As the pandemic struck and the country went into lockdown, we soon realised that socio-economic impacts in our host communities would be significant. We mobilised significant resources under community response plans to implement targeted initiatives at site level to mitigate these impacts. We analysed the unfolding implementation of these plans through the lens of the United Nations Sustainable Development Goals (UN SDGs) to understand how local interventions came together in a unifying framework to ensure we responded to local needs while being mindful of the broader development agenda. Although the pandemic opened fault lines on certain SDGs, specifically food security and access to water, the mapping exercise below gave us a useful view on how our interventions adapted to these evolving needs.

We mapped our actual spend on community response plans against SDGs as at July 2020.

Mapping community response plan spend to the SDGs – April to July 2020



Percentage of overall spend per SDG activated through our Community Response Plans.

Our material issues

Our strategic objectives may be affected by matters that substantively affect our ability to create value over the company's short, medium and long term. Our success will be measured by how well we manage these issues while retaining our focus on longer-term goals. Our established materiality process (pages 70 to 73 of the integrated annual report) aims to ensure that societal, environmental and economic issues that present risks and opportunities to Anglo American Platinum are identified, while considering issues of salient concern to external stakeholders. The Covid-19 pandemic has been the most defining event of the century thus far and this provided the contextual background for the identification of material issues in 2020. New or escalated material issues in 2020 are shown in red.

Material issue and associated topics	Description and potential impact E – economic EV – environmental S – social/societal	Mitigating actions	Link to strategic initiatives [S1-4], top 10 risks [R1-10]
Social and relationship/human  			
Maintaining a social licence to operate – Stakeholder engagement and transparency – Maintaining mutually beneficial community relations (resetting relationships) – new – Community unrest – Labour unrest – BEE procurement – Human rights assessment and management – Employee housing and debt relief	E: The strength of our social licence to operate underpins our business perspective as an integral part of the societies where we operate. This is a critical consideration for our sustainability, particularly in the longer term. S: We need to build sustainable, beneficial community relationships while minimising the scope for community unrest linked to our operations and/or supply chain partners. S: Mining entities and their associated infrastructure are inextricably linked to the communities that support their activities, underscoring the need for ongoing, visible and proactive stakeholder engagement.	E: Our operations drive shared value creation to evidence the benefits that flow from each operation for key stakeholders, including communities. S: Dedicated and skilled teams are responsible for executing our strategy and plans for advancing local procurement; managing human rights issues; and supporting the financial and mental wellbeing of our workforce. S: In line with our purpose, we identify mutually beneficial interests to sustain healthy community relations, particularly during the pandemic. Resetting these relationships through co-created initiatives and projects designed to achieve goals in socio-economic wellbeing is an important focus area.	S3 R2
Financial 			
Deliver maximum potential of operating assets – Business agility, with supporting cost structure – new – Asset reliability (failure of Abbreviation used before definition – Anglo converter plant (ACP units) – new – Supply chain resilience with drive for localisation – new – Mogalakwena expansion, Mototolo/Der Brochen replacement and expansion projects – Amandelbult modernisation – Failure to make secure investment	E: In current market conditions, with commodity prices reflecting favourable demand, we need to continue enhancing Anglo American Platinum's credibility among external stakeholders based on our ability to operate our assets and develop their full potential reliably. While Covid-19 impacts on operations are evident, particularly challenges with supply chain reliability, there is more need than ever to position the business to extract the full potential of its asset and operations base and from its workforce.	E: Asset reliability, especially interruptions at the ACP units, is being prioritised. Similarly, we will navigate through these unprecedented times with an agile business approach and mindset to demonstrate the resilience of our business and supply chain in delivering the maximum potential of our operating assets in future.	S1 R5

Material issue and associated topics	Description and potential impact E – economic EV – environmental S – social/societal	Mitigating actions	Link to strategic initiatives [S1-4], top 10 risks [R1-10]
Human: safety and health 			
Improving health and safety - Employee and community safety - Employee and community health and wellbeing - Fire risk and explosives management - Reducing airborne pollutants and inhalable hazards - Tailings storage facility (TSF) integrity	S: Workforce and community health and safety are key to business sustainability, even more so in the post-pandemic operating environment. Supporting our drive to eliminate fatalities, we need to understand the short, medium and long-term impact of the pandemic on employees and host communities better.	S: Injury and absentee rates are generally linked to trends in morale and productivity. The overarching zero-harm policy and performance targets require constant and ongoing reinforcement, supported by targeted health and safety initiatives for the achievement of our standards, and drive a reduction in health and safety incidents.	S3 R3
	E: Workforce culture and evolving workforce capabilities are a growing area of focus.	E: We need to concentrate on building a good understanding among our people of the changing demands of the workplace, particularly as we increase the use of digital/digitised mining processes.	S2, S3 R3, R9
Social and relationship/human  			
Create thriving communities - Creating shared value and empowering self-sustaining communities – new - Co-creation for regional development – new - Planning for local economic activity and social sustainability post-life-of-mine - Local procurement, supplier and economic development - Build trust with stakeholders - Alchemy community empowerment initiative	E/S: Our mining operations have a significant impact (primarily environmental and socio-economic) on surrounding communities, and most are highly dependent on the continuation of these operations for survival. We aim to maximise positive impacts, while minimising negative impacts.	E/S: As part of our post-Covid response, our sustainable mining plan is focused on ongoing investment in community education and improving healthcare systems to build thriving communities. This includes regional development planning programmes and catalysing self-sustaining community projects. These initiatives aim to empower communities for post-mining conditions and alternative employment beyond the mining environment.	S3 R2
Financial/social and relationship  			
Evolving market conditions - Future demand and supply of PGMs - Impact of global decarbonisation – new - Growing the market for PGMs - Impact of hydrogen economy on PGM demand – new - PGM prices (includes impact of forex) - Macro-economic uncertainty - Fuel cell technology	E: Aligned to the rapid evolution of global markets, including PGMs, the marked shift from conventional combustion engines to hydrogen and electrification of the drive train is an important factor. The impact on our business is positive.	E: Our focus on market development is a long-standing strategic priority – in markets for materials used in jewellery and the industrial sphere (fuel cells/hydrogen and clean energy). In addition to funding research and development, we are active in ongoing policy advocacy – locally and globally – that supports South Africa's beneficiation objectives.	S4 R4, R7
	E: Critically important is the growing drive for global decarbonisation, including at the level of national economies. This will require drastic changes in extracting and processing PGMs, including responsible sourcing and changes in supply chains by considering the Anglo American Platinum's life cycle perspective.	E: These demands have been approached as opportunities, reflected in our commitment to alternative and renewable energy, as well as the efficient use and management of natural resources. Anglo American Platinum's accreditation under the London Platinum and Palladium Market (LPPM) standard supports our approach.	S3, S4 R2, R7

Material issue and associated topics	Description and potential impact E – economic EV – environmental S – social/societal	Mitigating actions	Link to strategic initiatives [S1-4], top 10 risks [R1-10]
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Social and relationship/financial

Socio-political environment – Geopolitics – new – High unemployment and poverty – Increased community demands – Land access and resettlement – Regulatory compliance risk – Energy security/unreliable power supply – Lack of municipal capacity and service delivery	E: The regulatory and compliance environment for the mining sector is becoming more complex in terms of demands placed on the business and concomitant obligations.	E: Compliance is a minimum standard for Anglo American Platinum. This translates to a relatively high investment in compliance monitoring.	S3 R2, R10
	S: Socio-political instability, much heightened by the pandemic, significantly raises levels of uncertainty in the sector and its supply chain, particularly the impact of constrained production resources. Community expectations on access to land and land use in South Africa are currently a hot topic. Covid-19 has contributed significantly to very high unemployment and rising levels of poverty-stricken communities, as the country's economy has deteriorated.	S: Increased levels of support to mining communities through our Covid-19 response plan, among others (see ESG Report, pages 9 and 123).	S3 R1, R2
		E/S: Against this background, our advocacy activities – including at board and leadership level – are a critical enabler in developing public policy that supports a stable and productive mining sector and benefits the South African economy. Public policy, in turn, supports investor and customer confidence in the economy and its participants, maintaining our relevance in the global mining and metals sector.	S3 R7

Human

Establishing ethical leadership and culture – Ethical leadership – Responsible sourcing – new – Improved NGO and religious leader cooperation – Contravening business and ethical principles – Fraud and corruption	E/EV/S: Mining companies face high levels of scrutiny and monitoring on their conformance to ethical standards, both in their leadership and throughout their operations. In addition, upholding ethical principles during Covid-19, which has seen a marked rise in vulnerability to the risk of corruption, is a top concern for leadership. There are increased levels of customer expectations to demonstrate responsible mining, through certification programmes eg Initiative for Responsible Mining Assurance (IRMA).	E/EV/S: We are applying stringent responsible-sourcing policies across our extended supply chain. In this respect, Anglo American Platinum's accreditation as a responsible producer is a high priority, as is ongoing board and executive oversight of organisational ethics and the company's reputation as a responsible business. The Anglo American Platinum board and management team remain focused on demonstrating a strong culture of ethical and effective leadership to set an appropriate tone for the rest of the organisation. This is reinforced by our zero-tolerance policy for fraud, corruption, or failing to comply with our environmental and social ethical obligations.	S3 R2, R9, R10
Inclusion and diversity – Gender-based violence – Diversity in general – Talent and development – Skills shortage – new – Transformation	S: In addition to the challenges of skills shortages and deepening talent pools, the high-profile societal issue of gender-based violence is a serious concern for South Africa. There is a dire need within the mining industry, to enhance the diversity of the workforce, aligned with our transformation objectives.	S: Education is a cornerstone of our social strategy, from Early Childhood Development (ECD) to tertiary level, augmented by our internal training and development initiatives. Our programmes to promote gender equality, inclusion and diversity begin at board level and are integral to our work in promoting a healthy, vibrant and diverse organisational culture.	S3 R10

Material issue and associated topics	Description and potential impact E – economic EV – environmental S – social/societal	Mitigating actions	Link to strategic initiatives [S1-4], top 10 risks [R1-10]
Manufactured  			
Implementing technology and innovation – Mechanisation and modernisation, including digitisation and automation – Beneficiation and recycling PGMs – Cyber-risk – new – Using data insights to drive value – Re-envisioning talent management in the digital age	E/V: Anglo American Platinum is regarded as a leader in mechanisation and modernisation in the PGM sector, with major investments in hydrogen power and environmentally-friendly ore-haulage vehicles. E/S: The rapidly evolving industry also calls for investment in digitisation and automation, requiring workforce development in this area. E/S: Cybersecurity and a social licence to innovate have emerged as key concerns, as the industry moves towards digitisation.	E/EV: Our flagship Mogalakwena Mine is regarded as the most mechanised operation in the PGM sector, with expansions being considered in the near future. E/S: Reskilling and upskilling our people is an ongoing focus area as we modernise and mechanise our operations. We are focusing on the creation of jobs outside of the mine gate, to minimise the impact on job losses. E/S: Mitigation requires specific initiatives to ensure Anglo American Platinum and its workforce are being properly enabled and protected as we build capability to enable people to perform their work functions in digitised work environments, particularly cybersecurity risk management responses.	S1, S2, S3 R3, R5, R6, R8
Natural 			
Maintaining a healthy environment – Water infrastructure and management – Carbon neutral – the drive to net zero emissions and greater use of renewable energy – Biodiversity stewardship – Energy management – Climate change and carbon neutrality (carbon tax) – Zero waste to landfill – Circular economy waste to resource – Mine closure and rehabilitation	EV: Due to the limited nature of non-renewable resources, access to natural resources is a key consideration for development and expansion. S: Effectively managing environmental impacts is vital to our business, given the inter-connectedness of human society and the environment, which could impact our social licence to operate and increase our carbon-tax liability if emissions are not controlled. EV/S: There is a growing drive by societies to achieve net zero carbon emissions. Our products contribute to the drive towards decarbonisation.	E/EV: Anglo American Platinum is committed to becoming a carbon-neutral business. This critical initiative aligns to our responsible-business commitments and ensures Anglo American Platinum is properly future-proofed for the most obvious and harmful effects of climate change, while not directly contributing to that risk through poor management of its energy resources and emissions performance. E/EV: We continue to advance programmes and projects focused on creating waterless mining operations, and to deliver a positive environmental impact, including biodiversity programmes. We strive to ensure long-term sustainability of our operations through the implementation of water-efficient technologies, ensuring water security and assisting our host communities with water supply. E/EV: Our mission-critical objective is to promote and enable the long-term sustainability of Anglo American Platinum through fully integrated and embedded critical-resource management plans that enhance positive impact, reduce negative impact, and contribute to optimising business performance and improved routine operational performance aligned to strategic business priorities.	S1, S2, S3 R2, R6, R10

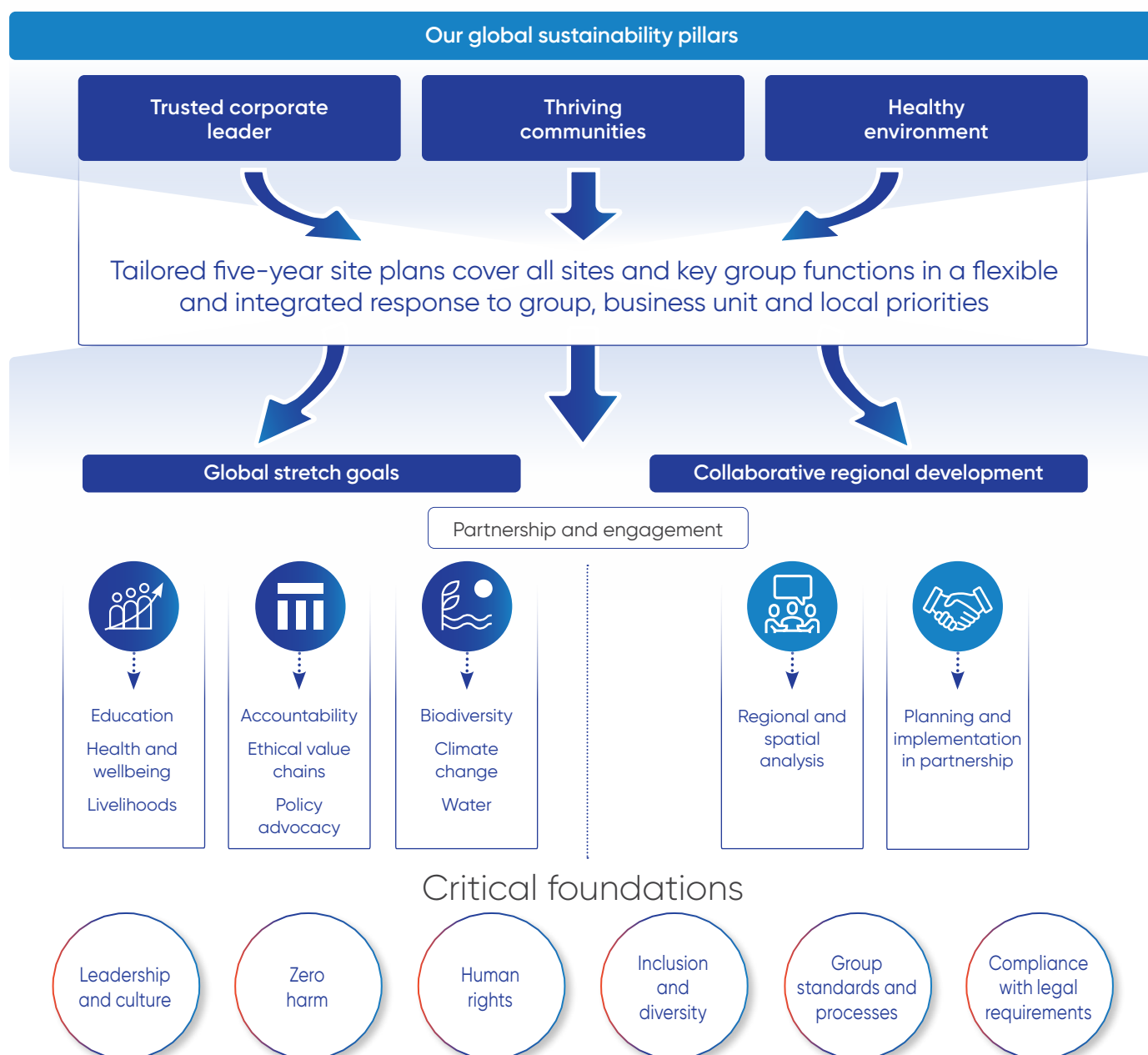
Identifying, evaluating and prioritising material risks

- Sustainability reporting is built on the materiality assessment process (detailed in our integrated annual report). This well-established process identifies societal, environmental and economic issues that present risks and opportunities and impact value creation. We follow a four-step process in our materiality assessment framework, aligned with the AA 1000 AccountAbility principles (2018)
- Internal materiality: desktop assessment
- External materiality: interviews with selected stakeholders
- Materiality workshop
- Review and approval of key material issues by management committee, safety and sustainable development committee and the board.

The sustainable mining plan

The Anglo American sustainability strategy was launched in early 2018, outlining stretch goals across three major areas – the environment, community development, and driving greater trust and transparency across the mining industry – to be delivered between 2018 and 2030.

Anglo American has applied its FutureSmart Mining approach in developing this strategy, which includes a robust consultation process with employees and an array of external stakeholders, in line with the United Nations' Sustainable Development Goals (SDGs). Anglo American Platinum has adopted the sustainable mining plan and has actively worked on planning and implementation within the business.



Driven by our purpose of re-imagining mining to improve people's lives, our sustainability approach has broadened our focus from individual projects to an overarching ambition by embedding sustainability into our business processes and operational plans, and then measuring our performance against that ambition.

As a commercial business, Anglo American Platinum is responsible for creating value, which includes the business of sustainability. To further enhance our value proposition and understand our broader societal contribution, we again mapped our 2019 societal contributions to the UN SDGs to gauge our impact on the global call for a 'better and more sustainable future for all' (see page 13 [\[1\]](#)).

Sustainable mining plan – progress in 2020

✓ On track/good performance (>97%) ⚡ In progress ✗ Behind schedule/unperformed (<90%)

5-year sustainability plan roll out ✓

5-year sustainable mining plans in place for all Anglo American Platinum operations

	Trusted corporate leader	Thriving communities	Healthy environment
2020 goals Targets shifted to 2021 due to Covid-19	Policy advocacy 1 Local accountability forums at all operations Accountability 2 Local accountability forums at all operations Ethical value chains 3 50% of Anglo American Platinum operations with third-party audits against recognised responsible-mine certification system	Health and wellbeing 1 Baseline studies supporting SDG3 completed Livelihoods 2 Livelihoods baseline and strategies completed for all sites Education 3 Baseline and strategy in place to achieve targets for all sites	Biodiversity 1 Net-positive impact (NPI) methodology, biodiversity value assessments and site-specific indicators in place at all high-risk sites 2 An established biodiversity framework, supporting processes, capacity and resources in place to enable rigorous application of the mitigation hierarchy across the mining life cycle 3 Partnerships established to support NPI method Climate change 4 GHG emissions down 22% against business-as-usual projections 5 Reduce energy consumption by 8% relative to business-as-usual projection 6 Initiate four priority projects to meet 2030 targets Water 7 Freshwater abstraction down 20% 8 Recycling up 75% 9 No level 3 or higher water incidents
Progress against 2020 goals	Policy advocacy ⚡ 1 Policy advocacy paper on related topics finalised Accountability ✓ 2 Work is in progress on the establishment of Community Engagement Forums, in line with the Anglo Social Way version 3.0 requirements Ethical value chains 3 Mine certification – Unki Mine completed IRMA third-party audit in 2019 ✓ – IRMA roll-out plan for other sites being developed ✓ – Responsible platinum and palladium standard: process sites accredited ✓ 4 Responsible sourcing ⚡ – Group supply chain is rolling out responsible sourcing standard and guidelines at all sites	Health and wellbeing ✓ 1 Baseline studies completed for all Anglo American Platinum operations. Development of regional health intervention plans being aligned with community-orientated primary care, and health impact assessments Livelihoods ✓ 2 Draft livelihoods strategy developed, concentrating on key focus areas of impact projects. Progress was made on livelihoods planning for all operations to develop off-mine jobs for local communities Education ⚡ 3 Anglo American schools programme under way at all sites. Focus areas: whole school development, early childhood development, ICT connectivity – phase 2 planning	Biodiversity ✓ 1 NPI readiness and biodiversity baseline assessments for Eastern and Western Limb sites completed in 2020. 2 Biodiversity framework in place 3 Partnership review process under way Climate change ⚡ 4 On track to meet energy-savings target. Progress with carbon-intensity target, although lagging on 2020 savings against business-as-usual target 5 Energy consumption was reported to be 18.05 million GJ, 11 % below year-end target 6 Implementation of identified projects planned Water ⚡ 7 Reduction in freshwater abstraction was -2% 8 Water recycling level was 60% 9 One level 3 incident reported

Our contributions to the UN SDGs

The United Nations' Sustainable Development Goals (SDGs) are a set of global goals adopted by 193 member states in 2015. They articulate a vision for a transformed world in 2030 by addressing 17 goals and 169 targets that span economic, social, environmental and partnership categories. The goals provide a framework of shared action for people, planet and prosperity to be implemented by all countries and all stakeholders, working collaboratively.

Five years into the 15-year ambition for SDGs, the high-level political forum on sustainable development in mid-2020 highlighted growing momentum, but a need for accelerated action. Business therefore has a key role to play and is becoming more engaged. The SDGs can be used as a lens to report on performance, providing a common language for the responsible investment community to understand cross-sectoral organisational impacts.

Anglo American Platinum already makes significant contributions to the SDGs and is well positioned to play a greater role in helping South Africa reach these goals. Before beginning the process of aligning our business to the SDGs through our sustainable mining plan, we had already established solid foundations on which to build as we move towards 2030.

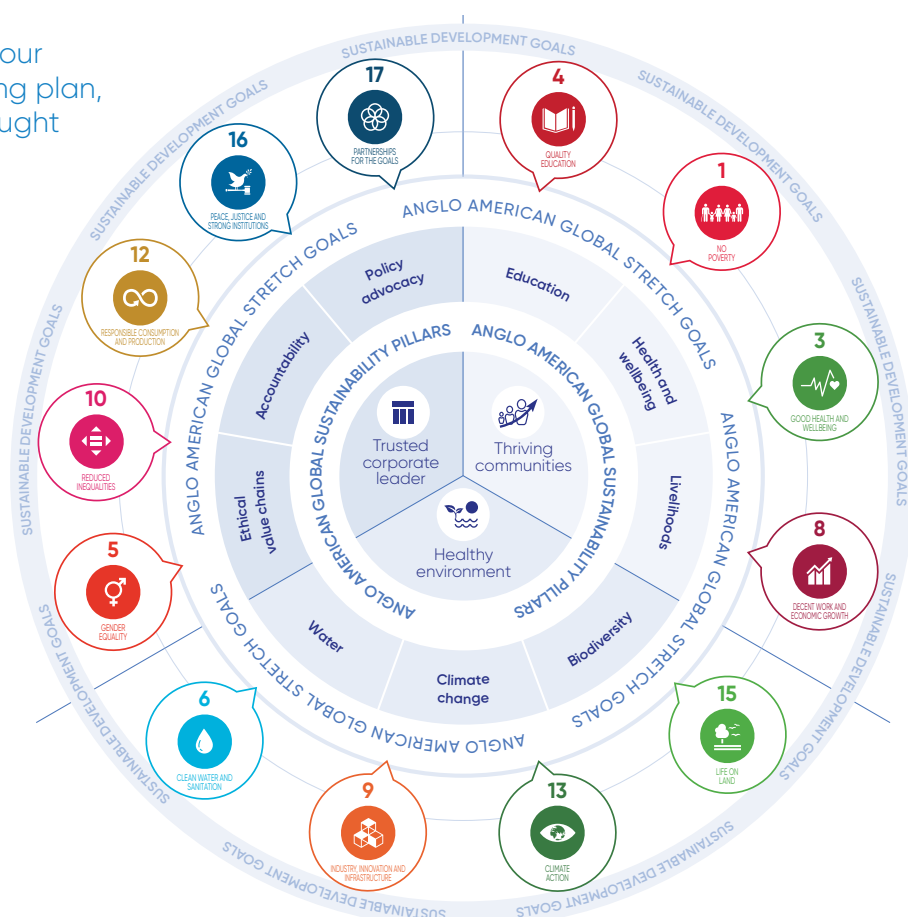
The SDGs informed the development of our sustainable mining plan which sets a vision for 2030 with clear targets that will re-imagine mining to improve people's lives. Our sustainable mining plan brings into sharp focus a set of 13 SDGs that, by implementing nine stretch goals, will ensure we contribute strongly to specific SDG targets between now and 2030.

Three years ago, we began mapping our activities to the SDGs to ascertain how they support these goals. This business-as-usual footprint revealed how we are already making significant investments in SDGs through a portfolio of workplace, operations, community and supply chain activities. Our SDG roadmap thus assesses our SDG footprint while implementing our sustainable mining plan in the context of an ongoing stakeholder accountability dialogue.

Anglo American Platinum SDG mapping

In 2020 we assessed our prior-year expenditure to develop a 2019 footprint – a business-as-usual view of where the SDGs had an impact on investment decisions or activities. This footprint was spread across 14 of the 17 SDGs as it addresses how our intent is translated into a focus on SDGs by measuring the spend on activities that are primarily or secondarily linked to specific SDGs. Spend is one way to map our contribution to the SDGs. This was used initially and we have started to map the impact of that spend. The main focus areas in 2019 were: contributing to decent work and economic growth (SDG 8), supporting host communities (SDG 11), providing educational support to staff and communities (SDG 4), addressing economic inequalities (SDG 10).

In implementing our sustainable mining plan, 14 SDGs are brought into focus.



SDG mapping



The so-called 5Ps (people, prosperity, planet, peace, partnerships) highlight how the SDGs are an intertwined framework, not siloed goals. Progress on one P must balance and support progress on another. The percentages across the 5Ps are expressed according to total spend in 2019, of R35.3 billion. At present, the strongest contributions by Anglo American Platinum in South Africa are to prosperity (56.9%) through economic and value-adds via procurement, employment, infrastructure and community development, followed by social support in the people sphere (31.7%). Our focus has remained stable since 2017, providing a solid foundation from which our sustainable mining plan activities can contribute to development goals.

SDG accountability dialogues

Our Trusted Corporate Leader pillar sets a stretch goal of increasing national and local accountability, whereby stakeholder accountability forums needed to be established by 2020. In fulfilment of this, Anglo American South Africa launched the SDG Accountability Dialogue series in November 2018 as an accountability-based conversation with key stakeholders around how we measure our footprint against the SDGs through the implementation of our sustainable mining plan.

The first dialogue in 2018 focused on the Thriving Communities pillar, where stakeholders were supportive and provided constructive feedback on our South African Education programme, the Zimele Enterprise and Youth Development initiatives, and our various staff and community health programmes. The second set of dialogues in 2019 focused on the Trusted Corporate Leader pillar, where stakeholders were briefed and responded to our various policy advocacy initiatives, responsible sourcing and mining certification efforts. The third annual SDG accountability dialogue was held in December 2020 and engaged a wide range of stakeholders on the healthy environment pillars of the sustainable mining plan where the notion of being nature positive in our outcome was well received. Stakeholder sentiment was measured by an anonymous poll and rated at 7.9 out of 10 (using a rating scale where 1 = poor, 5 = average and 10 = excellent).

The Accountability dialogues anchor our quest for more transparent engagements, our desire to understand what meaningful existence and key issues and opportunities are in our collective contribution to meeting the SDGs. We have successfully established a leadership position in the eyes of key stakeholders for mapping our activities to SDGs and integrating these global goals into a strategic framework, namely the sustainable mining plan.

Case study 1:

Re-imagining socio-economic development in South Africa through collaboration

Impact Catalyst

The Impact Catalyst is a voluntary collaboration platform established by the private sector (Anglo American, Exxaro and Zutari), non-government organisations (World Vision South Africa), research organisations such as the Centre for Scientific and Industrial Research (CSIR) and the Limpopo Provincial Government. This partnership drives socio-economic change in South Africa through various initiatives, beginning with establishing Collaborative Regional Development (CRD) platforms in collaboration with government. The Impact Catalyst was launched in Limpopo through a CRD platform in collaboration with the Office of The Premier, and expanded with similar platforms in the Northern Cape and Mpumalanga provinces. Anglo American Platinum as a business unit of Anglo American owns numerous assets in Limpopo. With a far reaching footprint, the company is a key champion of CRD in the province.

Context

The Impact Catalyst is a formal partnership between organisations committed to socio-economic change and government (detailed alongside) to facilitate CRD through initiatives that will have a large-scale impact in key areas:

- Economic development
- Health
- Education
- Social empowerment
- Service delivery
- Environment

Targets

The Impact Catalyst has achieved the overarching targets for its first three years:

- Operationalisation and sustainability of Impact Catalyst
- Cross-sectoral stakeholder engagement and mobilisation
- Identify and complete feasibility studies to develop initiatives in the fields of health, education and economic empowerment
- Apply for funding to implement bankable opportunities identified for development in the fields noted above



Case study 1: continued

Status update

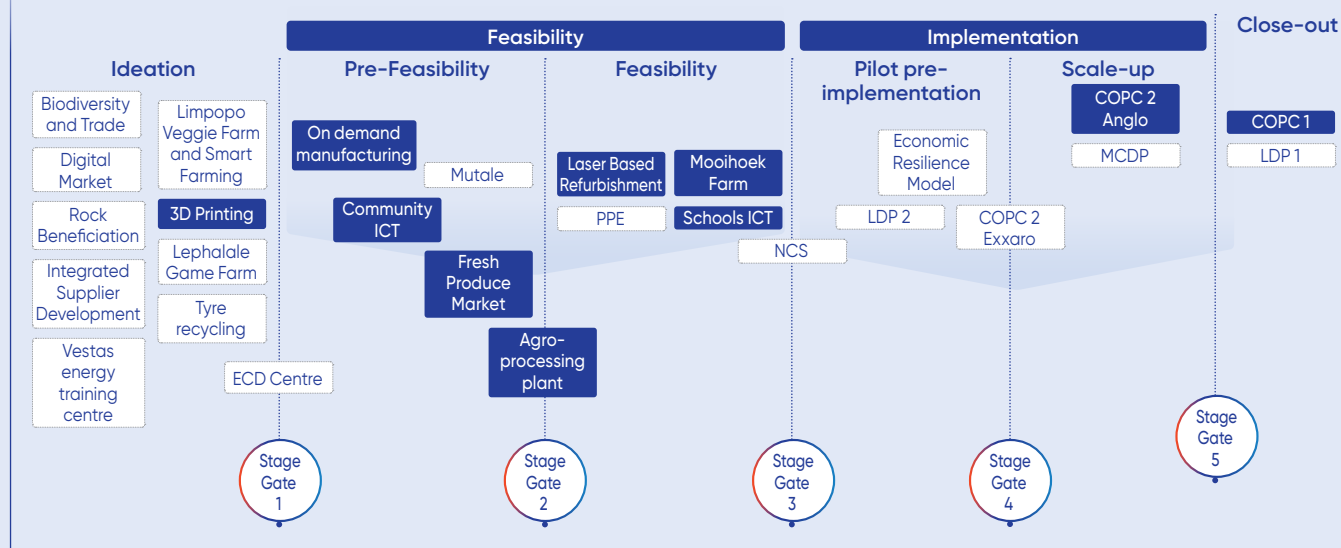
Milestones

Despite the pandemic delaying the start of various work streams, the Impact Catalyst has made significant progress in achieving milestones in its first year. In addition to those listed above, it established integrated systems and processes, including:

- Change management
- Project and initiative management and support unit
- Stakeholder management strategy
- Marketing and communication strategy
- Monitoring and evaluation framework (ongoing)
- Funding strategy (ongoing).

Initiative pipeline/projects

Since launching the platform, our pipeline has expanded to over 30 projects in various stages of development, illustrated below.



* Boxes highlighted (in blue) are initiatives supported by AAP.

The onboarding of the Mine-Water Coordinating Body (MWCB, discussed below, with its associated projects and partners), as well as the pending launch of our Northern Cape CRD platform (and its associated projects and partners) will strengthen our project pipeline by mid-2021. Ahead of this, however, we will need to streamline our project-delivery and project-governance models to ensure we are adequately resourced and able to move initiatives faster through our project-development process during this year.

Highlights from select key initiatives

ICT for communities and schools

In partnership with the Anglo American education team, the Impact Catalyst is investigating an Information and Communications Technology (ICT) infrastructure solution for schools across the group's South African mining operations. This is part of a phased implementation, with 109 schools identified for phase 1, and is later expected to be expanded to a community ICT programme.

Community health

The COPC project is being implemented, while we advance planning to scale-up the initiative across group operations. This programme has also served as the umbrella for our community clinic support programme, focused on Covid-19 relief in our mine host communities. Discussions are advanced to integrate into other strategic group programmes, such as living with dignity, and Covid-19 community behavioural change.

Innovation projects (laser-based refurbishment and 3D printing)

The group is working with the CSIR and other partners in the Impact Catalyst to pilot laser-based refurbishment and on-demand manufacturing (3D printing) solutions to increase efficient equipment use, and potentially reduce costs. To date, 12 spare parts and components have been identified by Anglo American Platinum and the CSIR, with two – pump casings and rollers – being assessed for laser-based refurbishment. In addition, specific parts are being assessed for their suitability for 3D printing. Both projects will create jobs and business opportunities in our host communities through supplier/enterprise development.

New partners

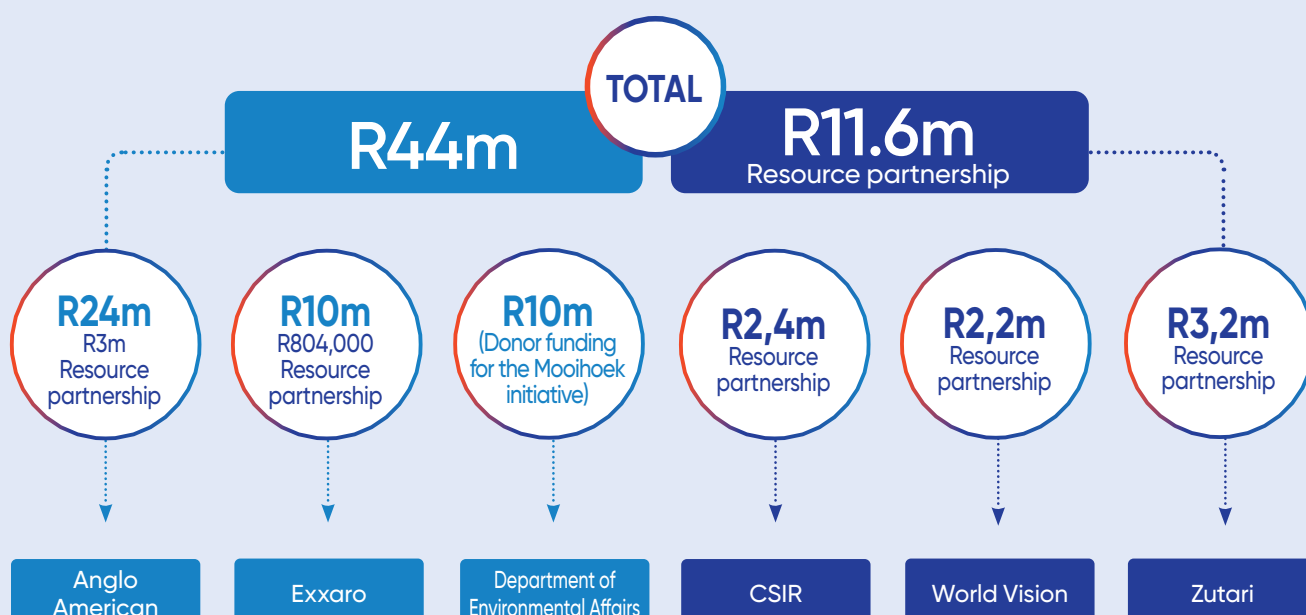
In 2020, the Impact Catalyst partnership welcomed:

- Zutari – an engineering consultancy that co-creates engineered solutions that enable environments, communities and economies to thrive. With a 90-year track record and commitment to this continent, Zutari is an ideal partner for the Impact Catalyst.
- Mine-water co-ordinating body (MWCB) – established as a public/private platform (by the Department of Water and Sanitation (DWS), Department of Minerals and Energy (DMRE) and six mining companies in the Mpumalanga coalfields) for the industry, government and civil society to work together

in identifying and implementing management options for water and closure in the Upper Olifants basin of the Mpumalanga coalfields.

Funding

At the close of 2020, the partners had made firm commitments totalling R44 million in cash and R11 million in-kind-contributions such as human resources and office space. This funding supports operationalisation of the platform and seed funding to develop initiatives. Anglo American Platinum contributed R20 million in 2020.



Aligned with the partnership's financial sustainability goals and backed by our funding strategy, the Impact Catalyst continues to build relationships with entities that could strengthen its capabilities to drive larger-scale impact across South Africa.

Anglo American Platinum benefits through collaboration on socio-economic development, delivery of programmes, value-for-money through co-funding and stimulation of other regional economic pillars to reduce dependency on the mines.

Key challenges

The Impact Catalyst was not spared from the effects of Covid-19. The pandemic delayed interactions with key stakeholders, and therefore progress along our pipeline. However, our COPC project has provided much-needed support over this

period to rural communities, and some relief to overburdened health clinics. Since its pilot phase at Mogalakwena in 2019, this project has been scaled across all group operations in South Africa and adopted by Exxaro in its mining operational areas.

Continuous progress is being made on developing our project pipeline and streamlining our delivery model to ensure we reach more communities across South Africa.

Next steps

- Launching our Northern Cape and Mpumalanga platforms
- Distributing year 1 report to stakeholders
- Streamlining project-governance and project-delivery models to cope with our expanding project pipeline.



Case study 2:

What is IRMA?

IRMA is a global system to credibly measure environmental and social responsibility for industrially mine materials. It is a way for leading mines to gain recognition for efforts to protect social and environmental values and to create motivation for mines to strive to achieve best practice. It provides accountability to civil society, the private sector and affected communities. It provides information for investors and purchasers to reduce risks and source materials responsibly.

In September 2019, our Unki Mine in Zimbabwe was the first mine in the world to publicly commit to an independent audit against the IRMA standard for responsible mining.

This standard has been developed over 10 years through public consultation with over 100 individuals and organisations, including mining companies, customers and the ultimate downstream users of mined products, NGOs, labour unions and communities.

IRMA is a voluntary certification system meant to complement strong laws and government oversight. It is also the world's first global definition of leading practice in social and environmental responsibility for large-scale mining operations, emulating certification programmes in fair-trade agriculture, responsible forestry and sustainable fisheries.

The IRMA assessment tool gives us a valuable opportunity to measure our performance against international best practice on a range of environmental and societal factors.

Why are we adopting IRMA?

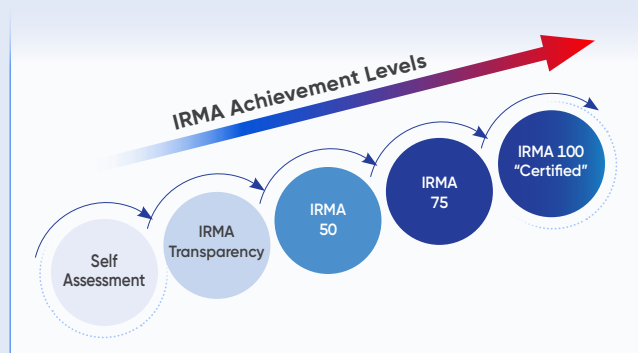
- A collective standard, endorsed by civil society
- Aligned with customer expectations
- Reputational excellence

Unki Mine achieves IRMA 75 certification

Unki completed an initial self-assessment ahead of the independent on-site audit. It was the first of many group operations to be measured against the IRMA standard, in line with the commitment in our sustainable mining plan to have all our operations assessed against credible responsible mining standards by 2025.

Unki Mine has been assured by IRMA, achieving the IRMA 75 level of performance (second-highest level). This reflects the group's commitment to transparency and striving for the highest standards of responsible mining.

IRMA achievement levels



Significance of IRMA 75 certification

Unki Mine's IRMA 75 rating means that Unki met a set of core critical requirements and at least 75% of the requirements in each of the four sections of the IRMA standard (business integrity, planning for positive legacies, social and environment). This is the second highest possible rating under the IRMA scoring system. This represents a fantastic achievement by Unki team, supported by the wider Anglo American Platinum team and our Anglo American colleagues.

Unki Mine assured by IRMA responsible mining standard



Commitments and progress

In our last report, we responded in detail to a Bench Marks Foundation study (Policy Gap 13: Coping with unsustainability (2)) on our sustainable development reports from 2003 to 2015 that asserted Anglo American Platinum had failed to deliver on commitments made in those reports. Below, we summarise our progress in 2020, demonstrating that we remain committed to both delivering on our promises and continual improvement in line with our vision of re-imaging mining to improve people's lives.

 Fully achieved
  Partially achieved
  Not achieved

Commitments and progress	Level of progress
Commitments ESG report: Given the scale of change in our group (workforce, metrics and reporting standards), we did not provide comprehensive targets for 2018. Progress We provide comprehensive targets for our business. Refer to page 46  in the integrated annual report.	
Commitments Developing our sustainability strategy: We will develop an Anglo American Platinum sustainability strategy aligned to the group strategy while considering our context and external environment. Progress The sustainability strategy was introduced in 2018 and renamed the sustainable mining plan. Refer to pages 11 to 12  for details.	
Commitments Managing Human immunodeficiency virus (HIV)/Aids and Tuberculosis (TB): In 2020, 94% (20,080) of employees knew their status. We will continue to focus on the level of participation and, as part of regular reviews, seek to identify and remove any barriers to participation. Progress – We have for a second year achieved the first two 90:90:90 targets on HIV set by UNAIDS. – The TB incidence rate has reduced to 187 per 100,000 employees – The threat of HIV and TB was complicated by the spread of Covid-19 in the review period. In March 2020, we supplied all employees with chronic medical conditions, including HIV, treatment for six months to support adherence. HIV and TB prevention and 90:90:90 (wellness): We are committed to innovative HIV and TB prevention initiatives and the 90:90:90 target. Progress – The uptake of anti-retroviral therapy (ART) by HIV-positive employees increased to 92% (2019: 91%), with an additional 107 employees in 2020 – Of the known HIV-positive employees on ART, based on available data, 84% have viral load suppression vs target of 90% – In 2020, the TB rate is low at 187 per 100,000 – In the second half of 2020, as we adjusted to new ways of working and Covid-19 infection rates reduced, we intensified our wellness campaigns, group counselling and implemented testing with treating/family medical service providers. We continue to concentrate on improvements at Amandelbult, where HIV and TB prevalence is highest. Recent developments include using a gene expert for better TB diagnosis and improved results turnaround time, intensifying the roll-out of isoniazid prophylaxis (INH) prophylaxis to reduce new cases, and incentivising newly traced HIV-positive employees to start and adhere to treatment programmes.	

Our business

Commitments and progress continued

 Fully achieved
  Partially achieved
  Not achieved

Commitments and progress	Level of progress
Commitments Nkululeko financial wellness programme: This was initiated in 2014 to enable our workforce to take ownership of their financial wellbeing and address high levels of over-indebtedness that affected their mental wellness. The programme was relaunched in 2018, moving the focus to empower our workforce to know and understand their financial status and take ownership of improving their financial wellness. This step-change, which has been most successful, included: – Aggressive audits to uncover unscrupulous lenders targeting our employees – Issuing clearance certificates for employees who completed their debt counselling or paid off their rescheduled amounts – Interventions to save employees from having their assets repossessed – houses, vehicles – through available debt-relief solutions – Providing skills development through a partnership with Capitec to assist employees in understanding their financial status and available options to assist them in being financially fit – Reducing the debt:income ratio of employees by a further 5% and facilitate the intrinsic transformation to wealth creation. Progress – 1,453 employees signed up for the programme – 100 debt-free solutions implemented (74 employees signed up for debt counselling and 26 for debt rescheduling in 2020) – On average, employees using these solutions are paying R5,298 (43%) less every month towards their debt commitments, largely due to reduced interest rates ranging from 24% to 2.6% – Affordable debt – a saving of R31.8 million was achieved by reduced instalments (combined debt counselling and debt rescheduling), with average interest rates dropping from 26% to 2.4% and an average saving of 23.6% – Total audit savings – R801,713 – Capitec rescheduled accounts – R55,454 (23 accounts) – 26 employees attended financial wellness induction sessions – 2,773 interactions with employees recorded – informal engagements/enquiries – 32 provisional tax submissions administered. The 2021 step-change will include: – Ensuring inclusivity by launching the programme to the Zimbabwean operation, Unki Mine, in the first quarter – Reset baseline for performance via the programme strategy review and revised key performance indicators (KPIs) – Implement debt-consolidation facility as additional offering to help employees become financially empowered. Most employees can be assisted to acquire secure debt for home ownership as part of our aspiration to create wealth for the workforce.	
Commitments Using water responsibly: We will continue to reduce our freshwater consumption and incrementally improve water efficiency. Progress – In 2020, both our raw and potable water withdrawal and intensities were below target – Potable water-use intensity from an external source was 0.30m³/tonne milled, against a target of 0.32m³/tonne milled. Our 2020 performance is a 23% improvement since 2015 – Since 2016, we have achieved a saving in water consumption of 32% (including divested sites), which in real terms amounts to 28.3 megalitres of water saved per year – Achieved the target of at least 90% compliance (all mining sites) with our group water management standard – Aligned our reporting to International Council on Mining and Metals (ICMM) reporting standards by developing accurate water balances – Developed site-specific water management plans to address related operational priorities and risks – Supporting access to potable water in host communities was key in mitigating the spread of Covid-19.	
Commitments Transformation: Anglo American Platinum is committed to providing equal opportunities to all employees, particularly historically disadvantaged groups. Given challenges at certain levels, this is an ongoing focus. Progress By end-2020, HDSAs comprised 80% of all management levels (2019: 78%), with HDSA representation at 89% for core skills against the mining charter target of 60%. At the end of 2020, women made up 25% of management and 20% of the workforce (2019: 24% and 19% respectively).	

 Fully achieved
  Partially achieved
  Not achieved

Commitments and progress	Level of progress
Commitments Meaningful engagement: We are committed to working with our stakeholders to understand their legitimate needs and concerns, and integrate these into our business to create an organisation that is sustainable and shares the value generated. All our operations have functioning community engagement forums, leadership forums or task teams (except Mototolo/Der Brochen which will be completed in 2021), nominated and elected by communities and meeting at least quarterly. We are working to ensure these are meaningful platforms for open communication. We have also established business forums in our communities, which engage with the mines on business issues and opportunities. We continually monitor the quality of our engagement, structures and communication channels in place, especially at community level, to ensure these are effective. Progress Our engagements with communities in 2020 are detailed from page 64  of the integrated annual report.	
Commitments Social licence to operate: We are committed to delivering on these value levers to increase levels of trust and improve our standing in host communities. Our social licence to operate depends on our ability to ensure our stakeholders participate in the economic benefits we generate, and that our activities leave our host governments and communities with a firm foundation for a sustainable future. The fact that we are a major mining company raises particular expectations. Through our core activities, we employ people, pay taxes to governments and procure from host communities – a significant total contribution to the South African and Zimbabwean economies. Progress In 2020, Anglo American Platinum contributed a total R803 million to social investment in South Africa. This includes R236 million (2019: R231 million) in community developments in South Africa and over R5 million to corporate social investment in Zimbabwe. See page 126  for details. In addition, Anglo American Platinum spent R3.8 billion on host community spend.	
Commitments Mining charter scorecard: Anglo American Platinum is committed to reporting on progress against targets in the mining charter III (MCIII). Please refer to page . Progress Annual regulatory reporting against MCIII takes place after this ESG report is published. Anglo American Platinum is, however, largely compliant with annual milestones for longer-term targets. Refer to page 143 for reporting to Mining Charter III.	
Commitments Environmental stewardship: We are committed to minimising our impact on the natural world by integrating environmental considerations through research, planning and responsible management. Progress – We have reported on progress under the sustainable mining plan for 2030 on water, climate change and biodiversity performance (page 12 ) – Many of the technological innovations we will apply to achieve a step-change in our water and energy performance are at different stages of development. The journey is underpinned by best-practice policies, performance standards and business processes, investing in internal capacity, capability and technological innovation, as well as partnerships and collaboration with stakeholders – Anglo American Platinum also outperformed its peers in the FTSE/JSE Responsible Investment Index Series, achieving 4.7 out of 5.0 for our environmental performance, and 4.8 out of 5.0 as an overall ESG score – ISS ranked Anglo American Platinum as Prime, indicating we meet the demanding ESG requirements stipulated by ISS corporate rating methodology.	   
Commitments Managing air quality: Anglo American Platinum remains committed to comply with 2020 minimum emission standards. Progress After an initial postponement in 2015 for Polokwane and Mortimer smelters, we were granted further postponement in November 2019 of the timeframes for complying with 2020 emission limits at all three smelters. The requested postponement for Waterval is to enable us to evaluate the impact of future high-sulfur concentrate. The requested limits and dates were approved, with postponement for all three smelters. Over the last three years, we have been constructing the SO₂ abatement project at Polokwane smelter, which will use innovative technology to capture SO₂ gas from the furnace and convert it to sulphuric acid. Project progress in 2020 was delayed by Covid-19, with construction completed in December 2020 and commissioning and start-up planned from January 2021.	



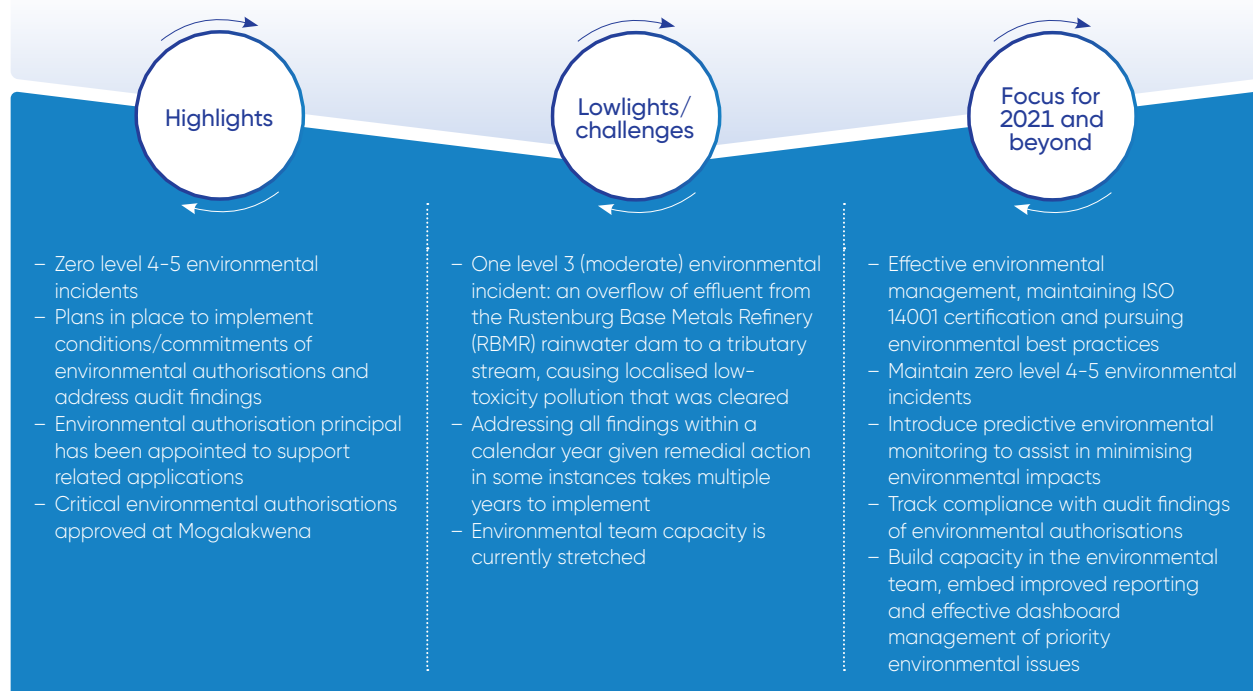
Capital: Natural

Minimise harm to the environment

Environment

We are committed to demonstrating leadership in environmental stewardship. In this area, innovation can be a catalyst. Our FutureSmart Mining projects show that we can dramatically transform the environmental footprint of our business. This is critical to achieving the stretch environmental goals of our sustainable mining plan (pages 11 and 12) – in many cases also embracing circular-economy principles. Our vision is to operate carbon-neutral mines that deliver net-positive biodiversity and conservation outcomes. Equally, the PGMs we produce contribute to a low-carbon world, as these metals are critical in enabling associated technologies.

Environmental management



Our approach to achieving our environmental goals

A pillar of our sustainable mining plan is to maintain a healthy environment, focusing on three key areas: biodiversity, climate change and water use. The stretch goals we have set in these areas are designed to be challenging, with a target date of 2030. We are ultimately aiming for a future where we have created waterless, carbon-neutral mines, as well as delivering positive biodiversity outcomes.

FutureSmart Mining is Anglo American's innovation-led pathway to sustainable mining, delivering step-change innovations that will transform the nature of mining – how we source, mine, process, move and market our products. We envisage a much-reduced environmental footprint from new ways of mining, which include using a number of precision mining technologies and data analytics.

Through technologies and digitisation, we envisage four concepts for the future of mining:

- **Concentrated mine:** seeking to address the need for increased precision in mining, with minimal energy, water and capital intensity. We are applying technologies that more precisely target the desired metals or minerals, delivering over 30% reductions in the use of water, energy and capital intensity, and producing less waste, in line with our overall trajectory towards carbon-neutral mining. This includes coarse particle recovery, bulk ore sorting and ultrafine recovery.

- **Intelligent mine:** developing the ability to transform vast quantities of quality data into predictive intelligence, leading to safe, fully integrated, systemised and self-learning operations. We are building a digital ecosystem that underpins a digital way of working: operations are being digitised through sensors and other instrumentation, and artificial intelligence is being used to accelerate a range of processes, beginning with orebody characterisation.
- **Modern mine:** aiming to achieve a step-change in mining efficiency and safety by developing and implementing new technologies, automation and processes.
- **Waterless mine:** aligning with our work on concentrating the mine, we are creating pathways to the waterless mine. Given that all our sites operate in water-constrained areas, it is essential that we reduce our dependence on water and associated tailings facilities. We are focusing on innovative ways to separate and transport waste, evaporation measurement, dry-tailings disposal and non-aqueous processing. We will always need water, but we can get closer to full-recovery and recycling, while not using new freshwater.

This journey is underpinned by best-practice policies, performance standards and business processes; investing in internal capacity, capability and technological innovation; and partnerships and collaboration with stakeholders. We track and ensure compliance with our policies and performance standards, which are available on request.

Our key environmental targets

The following stretch goals in our sustainable mining plan are deliberately ambitious, challenging us to lead and innovate.

Water

To operate waterless mines

2030 goal (against 2015 baseline data): reduce abstraction of freshwater at our operations by 50% (AA Group target; business unit/AAP's targets to support this will be set in 2021)

Climate change

To operate carbon-neutral mines

Milestone 2022 goal (indexed on 2019 actual): 7% improvement in energy intensity [GJ/tonne Cu equivalent], and 10% improvement in greenhouse gas emissions (GHG) efficiency [tonne CO₂e/tonne Cu equivalent]

2030 goal (against 2016 baseline): reduce net GHG emissions by 30%, and improve energy efficiency by 30%

2040 goal: carbon neutrality across our operations

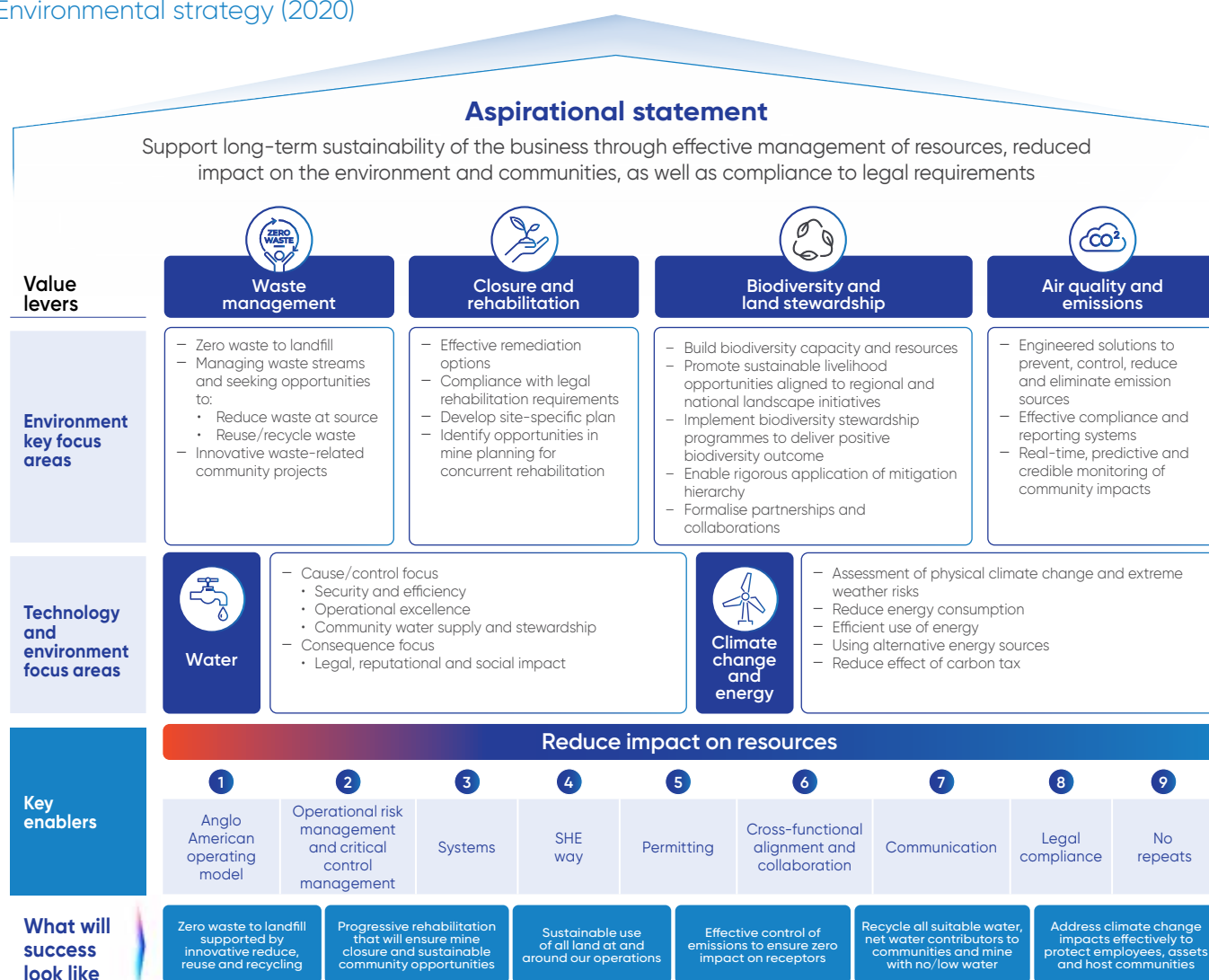
Biodiversity

Deliver net positive biodiversity impact across Anglo American Platinum by implementing the mitigation hierarchy and investing in biodiversity stewardship

Approved site-specific plans with biodiversity targets in place by end-2021

2022-2025 – Indicators tracked against plan on quarterly, half-yearly or annual basis as per approved site plan

Environmental strategy (2020)



Effective risk management

Technical performance standards: The Anglo American technical standards define the minimum requirements for our operations to manage a range of specific issues, including water, energy and tailing storage facilities.

SHE policy: Our environmental policy supports the long-term sustainability of our business by effectively managing resources, reducing impact on the environment and communities, and complying to legal requirements. It focuses on specific value levers: water, climate change and energy, land stewardship, rehabilitation, waste and emissions. The policy is aligned with our safety, health and environmental (SHE) policy under the overarching Anglo American SHE policy. These are reviewed annually and were updated this year to strengthen our approach to SHE management.

SHE way: The Anglo American safety, health and environmental management system, known as the SHE way, incorporates the requirements of ISO 14001:2015 with standards that move us closer to our ambition to minimise harm to the environment. The SHE way roll-out and implementation began in 2018 at all our core operations, which have tracked their progress against defined plans to ensure full implementation of this approach. By the end of 2020, we had achieved 88% operational compliance to plan. In 2019, SHE way requirements were extended to all non-core operations, activities, as well as care-and-maintenance operations, to be fully implemented by end-2022. In 2020, Anglo American updated its SHE policy and SHE way, focused on aligning with our purpose, future compliance with our standards and ISO 14001 or equivalent certification. The refreshed management system will be implemented in Q1 2021.

ORM: We are working on integrating environmental risk management into the Anglo American operational risk management (ORM) processes and operating model. Accordingly, we have assessed the most important environmental risks for each of our sites, developed critical controls and are measuring the effectiveness of these controls through an on-site verification process. By year end, we had implemented stable ORM processes and ensured effective dashboard management of priority environmental issues across our operations. Monthly inspections are undertaken at each site and status reports compiled. ORM implementation, particularly for our most significant environmental risks, forms part of performance-based remuneration for senior executives, along with a target to reduce significant environmental incidents.

Environmental management systems: Our base and precious metals refineries are responsible for product delivery and compliance to external requirements. Their environmental management systems (EMS) are certified against the ISO 14001:2015 standard. EMS compliance with the standard is assessed annually by an independent certification body and continued certification has been confirmed for both operations. All other operations' EMS (except Mogalakwena and Mototolo complexes) have also been recommended for certification against the new ISO 14001:2015 standard in 2020. Some operations completed stage 1 and 2 certification audits in 2020, while audits at other operations were rescheduled to Q1 2021 due to Covid-19 impacts. This process does not apply to our joint ventures or project partners.

Case study 3:

Building predictive environmental monitoring capability

To meet our ambitious sustainability objectives and targets, we need to move beyond a reactive approach to a framework of preventive management of critical controls.

As part of an Anglo American-wide predictive monitoring project, we are developing our monitoring capability to enable predictive, digital environmental performance. In 2020, we initiated phase 1 – establishing foundational monitoring initiatives and, in 2021, we will begin phase 2 of implementing data-integrated initiatives.

As part of phase 1, Anglo American identified and implemented pilots for predictive tools that align to our targets. Based on big-data predictive analytics, these monitoring tools focus on obtaining maximum value from environmental monitoring systems. This predictive analytics process will also provide information for life-of-asset planning while supporting validation of working sustainability strategies for the business.

Having designed a group platform for predictive analytics, Anglo American identified areas and sites with existing monitoring capabilities, piloted the system on selected sites and validated the magnitude of unlocked value.

To date, current mitigation strategies associated with existing critical controls and monitoring are being reviewed to assess the potential for operational and environmental performance in subjects such as air quality, water management and biodiversity. The implementation of this phase will give us flexibility to take preventative action in managing severe weather conditions in combination with operational plans and management of critical controls. Enhanced, data-driven mitigation strategies will add value across our business, enabling us to create for smarter environmental management strategies and use our resources more efficiently.

We will complete the development of phase 1 in 2021 (eight sites in all business units have been identified to implement the first pilots). From 2022, phase 2 will be developed covering objectives aligned with more ambitious and comprehensive targets. Focusing on sites (Mogalakwena and Waterval smelter complex) where material value for Anglo American Platinum has been identified, we will define more complex predictive monitoring models that integrate across several disciplines including water, biodiversity, social and operations data.

Case study 4:

Enhancing our approach to excellence in SHE management

Integral to our purpose and the sustainable mining plan is an unwavering commitment to achieve excellence in SHE management.

Our SHE policy was refreshed this year to incorporate changes in the business, and further align it with our purpose, sustainable mining plan, policy governance framework, and new international regulatory expectations. Importantly, the policy was co-created with major stakeholders across Anglo American, and applies to all group-managed businesses, managed operations and physical locations (including sites, projects, offices, facilities and outlets).

The following principles guide our approach to SHE management:

- Zero mindset – we will apply the hierarchy of eliminating, avoiding, minimising, mitigating, remediating/rehabilitating and offsetting SHE impacts and risks from our activities, products and services.
- No repeats – all necessary steps will be taken to learn from SHE incidents, audit findings and other non-conformances to prevent reoccurrence.
- Simple non-negotiable standards – common non-negotiable group and SHE management performance standards and procedures will be applied throughout the group as a minimum requirement.

The SHE policy is underpinned by a positive culture in which SHE is embedded in our values and code of conduct through relationships built on care and trusting each other to deliver. The updated policy is aligned to ISO 45001:2018 and ISO14001:2015, and enabled through the SHE way standard, which defines our management system framework. A refreshed SHE way standard will be launched in early 2021.

Our management of SHE is scalable and integrated into the life cycle of our activities for all managed operations, projects, offices and support activities, including how we work with our contractors and suppliers. To uphold our guiding SHE principles, we apply the following:

- Leadership – we expect everyone to demonstrate excellent SHE leadership. We make the safety and health of our people and those who work for us, as well as responsible environmental stewardship, integral to achieving our objectives.
- Integration – we integrate SHE management into all operational activities, including via the operating model at managed operations. By doing so, we integrate our commitments on safety, physical health and wellbeing, responsible management of biodiversity and minimising environmental harm into how we work.
- Implementation – we develop and embed long-term and sustainable SHE strategies in a life cycle approach, including closure of operations, to deliver on the critical foundations and stretch goals of our sustainable mining plan. We apply the SHE way management system framework and associated technical standards in managing SHE. We identify, assess, prioritise, manage and reduce or eliminate SHE-related risks, and we implement the opportunities we identify.
- Governance and compliance – we understand and monitor all SHE compliance commitments and conditions. We ensure alignment and comply with the laws and regulations of all jurisdictions in which we operate. We uphold the highest performance best practices wherever we operate.
- Continuous improvement – we measure and analyse performance to improve our systems and management of SHE and contribute to business improvement. We ensure we have a fully engaged workforce everywhere we work, including contractors and suppliers, to identify and implement SHE-related opportunities and areas to improve.

Licence and permitting conditions

Relevant authorities need to legally permit our operations to undertake various activities at every step of the mining process – from exploration to closure. These permits incorporate binding commitments that we need to monitor to ensure we are compliant. This is crucial, as delays in acquiring permits or failure to comply with their conditions and commitments can have significant financial, operational, legal and reputational consequences.

Our sites navigate in an increasingly complex permitting landscape, and amid legislative uncertainty. For example, in 2020, Covid-19-related challenges resulted in delays to finalising proposed amendments to the Financial Provision Regulations and National Environmental Management Act required to provide clarity on rehabilitation provisioning and waste management at mining operations.

Our licence to operate relates directly to environmental permits and authorisations under relevant sections of the:

- MPRDA – environmental management programme report
- National Environmental Management Act (NEMA) – environmental impact assessments (EIAs), basic assessments (BA), waste licence and air emission licence
- National Water Act (NWA) – water-use licences (WULs).

Anglo American Platinum has over 3,800 permits to which more than 25,000 conditions and commitments are linked. A dedicated team coordinates permitting and stakeholder engagements (during permit acquisition, administration, execution and verification), integrates project-permitting schedules, integrates reporting on permit compliance and risk, and monitors implementation of permit conditions. Compliance monitoring and verification on critical and high-risk permits is ongoing.

Confirmation of the overall compliance percentage has been challenging due to non-aligned systems, making integration and verification complex. The finalisation and roll-out of IsoMetrix from August 2020 will integrate all permits with associated conditions and commitments into one system, facilitating effective tracking, monitoring and action management. The phased roll-out is expected to be completed by the end of October 2021.

Anglo American implements an industry-leading, cross-cutting permitting practice. All our operations' approaches to permits are reviewed against this minimum permitting requirements (MPR) programme annually. Plans are implemented to address gaps and progress is monitored to ensure continuous improvement to desired performance levels. In 2020, most Anglo American Platinum operations reached or exceeded the targeted minimum permitting requirements maturity of 3.6 out of a total of 5, except Der Brochen

and Mototolo, which are expected to reach this level in 2021. The overall business unit score improved to 3.1 from 2.9 in 2019, exceeding the target of 3.0. Our Unki operation was the best performer, improving its year-on-year score from 4.0 to 4.2. 3.6 is the minimum score required for all operations by 2021, out of a total score of 5. An average score of 3.6 over the MPR matrix will be fully compliant to minimum requirements, where 5 is best practice.

Water-use licences

All managed operations have water-use licences (WULs). Internal and external WUL audits are conducted annually in line with regulatory requirements. Water contamination and related non-compliance with WUL limits is a key risk for the business. We address identified non-compliances through remedial action, with clear accountabilities.

- WULs approved in 2020:
 - Mogalakwena complex amendment.
- Current WUL applications submitted and pending approval by the Department of Water and Sanitation (DWS):
 - Twickenham proposed development (renewal of existing licence)
 - Der Brochen project amendment
 - Amandelbult complex – up and downcast shafts, modernisation, bus and taxi terminals
 - Amandelbult fine chrome recovery plant
 - Mortimer Smelter amendment
 - Rustenburg Process amendment

Other licence and permitting developments

Applications for environmental authorisations for the Mogalakwena complex expansion options study and Der Brochen expansion project were submitted in March 2018. Mogalakwena's authorisation was approved by authorities on 13 August 2020, while the Der Brochen authorisation remains outstanding.

Air quality offset implementation plans for Mortimer and Waterval complex smelters, to comply with requirements for postponed timeframes for compliance with 2020 SO₂ emission limits, were submitted in March 2020 and approved by the Department of Environmental Affairs and Forestry in July 2020.

To support our licence to operate, our operations continually engage the authorities on relevant legislation to obtain or renew the necessary permits or environmental authorisations and address any challenges. Anglo American Platinum has quarterly liaison meetings with the director: licensing and regional managers of DWS. These engagements help build and maintain constructive relationships, and address concerns raised by both parties.

In the first half of the year, there were considerable challenges in obtaining outstanding authorisations due to lockdown restrictions. However, most Covid-19-related permitting delays were addressed in the second half under level 2/3 restrictions. There are still persistent challenges regarding licensing authorities responding on time to regulatory timeframes, due to historical capacity constraints. This creates uncertainty on permitting timeline projections.

We are encouraged by the government's commitment to ensure that the mining sector is a key role player in addressing the economic reforms required in response to Covid-19-related and past economic contractions. The South African economic reconstruction and recovery plan recognises the need to reduce current timeframes for mining, prospecting, water and environmental permits by at least 50% to facilitate new investment.

Compliance

All operations work towards full compliance with legal commitments (as per approved environmental authorisations) by continuously managing these through action plans and tracking progress against findings from internal and external audits. All reviewed findings are shared on a monthly basis with senior management at each operation and key findings are quarterly reported to our platinum management committee (PMC) and operations committee.

Each Anglo American Platinum operation and joint venture (JV) in South Africa is required to conduct annual or biannual external audits against their WULs in terms of the National Water Act; environmental management programme reports (EMPR); and environmental impact assessments (EIA) under regulation 34 of the National Environment Management Act 1998 (NEMA).

Regulation 34 of the 2014 EIA regulations (amended in 2017), as promulgated under NEMA, sets out the compliance auditing process for:

- Environmental authorisations
- Record of decisions
- Environmental management programmes (EMPR)
- Closure plans.

These audits are conducted by an environmental assessment practitioner and a formal audit report is issued to the operation in the format required by legislation.

Since December 2019, all EMPR/EIA (regulation 34) audit reports are disclosed annually on a public website as required. These can be downloaded from our website:

<https://www.angloamericanplatinum.com/sustainability/environmental-compliance-audits>. 

All audit reports are reviewed by an external legal company to ensure findings are stated in a way that mitigates potential legal or reputational risk. All audit findings are captured on the Enablon system (going forward, on IsoMetrix) and actions/due dates are assigned to responsible line managers at the operations. Some solutions require significant engineering design and construction and thus require more than one year to complete.

We implement a strategy (illustrated below) to increase levels of compliance with permit conditions by addressing findings identified during external environmental audits for WULs, EMPR and internal audits for air emission licences (AEL).

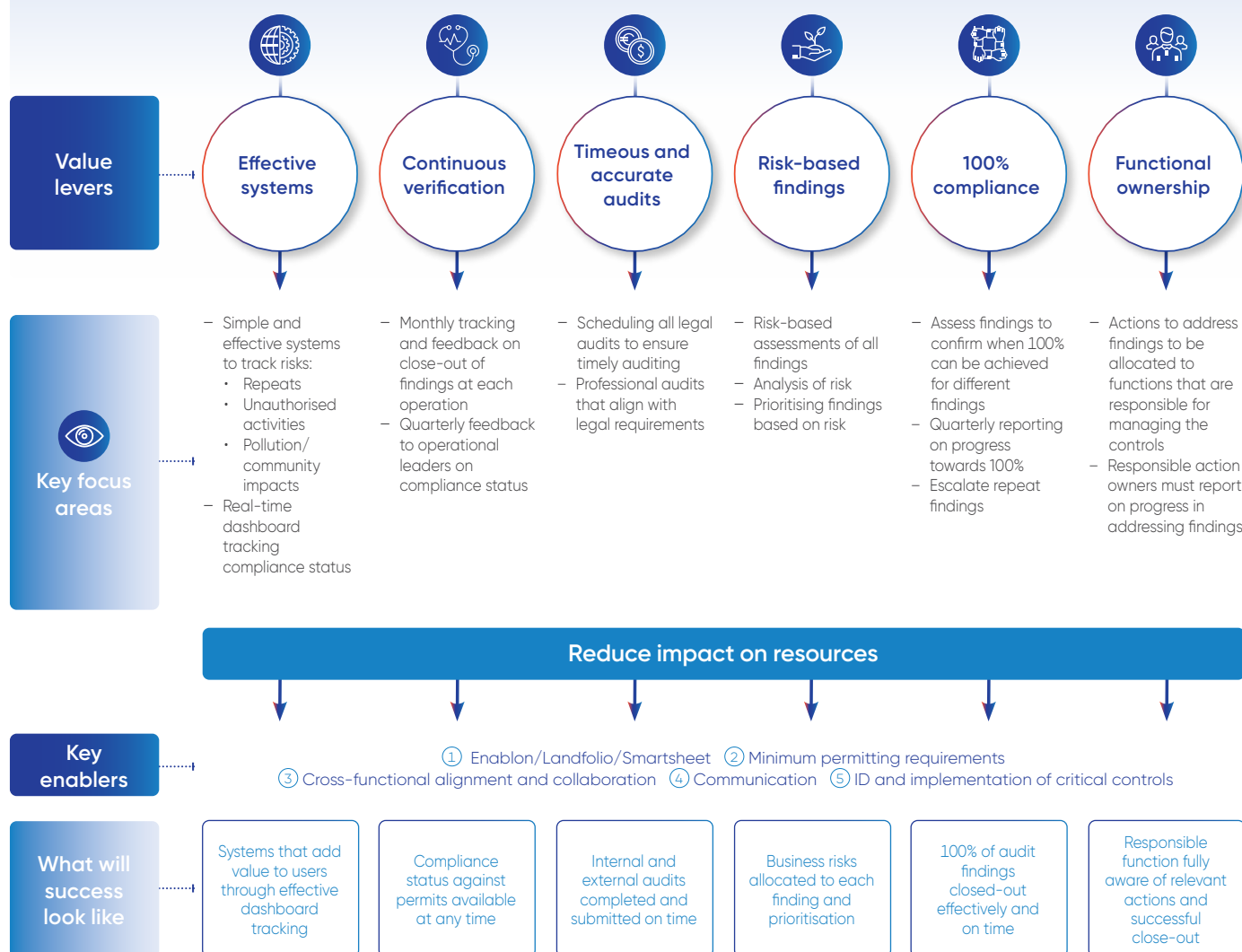
Environment audit compliance strategy



Environment

Aspirational statement

Support long-term sustainability of the business and legal compliance through effective tracking and close-out of external and internal environmental audit findings



Audit performance

All 2019 audit findings have been captured in our information management system (Enablon) and specific reports are generated to reflect:

- Percentage of findings versus solved
- Finding classification report
- Risk to the business report
- Finding description report
- Commitment dates for open findings
- Open findings past commitment dates
- Findings solved per quarter

Progress against audit findings is reported to operations monthly and PMC quarterly.

All external EMPR/EIA and WUL audits for 2020 will be added to Enablon in the first quarter of 2021 to ensure all findings are addressed and remedial actions tracked continuously.

Although there are still repeat findings, the 2020 status of the previous audit findings reflect our progressive improvement in addressing partial or non-compliant conditions.

We have conducted a detailed review of all findings and required measures to close out the remaining requirements. All high-cost interventions have been budgeted for in 2021. There are still a few low-cost issues to be addressed progressively until resolved.

Where applicable, we have engaged with relevant authorities to reach agreement on formal application processes to be initiated to ensure close-out of findings.

The 2020 status of 2018 and 2019 audit findings for WULs and EMPR is shown below:

WUL	EMPR/EIA
– Total findings: 542	– Total findings: 646
– Total findings closed: 408	– Total findings closed: 512
– ***% Finding closed out in 2020: 75%	– ***% Finding closed out in 2020: 79%

** Budget has been approved to close all findings that are due in 2021

Fines and directives

Our Unki operation in Zimbabwe was issued an order to pay a USD2,400 fine by the Environmental Management Agency in March 2020, for implementing a water augmentation project (borehole drilling) without an EIA. Unki had drilled previous boreholes at the mine without requiring an EIA and, in January 2020, sought clarification on regulatory requirements. The operation paid the fine and conducted the required EIA, with the project resuming after a certificate was issued by the agency in August.

Unki is also waiting for a response from the agency to an appeal submitted after it was issued an order in September 2018 and potential USD1,000 fine for the pollution control dam (PCD) sludge temporary holding pad before disposal in the tailings storage facility. We are encouraged that the agency has continued to annually issue a discharge licence for the PCD and, in September 2020, granted approval to expand the facility.

In 2020, there were no confirmed fines or directives at South African operations for non-compliance with environmental regulations, licences or permits imposed by authorities on any of our managed operations.

Environmental incidents

Incidents that result in negative impacts on the environment and our host communities are a serious concern for our business. The way that we learn from these incidents, or substandard acts and conditions reported, is an essential aspect of improving our performance.

At some of our operations, we are using digital tablets to report incidents and environmental inspections. We continue to monitor and improve the technologies to address challenges at certain operations with connectivity or quality of images to be uploaded.

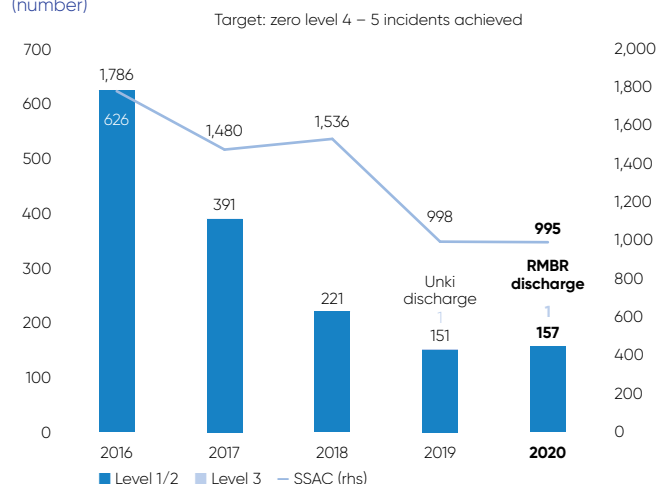
We adhere to the Anglo American approach of classifying incidents on five levels, according to the actual and/or potential consequences for the environment. Level 4–5 incidents (from high impact to major) are featured in the chief executive's report to the board and disclosed publicly. Any incident that could have resulted in more serious impacts is recorded as an environmental high-potential incident (HPI).

In 2020, we recorded one level 3 (moderate impact) environmental incident (2019: one). This related to the overflow of effluent from a rainwater dam at RBMR, resulting in localised low-toxicity pollution accumulating in a tributary stream (see page 30). Based on the assessment, it was confirmed that the incident would not have resulted in more serious impacts and it was not rated as an HPI.

We reported 14 level 2 incidents (2019: 20), with none classified as high-potential incidents.

A 0.3% decrease in the number of substandard acts and conditions recorded this year and a marginal 4% increase in number of environmental incidents recorded (see trend analysis below) is partly due to capacity restrictions and associated limited inspections and reporting during the Covid-19 lockdown period in April–May, but still indicates the focus on effective risk monitoring and management.

Environmental incidents and sub-standard acts and conditions (SSAC) (number)



Trend analysis of level 1 and 2 incidents shows that 57% affected land and/or open water, predominantly through hydrocarbon spills and pipe leakages (2019: 81%). This indicates a more dedicated focus at our operations on optimising controls to prevent these types of spillages.

In 2020, we recorded eight complaints/grievances classified as having an environmental impact (2019: 12). Five were community complaints at our managed operations about activities that cause gas emissions or excessive dust, and three complaints related to mine impact on water resources. Each complaint was investigated, feedback was given to the complainants and remedial action taken where required.



↗ Mototolo concentrator

Case study 5:

NO REPEATS of environmental incidents campaign

In working towards our sustainable mining plan goals, we need to ensure that each functional area remains in a state of continuous improvement to reach operational excellence. An assessment of environmental incidents has shown that there have been no level 5 incidents at Anglo American-managed operations over the last five years. This is one achievement among other examples of proactive environmental incident management across the group.

To embed a culture of no repeats, we are implementing an awareness campaign that focuses on operational controls to prevent negative environmental, social and business consequences. Our approach entails:

- Identifying and sharing information on identified repeat events in an educational format
- Creating awareness on the importance of no-repeat events for environmental incidents
- Linking repeat incidents to operational performance targets
- Linking repeat incidents to critical controls
- Increasing the prioritisation of environmental incidents at all operations
- Preparation and implementation of no-repeat preventative plans across the organisation

In the last quarter of 2020, a process of analysing all our environmental incidents has shown how some level 2 and level 3 incidents have been repeated in specific sites and business units. Those identified events have the potential of becoming level 4 or level 5 rated, if adequate preventative controls are not instated.



This has propelled the need for a focused initiative, illustrated above. The objective is to ensure there are no repeated level 2 and higher incidents across all Anglo American operations by 2021 and beyond.

Case study 6:

Level 3 environmental incident: overflow of effluent from the RBMR rainwater dam

At Rustenburg Base Metals Refinery (RBMR), a rainwater dam at the effluent and sodium plant overflowed on 14 January 2020 after excessive and continuous rain. The discharge flowed into the channel leading to a Klipfontein tributary stream, where it accumulated.

Refinery management was alerted immediately, as well as executive management at the corporate office. We reported the overflow to DWS and took immediate action to mitigate the impact.

The receiving environment is categorised as being of moderate natural or biodiversity value and is a source of agricultural water. The incident caused localised low-toxicity pollutants to affect the receiving water body. Potential residual harm related to poor groundwater quality and a possible impact on livestock downstream that depend on water from the stream.

Significant intervention was required to contain the impact and full remediation took longer than a week. To manage the level of the dam that overflowed, we pumped water to other dams, and pumped the effluent that had accumulated in Klipfonteinspruit into a nearby pollution control dam. We removed contaminated soil from the channels and safely disposed of it. We formalised all dam inspections through the operating model work execution process for all effluent and sodium teams and the environmental department.

The site conducted internal investigations to identify root causes of the incident and institute mechanisms to prevent a repeat. These included implementing a reverse-osmosis project to reduce chloride concentration in the water. Initiatives are under way to improve process stability and efficiency at the effluent and sodium plant, free up dam capacity and ensure liner integrity. These will be completed in 2022.

Environmental expenditure and provisions

Environmental expenditure for our managed operations in 2020 was:

- R35.9 million for waste disposal, emissions treatment and remediation (2019: R24.3 million)
- R59.1 million for preventing pollution and environmental management (2019: R57.9 million)

Total environmental expenditure of R95 million was R12.8 million higher than 2019, reflecting more intense focus on waste recycling and disposal to support ZW2L (zero waste to landfill). In addition, due to more projects, more support was required from external environmental consultants and, as a result, more financial guarantees were issued. This excludes the costs of non-product output as defined in the International Federation of Accountants' guidance document on environmental management accounting.

In addition to the mentioned environmental expenditure, R351 million (2019: R791 million) capital was spent on the SO₂ abatement project at Polokwane Smelter in support of the air quality postponement conditions.

Expenditure for environment-related programmes and projects is tracked on our SAP system at operational and corporate levels.

External recognition

We are encouraged by the ongoing external recognition of our strong management of ESG issues in 2020, as reflected in several global rankings by leading agencies (page 1 [📄](#)).

Responsible supply chain management – environmental stewardship

The Anglo American responsible sourcing standard for suppliers, available on our global websites, details our expectations of existing or prospective suppliers under five pillars, including a requirement to demonstrate how they protect the environment. Under each pillar, the standard defines minimum expectations and highlights best-practice and aspirational sustainability ambitions for suppliers to work towards.

We expect all suppliers to comply with applicable environmental legislation and set out requirements to support them in limiting their environmental harm. These include risk assessments, monitoring emissions (eg greenhouse gas and air quality), responsible use of water and other resources such as energy. Where possible, we encourage suppliers to integrate circular-economy principles in supplying goods and services to the group.

We have aligned the standard closely with our group-wide sustainable mining plan, best-practice external guidance and policies, including our SHE policy. Our standard is available in multiple languages and supported by a frequently asked questions document for suppliers.

Further information on our approach to assessing and identifying suppliers with higher potential for sustainability risk is provided on page 140 [📄](#).

Our engagement with suppliers indicates that most high-spend suppliers understand potential responsible sourcing risk and environmental impact, and typically have established processes to identify and manage these risks. In 2020, no major adverse environmental issues were recorded.

Small and medium-sized suppliers, which are a large percentage of our supply base, traditionally have greater difficulty in demonstrating procedures and practices linked to core environmental requirements. We support these businesses to meet our standards through a bespoke responsible-sourcing training programme. This programme was put on hold this year due to Covid-19-related impacts and precautions.

The supply chain team also actively participated in the zero waste to landfill drive and made a significant contribution (748 tonnes of waste was recycled or reused) to reduce waste sent to landfill in 2020. The Western Limb distribution centre received a certificate for not sending any waste to landfill for three consecutive months.



📍 Mogalakwena central pit

Water



Water is fundamental for our operations and surrounding communities. We embrace our role as water stewards and we incorporate learnings and technology as our approach evolves. In 2020, our focus was on updating our water-accounting methodology to validate all data against water balances and apply consistent definitions as per ICMM/Anglo American freshwater definitions. This supports our ongoing initiatives to meet our sustainable mining plan's water goals and achieve the FutureSmart vision of a waterless mine.

Water: a critical issue

For Anglo American Platinum, water security is a principal risk as all our sites operate in stressed catchment areas. We rely heavily on water as an input to mining and processing activities. Responsible management of this resource is critical, given concerns about water security and quality, as well as strict regulation and scrutiny by authorities. Pressure on shared freshwater resources is exacerbated by growing climate impacts, competition between users and potential for conflict.

South Africa's water resources are predicted to be in deficit by 2030, and large-scale interventions, including public/private partnerships, will be vital to ensure a sustainable supply. Mining is one of the few industries that can use water of lower quality, namely not suitable for human consumption, which allows us to apply creative approaches to water reuse and recycling.

Our water targets

The Anglo American sustainable mining plan sets meaningful targets for long-term, efficient water use by 2030:

- 50% reduction (globally) in freshwater abstraction (against a restated 2015 baseline)
- Recycle and re-use at least 75% of available water
- Zero level 3 or higher water discharge incidents
- Use innovative technologies that will allow mining with little or no water

Progressing on our water management journey

Anglo American Platinum has been steadily improving its water management over the last decade as part of a group-wide initiative. Our water strategy focuses on the strategic pillars of water stewardship, regional and operational water security and operational excellence.

We have demonstrated leadership in increasingly reducing potable and raw-water intensity at our operations and partnering in several regional bulk-water resource and water efficiency initiatives.

We take a risk-based approach to water management, both in our operations and at regional level. This is guided by the Anglo American group water policy and water management standard. Our water policy focuses on reducing related risks to ensure water-resilient operations, while reducing our water footprint. It aims to help us meet the vision of a waterless mine and prioritises water stewardship. The standard ensures that critical controls and best practices are implemented to manage risks at all levels of the value chain, and to find opportunities for collaborative solutions with communities, based on a detailed understanding of ground and surface-water aspects.

Developments in 2020 and going forward

Improving water accounting

For us to monitor our progress and take appropriate action, the data on which we base our decisions must be as accurate as possible, so we have installed critical monitoring instrumentation to improve accuracy. In 2020, we completed a detailed review of our mining operations' water data from 2015 for a more accurate picture of our water consumption. This revised baseline data for 2030 targets enables us to more accurately assess our achievements to date and understand the challenges ahead.

Anglo American also launched a global initiative to standardise our reporting metrics and introduce improved definitions aligned with the International Council on Mining and Metals (ICMM). We continued building dynamic and stochastic water balances for all our sites and generated a water-reporting dataset for all withdrawals, consumptions, discharges and reuse/recycling.

Consistent with our ambition towards responsible water stewardship, we will reassess our water targets and their underlying indicators in 2021. The aim is to ensure they are meaningful to all stakeholders and technically appropriate; drive the right behaviours at our operations; reflect the complexity of the socio-political and ecological context of our sites, embrace our ambition to reduce our water footprint while creating value for our stakeholders.

Compliance to water management standards

By the end of 2020, our sites were 95% compliant to the water management standard parameters, based on the Anglo American water management self-assessments where most requirements were achieved. Each of our sites has competent persons for water management and has finalised site-wide water balances with high-quality data feeding into water accounting and reporting. These are helping us identify water-efficiency opportunities by reducing water losses and increasing efficiency, in line with our commitments in the sustainable mining plan. All holistic site water management plans (WMP), self-assessments and gap analyses against the standard have been signed off, with results included in our CEO's scorecard.

WMPs include water security, water-use efficiency, tailings water-recovery projects and mine-dewatering strategy, stormwater management and discharge management, complemented by a monitoring programme.

Freshwater reduction targets will be underpinned by projects to reduce water consumption by applying technology in the tailings deposition circuit, exchange freshwater withdrawal for lower-quality sources and/or fit-for-purpose water infrastructure to increase recycling and reuse. Our end goal is a waterless mine – one that uses no external freshwater beyond ramp-up. To date, much of our freshwater withdrawal reduction is due to the switch to using treated sewage effluent.

Demonstrating strong management of water issues, for a second consecutive year, Anglo American Platinum achieved an A score for its submission to the annual water disclosure project of the CDP. This score falls in the leadership band. Our 2020 submission is available at www.cdproject.net.

Next steps

In 2021, we will focus on key areas:

- Setting site-specific targets for all operations by progressing opportunities to concept-phase projects to reduce freshwater withdrawal, reduce overall consumption and increase our efficiency, in line with the hierarchy of water management: eliminate; reduce; reuse/recycle; substitute
- Continuing to implement meters for improved data recording, and automate our water data analytics and reporting
- Start incorporating water quality data as per revised ICMM guidelines
- Avoiding level 3 discharges by effectively managing all our dams on site, based on stochastic analysis of the hydrology and water system
- Deepening understanding of our role in the catchments in which we operate to identify and address shared challenges.

Risk assessments

As part of our group-wide risk management framework, we assess water-related risks each year. These include operational risks resulting from limited water availability, in turn caused by abnormal and persistent drought cycles, flooding and discharges due to high rainfall, and social risks resulting from competition with other water stakeholders and water-quality impacts of scarce resources.

Our company water-risk profile is moderate to significant at this stage, based on the risk-based criteria in our water management standard.

Our climate-data review and predictive modelling indicate that increasing weather volatility – including highly variable and interchangeable periods of droughts and floods – is likely to exacerbate water stress and vulnerabilities at our operations and communities in which we operate, notably in the Limpopo region.

In 2019, we completed a regional Limpopo water balance which has assisted in quantifying the catchment water assurance, shortfall and demand over time for all water users in the catchment. We compiled heat maps to indicate shortfalls in storage reservoirs (with and without interventions over time) and we considered bridging options to meet water demand in the study catchment. The regional catchment analysis also included an analysis of climate-change impact on the regional water balance. We support a regional water system to assist both the Eastern and Northern Limbs, notably Mogalakwena Mine, in future.

Compliance

Refer to pages 26 to 29 for compliance with environmental regulations, licences or permits for managed operations in South Africa or Zimbabwe.

Anglo American Platinum holds regular quarterly meetings with the DWS to discuss water use licences. These meetings have been helpful in tracking the status on any licence applications submitted to the regulator.

No water source, ecosystem (eg Ramsar-listed wetland) or habitat was materially affected by our extraction and use of water. In 2020, we recorded one level 3 (moderate impact) environmental incident. This related to an overflow of effluent from the RBMR rainwater dam into a tributary stream, resulting in a localised low-toxicity pollutant that was cleared (refer page 30). This was not classified as a high-potential incident.

We are committed to eliminating level 3 incidents by 2030. We have launched an investigation and technical review to understand how unplanned discharges impact such incidents. We will then be able to determine the actions we need to take to prevent them, as well as upgrades to our water management and conveyance structures.

Water use at our sites

Our main operational water activities (tasks) are:

- Abstraction, conveyance treatment and recirculation
- Monitoring and implementing water balances
- Dewatering to access ore reserves
- Ore processing
- Mineral residue deposition (including tailings, waste rock and slag) and discharge control
- Smelting
- Beneficiation of metals
- Refrigeration and ventilation cooling
- Transportation and dust suppression
- Stormwater management and flood protection
- Diversion of freshwater
- Storage for recycled water and freshwater supply

We also provide access to fully functioning water, sanitation and hygiene services at all our mining operations and hostels as a basic human right.

Water sources

Based on current definitions, some 88% of our freshwater withdrawals take place at four sites: Unki, Mototolo and Amandelbult mining complexes, and our smelters and metal refineries in the Rustenburg complex. We have reduced our freshwater withdrawal as a percentage of total water withdrawal from 37% in 2015 to 17% in 2020, by increasing our use of treated effluent and grey water.

Mogalakwena complex's main source is treated municipal sewage effluent and rainfall run-off. Our operations at Amandelbult and Mototolo reuse and have recycling efficiencies of over 72% of water used with additional sources from rainfall and stormwater harvesting, and supplement with potable or raw water from third-party suppliers, respectively. Our operation at Unki uses predominantly surface water, augmented with groundwater since mid-2020. All our beneficiation plants (smelters and refineries) are sensitive to water quality and mostly rely on potable water from third-party suppliers.

We continue to increase the level of treated effluent water used at our operations. We secured treated effluent from wastewater treatment plants in Polokwane, Mokopane and Rustenburg. We are securing treated effluent from Northam for Mortimer smelter, have expanded effluent treatment capacity at Polokwane wastewater treatment plant and are debottlenecking the pipeline to site. We are also in discussions to secure an additional 2MI/d of treated effluent for Rustenburg process plants from the Rustenburg Water Services Trust, while we will de-bottleneck our Polokwane treated effluent pipeline for the full allocation of 20MI/d.

Measuring our progress

In working towards our sustainable water goals, specific targets are set annually for each site, including water-intensity metrics. Our operations report on water withdrawal, consumption and discharge, tracking performance against targets monthly.

Our progress in recent years has been driven by progressive implementation of best-practice water-treatment recovery technologies. There has been an increasing focus on recycling and reusing water from internal sewerage plants, tailings return-water dams, mine service water and other internal sources, such as pollution control and stormwater dams.

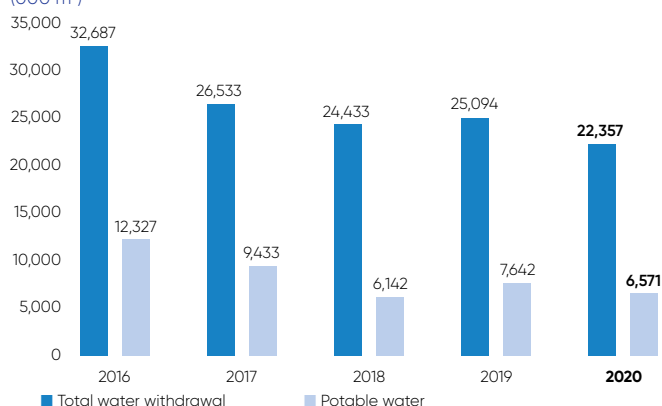
Each operation had set a milestone potable or raw surface water-reduction target for 2020. These were expressed as an intensity metric with related water consumption by 2020 against forecasts of business-as-usual demand at individual operations.

In 2020, both our raw surface and potable water withdrawal and intensities were below target. However, potable water intensities for specific sites were above target, mainly due to reduced production during the ACP shutdown and Covid-19 national lockdown. Other material factors included very little treated effluent from Mokopane being used due to downstream environmental requirements and pending installation of the booster pump station. Treated effluent was received from Polokwane, but infrastructure was unreliable at times and poor quality from the wastewater treatment plant resulted in suboptimal use. Efficiency gains were achieved at our smelters and processing sites which identified and corrected several leaks and other inefficiencies.

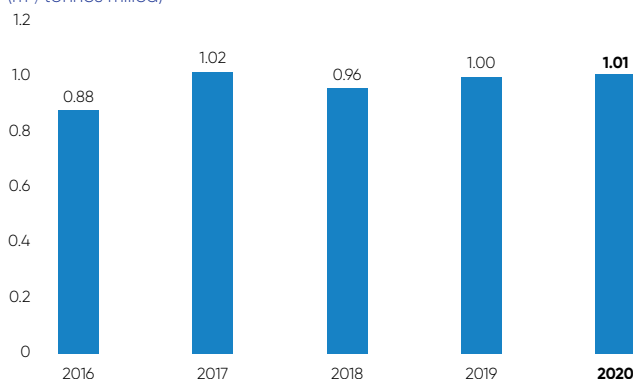
Levels of water reuse/recycling at our operations improved from 55% in 2019 to 59% in 2020.

NB: Rustenburg and Union divested operations are included to respective dates of divestment – 31 October 2019 and 31 January 2018.

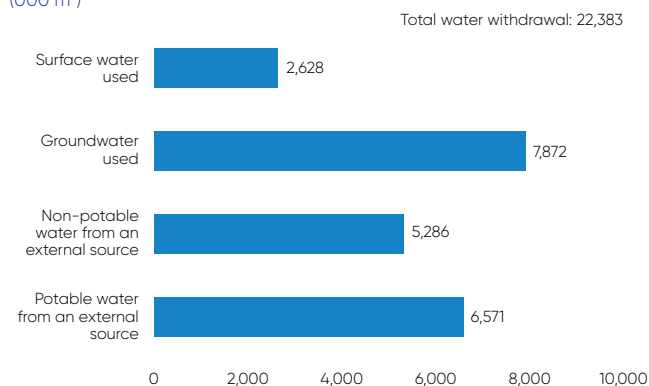
Water withdrawal (000 m³)



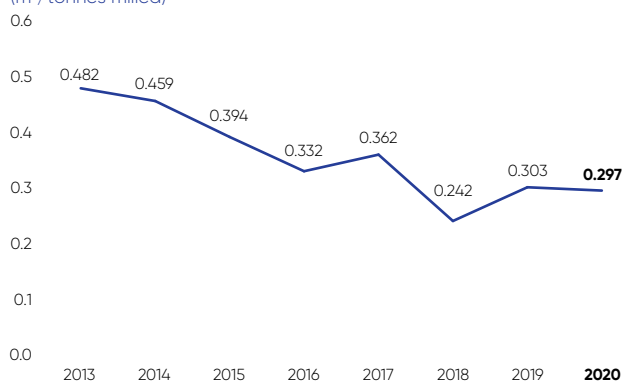
Total water withdrawal intensity (m³/tonnes milled)



Water withdrawal by source in 2020 (000 m³)



Potable water intensity (m³/tonnes milled)



In 2020, only 17% of our total withdrawal was freshwater, compared to 37% in 2015. We have made significant progress in substituting freshwater with non-freshwater. For example, at Mogalakwena, the mine operates 90% of requirements are met by treated sewage effluent and mine-impacted water.

In 2020, our intensity of use was as follows:

Intensity (m ³ /t milled)	2020	2019	2018
Total water-withdrawal intensity	1.01	1.00	0.96
Potable water-use intensity from an external resource	0.297	0.3003	0.242

Innovation changing the game for water

Our ambition is to develop mines that are water-neutral during their operational phase. This means freshwater is diverted and no additional water is introduced or intercepted. Innovation is key to realising this goal and, through FutureSmart, we are exploring several promising technologies:

- Computational fluid dynamics (CFD) that informs the design of new stormwater management features for our dams, and reduces the risk of discharges
- 2D studies that map flood risk and help identify structural and design improvements
- Water covers and floating solar panels that minimise evaporation. A concept study has been completed at Amandelbult (see case study on page 36)
- Liners and under-drainage systems for tailings dams that increase water recovery and reduce freshwater withdrawals, eg the high-density polyethylene-lined Mareesburg tailings dam at Mototolo, where phase two and three are under construction
- Tailings dewatering technologies that allow improved water recovery and recycling rates. A hydraulic dry stacking trial is under construction at Anglo American's El Soldado operation and conceptual studies for a large-scale test rig and placement trials at Mogalakwena have begun. Cycloning is used at Mareesburg, has been trialled at Unki and tailings filtration utilised at Mototolo
- Construction is under way at Mogalakwena of a coarse particle recovery technology that uses a coarser grinder when processing ore; by combining this with dry-disposal or filtered tailings technology, water-use intensity may be reduced by as much as 50%
- A dry bulk-ore sorting pilot plant has been commissioned at Mogalakwena which will allow dry separation of low-grade ore and dilution. A number of comminution and flotation technologies are being trialled at Mogalakwena to increase recovery and, along with ore-sorting, could significantly reduce water use per recovered PGM ounce
- A pilot plant for dry slag granulation at Polokwane is planned and if implemented at full scale will result in a water saving of about 50%.

Case study 7:

New projects to reduce freshwater withdrawals

Improving the quality of treated grey water

In our drive to reduce freshwater consumption, we are exploring emerging technologies to improve water quality from the wastewater plants where we source effluent at an acceptable water quality for our processes and improve our reliance on its use.

At Rustenburg, we achieved a milestone in reducing dependency on potable water for processing by implementing a dissolved air flotation unit and sand-filter treatment in 2015, which has improved the consistency and quality of effluent used. In 2020, the smelting and refining team trialled ultra-filtration (UF) as a pre-treatment step to improve the quality of grey water by removing additional unwanted elements such as fats, oils and grease, as well as chlorides.

A pilot UF skid was conducted over two weeks in November at the Rustenburg Water Services Trust to provide supporting data for proof of concept and design for a full-scale plant. Early in 2021 we commenced a second pilot study and started a process of conceptualising a bigger project and identifying the processes to provide this quality of water to different sites.

Anglo American Platinum's reduced use of Rand Water will also improve the water security for the Rustenburg Town.



⌄ Ultrafiltration Pilot plant test on Rustenburg Waste water treated effluent

Floating solar panels that minimise evaporation

Amandelbult is investigating the value and efficiency of water covers with floating solar panels, to save on energy and reduce evaporation losses on our pollution control dams. Amandelbult has a high average evaporation rate of about 1,800mm/year:

initial indications are that floating solar panels may reduce evaporation by 85%, resulting in a freshwater saving of about 38ML/year for an area of 25,000m².

Scavenger wells to manage pollution plume migration

At Mogalakwena, we have installed seven scavenger wells to mitigate the pollution plume migration around the Blinkwater TSF. On average, we are getting 0.6ML/day back into the water system.



⌄ Water collected from scavenger wells

At Polokwane smelters, a groundwater study highlighted the possibility of reducing the high groundwater levels around the slag dump which are causing high hydrostatic pressures on the slag liner, through scavenger boreholes. The four scavenger boreholes will be equipped and tested during 2021. The water from the scavenger boreholes will be pumped to the relevant pollution control dam and contribute to the site's water security and potable water savings.

Desilting at Mogalakwena return-water dam

At Mogalakwena, the return-water dam was about 62% silted at the end of 2018, increasing the risk of spills. A floating dredger was introduced and silt has been successfully pumped to Vaalkop TSF. The challenge was to maintain a high water level for efficient dredging while avoiding any spills during the rainy season.



⌄ Floating dredger



Partnering and engaging with stakeholders

We work closely with other stakeholders to manage water supply, and the social, reputational and operational risks that result from our water use. The Anglo American Social Way helps us understand our water-related socio-economic impacts and enhance stakeholder dialogue and managing social issues.

Water security is a particular risk for our operations in Limpopo, especially during prolonged drought, coupled to rising community and municipal demand. While the province is expected to be water-stressed between 2022 and 2025, studies have identified several opportunities for source-water options to augment regional water supply.

Anglo American Platinum played a key role in a collaborative water strategy for Limpopo, launched in 2017, in partnership with government, regional water providers and other mining houses. From our 2019 regional Limpopo water resources study, we continued to improve our understanding of the Olifants River Water System, under the guidance of the Joint Water Forum (JWF), a partnership with other mining houses.

A focus is our support of the Lebalelo Water User Association (LWUA) to unlock the resource potential of De Hoop Dam in the Middle Olifants River Catchment, by developing the bulk Olifants River water resources development project (ORWRDP) infrastructure, as well as potable water-supply infrastructure for communities in the area. This scheme will benefit the entire Eastern and Northern Limb area. Anglo American Platinum is the majority shareholder and chairs the LWUA which has been actively engaging with DWS to support completion of the second phase of the ORWRDP.

We continue to engage closely with the Rustenburg Water Services Trust, Polokwane and Mokopane municipalities to improve the effluent from the wastewater treatment plants, and regularly communicate with all the bulk-water suppliers (Magalies Water, Rand Water, Lepelle North Water and Lebalelo Water User Association) on our use, water tariffs, water restrictions and any related water issues. These engagements are ongoing and assist in improving the management of water-supply infrastructure and resources in the municipal areas.

The significance of our role in alleviating water shortages in communities was heightened in 2020 with access to clean water and sanitation being imperative in curbing the spread of Covid-19. A flagship initiative is our partnership with Hall Core Water Mapela in providing 3.5 million litres of potable water daily to over 70,000 people in communities around Mogalakwena Mine. At Unki in Zimbabwe, we assisted in resuscitating boreholes in the village that had broken down as well as developing new boreholes to ensure adequate access to drinking water.

Project highlights

In 2020, drought conditions in the Mogalakwena catchment resulted in very low levels in the Doorndraai Dam, and in boreholes that supply the Mogalakwena municipality. We have been collaborating with the municipality to identify and assess short and medium-term solutions to improve water supply to the municipality, for implementation in 2021.

We are upgrading the Polokwane wastewater plant to the nameplate capacity of 36MI/d for completion early-2021. The extension will also assist in improving effluent quality into the receiving water body and benefit downstream users. The design to upgrade and debottleneck the approximately 60km treated effluent pipeline to 20 MI/d capacity has been completed for implementation in 2021.

We completed a prefeasibility study and will start feasibility studies in 2021 to upgrade the Mokopane treated effluent pipeline to improve its structural integrity. The project aims to improve reliability of treated effluent supply to the mine through the pipeline, and ensure accessibility for maintenance, by rerouting it to avoid built-up areas and private housing backyards.

In Polokwane, we have continued to work with the brewer, SABInBev, and the Strategic Water Partners Network to fix water leaks that led to over half the potable water supply being lost. We are also assisting with water conservation and water demand management initiatives for Polokwane.

Near Mortimer, we are developing a 5MI/day wastewater treatment plant in Northam and, at Amandelbult, a 10MI potable water reservoir was completed for the Thabazimbi town system.

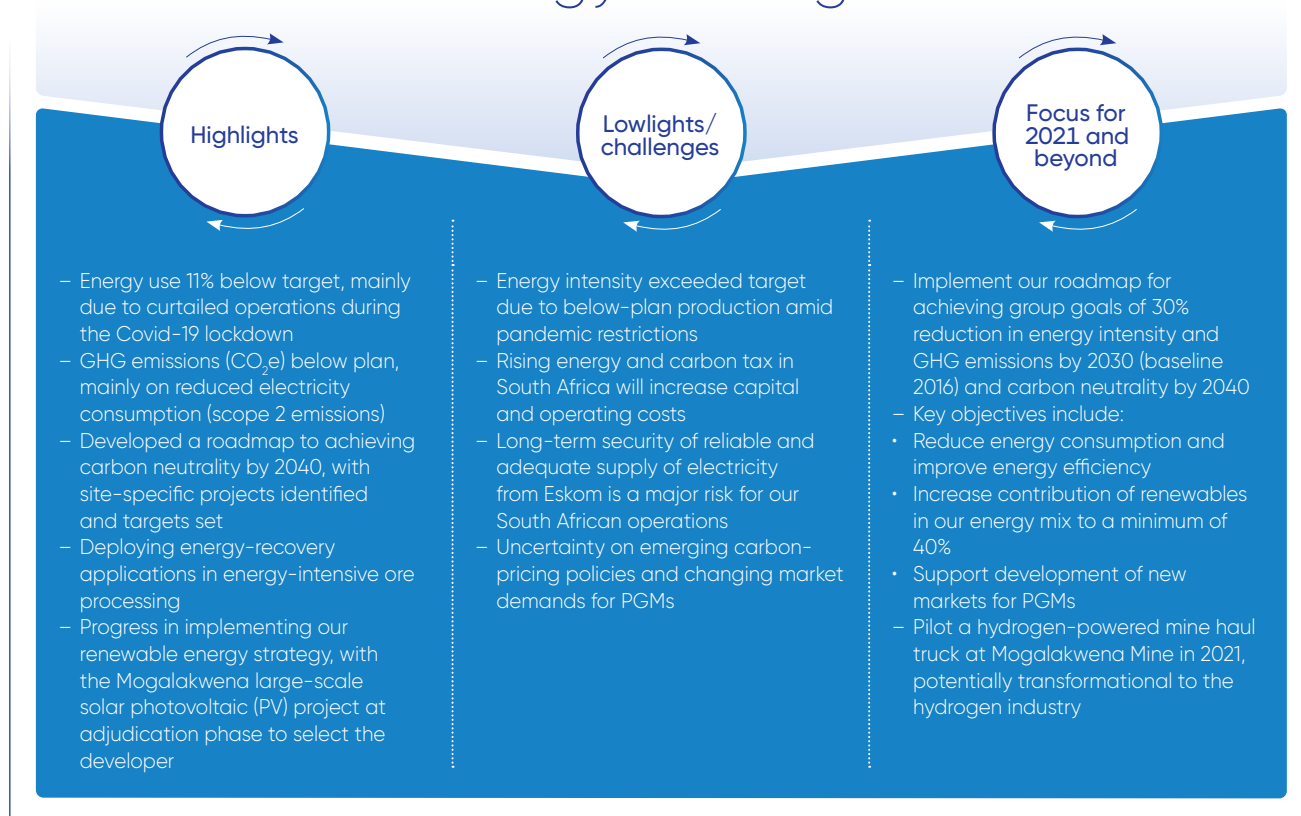
Unki is implementing several water-conservation and demand-management projects to reduce site water demand and withdrawal from the Lucilia Poort Dam. In 2020, a groundwater augmentation scheme was developed to support Unki and to supply water to some local villages.

Addressing water quality concerns

As part of our strategy to investigate and, where possible, implement or support the implementation of measures to address elevated nitrate levels in groundwater in Limpopo, including those noted around Mogalakwena we will appoint specialist consultants to conduct further hydro-geochemical studies in 2021.

At Twickenham, which is under care and maintenance, we continue to focus on excess water management. About 1MI/d of surplus shaft ingress water is released into the environment. We are addressing related community concerns through a joint community forum, chaired by DWS. We are awaiting approval to use the excess water for irrigation, alternatively the infrastructure to pump excess water into a 16MI dam is in place for use at a neighbouring mine for commercial beneficial use. We have meanwhile appointed a specialist to analyse other excess water management options, beyond irrigation, including further treatment prior to discharge into the river. Currently, the water use licence has expired and DWS has not indicated the required standards for water quality.

Climate change and energy management



Tackling climate change is the defining challenge of our times. Our underlying principle is to reduce carbon going into the atmosphere and we have clear pathways, guided by our purpose of re-imagining mining to improve people's lives. These include optimising opportunities for our products to support a greener, cleaner, more sustainable world; reducing our energy consumption and intensity; and increased use of renewable energy.

Our response to climate change is firmly entrenched in the group sustainability goals that inform our GHG emissions and energy-intensity reduction targets.

Our strategic approach

Anglo American Platinum's approach to climate change adheres to Anglo American's climate-change policy and management approach, built around five principles:

- Building internal agility and ensuring resilience to climate change
- Reducing energy use and carbon emissions throughout our business
- Understanding and responding to risks and opportunities related to the carbon life cycle of our products
- Developing and implementing collaborative solutions with our stakeholders
- Contributing our skills and knowledge to developing responsible public policy

These principles align with the vision set out by the UK's Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD). Anglo American Platinum supports the TCFD and a summary of our current compliance with its recommendations is on page 202.

In line with the Paris Agreement's sub-2°C goals, Anglo American has committed to achieving carbon neutrality across its operations by 2040, supported by clear intermediate targets. We have developed a roadmap to carbon neutrality that is informed by detailed work at each of our sites. We are confident that our

FutureSmart Mining technologies will be a key driver in reducing our emissions. We will also increase our sourcing of renewable energy and low-carbon operational solutions, including the production and use of hydrogen. Risk impact, mitigation and tracking elements are embedded in our operating model to help us understand what we need to put in place to achieve our targets.

Our management systems, structures, governance and engagement processes ensure that climate change is considered in all our business decisions. Going forward, we will take into account a carbon price for all our forecasting. Our initiatives to reduce our carbon emissions will also reduce our exposure to evolving climate-change regulatory requirements and increases in energy costs.

Our CEO's scorecard includes performance on energy and carbon. Anglo American Platinum's general managers are financially rewarded for achieving operational-level energy-reduction targets. In future, we aim to incentivise individuals based on their team's performance against climate, energy and water targets. This will contribute to the whole workforce being incentivised to meet our GHG targets.

Further disclosure on our climate-related practices appears in our integrated annual report and in our annual submission to CDP (www.cdproject.net). Anglo American Platinum's leadership on climate action and the transition to the new sustainable economy is recognised in being on the CDP's 'A' list based on our 2020 submission.

Understanding our climate-related risks and opportunities

Our business is exposed to a spectrum of risks from climate change, including physical, regulatory, market, cost or legal. Details are provided in our annual submission to CDP, section C2.2c (www.cdproject.net). Our principal climate-related risk is the potential impact of climate change on security of water supply for our organisation and host communities. Security of energy supply, rising energy prices and the carbon tax in South Africa are also material risks for our operations.

Our risk management approach enables us to identify and manage both risks and opportunities, helping to ensure the resilience of our portfolio. Our quantitative scenario analysis work, reviewed below, has reinforced this approach and is a key input in our strategic-planning processes. Anglo American Platinum assesses and reviews climate-change risks monthly, with a formal annual risk review.

Two key processes guide how we manage climate-change risks: the operational risk management (ORM) programme and investment development model for projects. The ORM guides operations on assessing risk at each level of activity, with tools to identify priority unwanted events and the controls we need to put in place and monitor to prevent those events. The investment development model process and evaluation criteria ensure that climate-change risks and opportunities are embedded in the investment design, including the consideration for alternative low-carbon energy sourcing and the adaptation required for extreme weather and long-term climate change.

Climate change and energy regulatory developments

In South Africa, the Department of Environment, Forestry and Fisheries (DEFF) and Treasury continue to make efforts to introduce the necessary regulatory and policy framework to address climate change, in line with the country's commitment to the United Nations framework convention on climate change. Over the last year, this has included enacting regulations to fully implement the carbon-tax levy and allowances; introducing greenhouse gas (GHG) reporting legislation to strengthen disclosure and monitoring protocols; climate-change mitigation and adaptation policy documents to provide a blueprint for a coordinated and integrated response by both the public and private sector; and resuming consultations on the climate change bill, which will provide the much-needed regulatory framework and legal certainty. These developments are in line with global trends and Anglo American Platinum's carbon-neutrality commitments, energy-reduction targets as well as sustainability goals and objectives.

Carbon-tax liability

In South Africa, our operations are liable to pay carbon tax from the combustion of coal and other fossil fuels. The design of the tax provides for significant tax-free emissions allowances ranging from 60% to 95% for the first phase (1 June 2019 to 31 December 2022). To ease the potential adverse impacts on energy-intensive sectors such as mining, the tax will not have any impact on the price of electricity during the first phase.

The first filing and levy payment date for carbon-tax liabilities was deferred by government from 30 July to 31 October 2020 as part of a relief mechanism during the national lockdown period. Our operations prepared reports for the time period stipulated in phase 1 and submitted them on time.

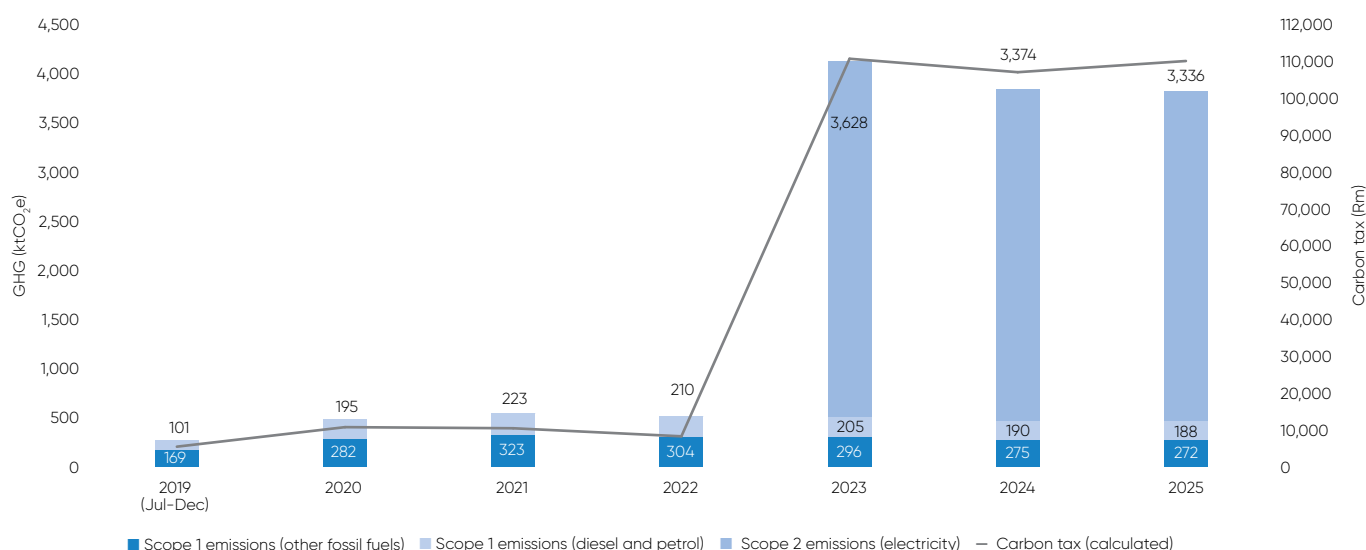
We have assessed the potential carbon-tax liability for our business and included carbon pricing in our budget guidance and project evaluations. The first carbon tax payment for 2019 was made in 2020. After including basic (60%) and trade (10%) allowances, the tax totalled R5.44 million. The estimated carbon tax for FY20, including allowances, is R9 million. Carbon tax paid excludes taxes paid on diesel and petrol, which are paid at the pump.

We continue to assess our approach to mitigating our exposure, as we progress towards our climate-change stretch goals. The South African carbon-tax legislation allows for the use of domestic offset credits against 10% of tax exposure. We are evaluating options to source cost-effective carbon credits. This presents opportunities for our South African operations to mitigate risk (reduce our carbon-tax liability) and to potentially generate an additional income stream.

Anglo American Platinum's position on carbon tax is consistent with the Minerals Council South Africa. To accurately assess its impact on business, we will continue to influence and provide input on this tax and the update of subsequent phases. The South African Carbon Tax act has the base rate 120/tCO₂e (2020) and will increase at CPI + 2% to 2022 and thereafter by CPI. The issue under deliberation is the level of basic allowance which will be applied for electricity port 2022.

Electricity use accounts for around 90% of our exposure to carbon-tax cost impacts from 2023. The Mogalakwena 75MW solar PV project under development will reduce that operation's demand on a highly constrained power grid and reduce exposure to carbon tax (150,000tCO₂e/pa).

Carbon tax projections based on 2020 emissions



Notes

- Carbon tax rate escalates at CPI +2% pa until 2022, thereafter at CPI.
- Base carbon tax of R120/tCO₂e less applicable allowances.

Ensuring resilience to climate change

Understanding how climate change may affect our operations and key end markets for our products is critical to our strategic decisions. It also gives us confidence in the resilience of our business, as we strive to optimise opportunities associated with the transition to a low-carbon future.

Scenarios help us imagine how the world might develop in response to different assumed conditions. It is not possible to know exactly how climate change will evolve and what its implications will be. However, for mining, we expect the impacts in two broad areas:

- Physical: the potential impact on our operations and neighbouring communities from floods, droughts and other extreme weather events
- Demand for mined products: the regulatory and technological implications of the transition to a low-carbon economy and how this might affect demand for different products.

To anticipate these impacts and formulate strategic responses, we have developed scenarios for possible future worlds that represent combinations of a potential set of outcomes.

Our resilience to physical risks

The investment decisions we make today on mine projects could be significantly affected by weather variability associated with long-term climate change. We seek to understand the physical implications of climate change for our operations and neighbouring communities and implement adaptation responses.

Our approach to adaptation includes building climate-change scenarios with the best-available science, using our operating models to identify vulnerability and exposure. We also consider adaptation measures in new project stage-gate evaluations.

Climate change and extreme weather are potential risks for our operations. We have worked with South Africa's Council for Scientific and Industrial Research (CSIR), a leading research body, to model the possible impacts of climate change and extreme weather and inform the design of mitigating controls. For example, increased frequency of extreme rainfall will require changes in monitoring, infrastructure design and emergency preparedness. Our aim was to understand the impact of changes in rainfall, water consumption, security of water supply and infrastructure.

The model we jointly developed with the CSIR is a state-of-the-art, high-resolution climate model, with results used to inform the risk assessment and infrastructure planning work by Anglo American's water and environment teams. The analysis extends beyond 2050. The CSIR team looked at the PGM-bearing Bushveld complex of north-eastern South Africa and the Great Dyke region of southern Zimbabwe. The data from the climate models is used in water-catchment models and site-water balances.

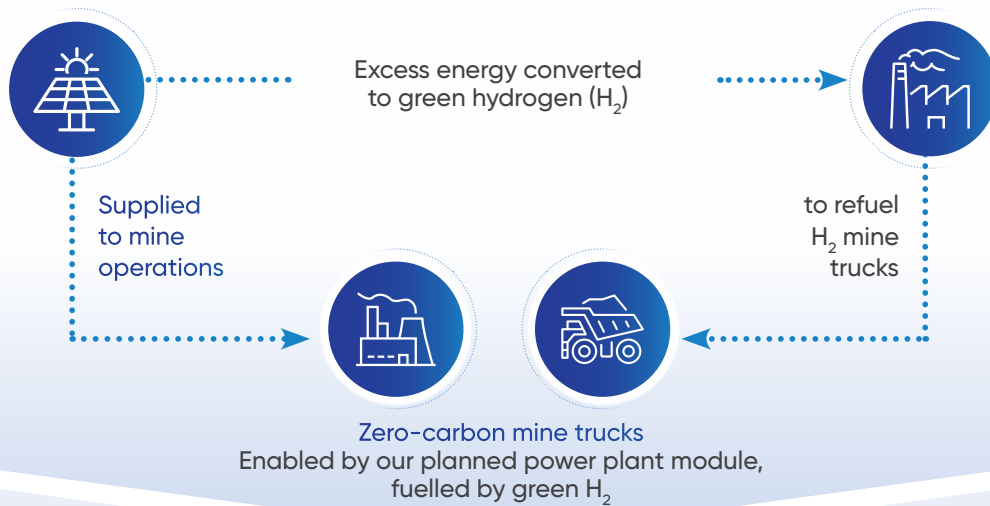
Portfolio resilience

The transition to lower-carbon, climate-resilient economies is expected to affect demand for our products. These trends are factored into our risk and opportunity assessments. In 2016, we completed a qualitative analysis of climate-change signposts and indicators affecting PGM demand to 2035. In 2018, we extended this work with a climate-modelling and adaptation exercise across all our operations in South Africa. We developed quantitative scenario analyses for possible future worlds that represent combinations of a potential set of outcomes from physical impacts on our operations and neighbouring communities, and demand for our mined products.

Demand for PGMs is forecast to increase over time, given the ongoing trend to cleaner-emission vehicles under more stringent global legislation. Increasing demand by the automotive industry is likely to be augmented by growing opportunities for emerging applications, including hybrid and hydrogen fuel cell electric vehicles, while emerging countries such as India offer the potential of developing, from a relatively low base, into significant platinum jewellery markets.

We are well positioned to proactively stimulate demand for platinum, including through targeted campaigns in emerging jewellery markets; create new investment demand for the metal as a store of value; and support the development of PGM technologies that are expected to drive industrial demand. This includes investing in primary research and development; investing in early-stage companies commercialising PGM technologies; and working to enable a favourable policy environment for these technologies.

Leading the development of an integrated mine-decarbonisation solution



Our pathway to carbon neutrality by 2040

CO₂ emissions reduction relative to 2016 baseline¹



Energy efficiency:
Initiatives to reduce energy intensity
(eg steam reticulation optimisation)



Potential:
20% to 25%

Progress to date:
7% reduction in energy intensity
8% reduction in GHG emissions

Clean power for mines:
Renewable energy projects and
storage facilities



Potential:
20% to 30%

Progress to date:
Developing our first large-scale solar
photovoltaic facility (75MW) at Mogalakwena

Fuel-cell adoption: Roll out ~40 trucks
from 2024 to entirely replace diesel
consumption at Mogalakwena



Potential:
10% to 15%

Progress to date:
Proof-of-concept trial on first truck is planned
for first motion in H2 2021

¹ Scope 1 and 2 emissions.

Reducing our carbon footprint

In 2020, Anglo American Platinum completed development of a carbon-neutral model, which projects our energy intensity and carbon emissions over time to track the pathway to carbon neutrality, based on:

- Radically reducing energy consumption through FutureSmart Mining methods and technology adoption
- Switching to low-carbon energy sourcing and increasing the role of renewables in our energy mix.

The model has been informed by technical reviews to identify priority energy and carbon-reduction options at our major operations and opportunities to support the change in the energy mix. Elements of the model are being developed to ensure that all initiatives are accounted for and to improve the level of confidence in the analysis and output. The key elements of the model are:

- Business improvement projects (energy-reduction and efficiency improvements)
- Clean power for mines (greater reliance on renewable or zero-carbon alternatives, focusing on solar PV)
- FutureSmart programme
- Technology development – hydrogen project (fuel cell-powered haul trucks)

Aligned with this approach, we have set 2030 targets to improve energy efficiency and reduce absolute GHG emissions by 30%, against a 2016 baseline. These stretch goals were informed by the South African government submission to the 2015 Paris Agreement. Operational site-specific targets have been cascaded and monthly progress per site is reported. New energy and carbon-intensity targets have been introduced across Anglo American, which are linked to long-term incentive plan share awards over a three-year period ending in 2022.

We implement site-specific business improvement projects as part of ECO2MAN, our energy and carbon management programme, which identifies projects that can help our sites meet their targets on energy use and GHG emissions. Anglo American reviewed and refreshed the programme's guidelines and standards in 2019. These updates reflect innovations in reducing energy use and alternatives for increasing our use of renewable energy and ensuring alignment with ISO requirements.

Each operational site is tracked on its monthly energy consumption and CO₂e GHG emissions. These are reported against targets to meet annual and longer-term energy and carbon-intensity reductions.

In recent years, we have applied best-available technologies to underground ventilation, fuel use and pumping water, replaced pneumatic rock drills with more energy-efficient electrohydraulic rock-drill technology and, at our Waterval smelter, we generate electricity from waste heat recovered from the converting process. Current energy-efficiency improvement projects focus on mining excellence, grade sorting and concentrator throughput.

In driving clean power for our mines, we aim to increase the contribution of renewables in our energy mix to a minimum of 40%. Our current focus is on developing a large-scale (75MW) solar PV plant to power the Mogalakwena complex. Technology development projects include hydrogen replacement for diesel trucks, coarse particle flotation, and bulk sorting (reviewed below). We also continue to benefit from tax incentives in South Africa for demonstrating measurable energy savings. We have introduced emission-related supplier authorisation criteria in our responsible sourcing standard.

Performance in 2020

Our total energy use (direct energy plus indirect energy) in 2020 was 18.05 million GJ, down from 20.08 million GJ in 2019. This was below plan, mainly due to operations being curtailed during the Covid-19 lockdown, as well as ACP plant downtime that affected downstream processing.

Over the same period, our total reported annual GHG emissions were 3.94 million tonnes CO₂e (scope 1 and scope 2). This was lower than 4.4 million tonnes CO₂e in 2019, and below plan, with reduced electricity consumption (scope 2 emissions) being the main contributor.

Some 88% of our GHG emissions (3.45 million tonnes CO₂e) are associated with electricity consumption, with the balance (0.49 million tonnes CO₂e) mostly associated with the direct use of diesel and coal in mining and process operations.

Our energy-use intensity (per unit production) was above target due to below-plan production, increasing from 0.80GJ per tonne milled in 2019 to 0.82GJ per tonne milled in 2020.

An overview of our reduction targets and progress against these is provided overleaf. Our operational emissions on-site (scope 1) and those derived from purchasing electricity generated by the national power utility, Eskom, for site use (scope 2) are reported on page 70. The next assessment of scope 3 emissions is planned for 2021 and will be based on 2020 data.

We are actively managing our use of energy and GHG emissions at our Zimbabwean operations.

Energy challenges

Our energy challenges include security of supply and cost escalations, as well as innovating to reduce our GHG emissions.

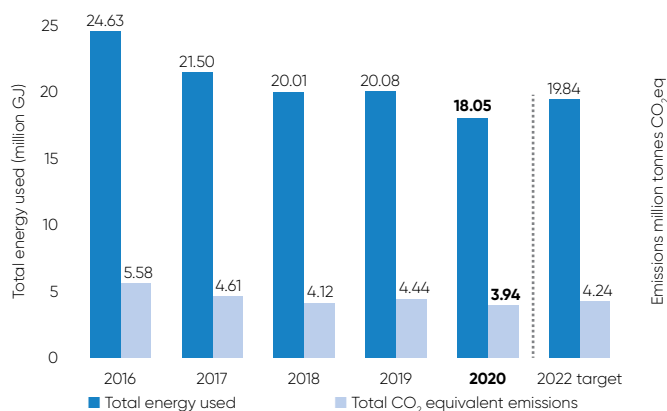
Both South Africa and Zimbabwe face a renewed electricity-security crisis. Eskom continues to battle with the unreliability of its ageing fleet, delays in commissioning new coal power plants and challenges with new plants achieving design capacity. Our operations monitor the situation constantly and have emergency preparedness plans in place, including protocols to minimise the impact of sustained unplanned power-station outages and load-curtailment requests from Eskom.

The response to our energy challenges hinges on reducing our energy intensity and changing the energy mix to lower-carbon emissions, reviewed in this section.

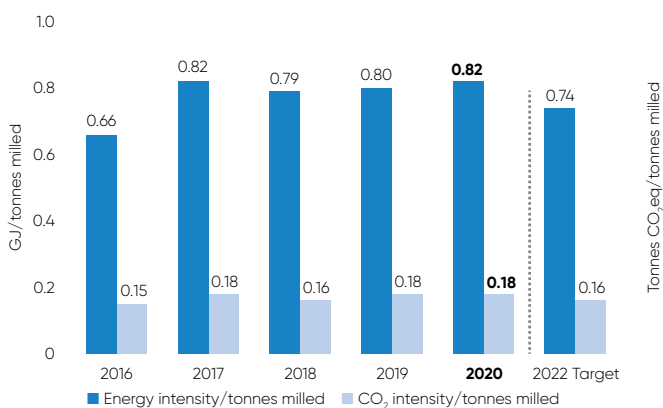
Targets and performance

Metric	Target
Energy intensity (Energy reduction and efficiency improvement)	2022 (indexed on 2019 actual) – 7% improvement on energy intensity (GJ/tonne Cu equivalent)
	2030 (2016 baseline) – 30% reduction on energy intensity (GJ/tonne Cu equivalent)
Climate change (GHG emissions (CO ₂ e) reduction)	2022 (indexed on 2019 actual) – 10% improvement in GHG efficiency (tonne CO ₂ e/tonne Cu equivalent)
	2030 (2016 baseline) – 30% reduction of GHG emissions (CO ₂ e tonnes)
	2040 – Carbon neutral

Energy consumption and GHG emissions

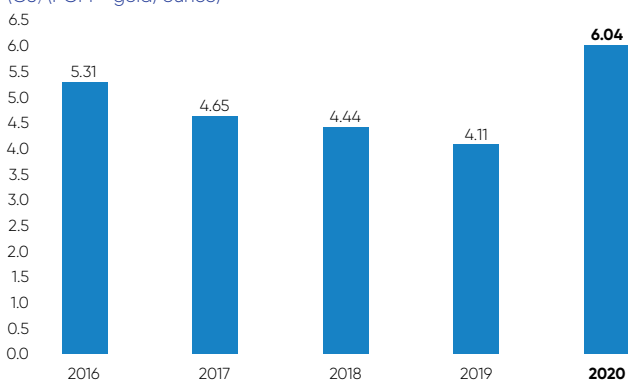


Energy consumption intensity and GHG emissions intensity



Energy intensity (PGM production)

(GJ/(PGM + gold) ounce)



Alternative energy – demonstrating leadership

The expected global growth in renewable power generation is positive for the outlook for PGMs, which are essential in cleaning up noxious gases from the internal combustion engine (ICE), and can also play a critical role in the emerging hydrogen economy – in both hydrogen-powered fuel cell electric vehicles (FCEVs), as well as producing green hydrogen via electrolysis.

Our current focus on generating hydrogen from electrolysis on or near our mine sites, using renewable energy sources, to fuel hydrogen-powered mine haul trucks (reviewed below) is part of our plan to create a smart energy mix that moves us closer to our carbon and energy targets for 2030 and, ultimately, our vision of operating a carbon-neutral mine.

Renewable energy projects

Anglo American Platinum is implementing an alternate (renewable) energy strategy to transition to sustainable energy sources that reduce carbon emissions and provide predictable cost and energy efficiency. This strategy promotes opportunities to collaborate with our communities in realising mutually beneficial opportunities and supports the development of new markets for PGMs.

A study to assess opportunities for implementing renewable technology at our operations was completed in 2020. Known as the asset-screening study, site-specific options have been completed after assessing exploitable resources, their location, capacity, and least-cost energy mix. In parallel, a study is under way to assess options for Anglo American assets in South Africa, including large-scale solar PV, wind and storage.

In increasing the role of renewables in our energy mix, we focus on alternatives for grid-tied electricity and diesel. At present, the most-suitable technology delivering the greatest impact is solar PV. Anglo American Platinum is well placed to benefit from successful development of the solar energy industry. A large-scale solar PV plant is in development phase, with a similar implementation model being assessed for our other operational complexes.

In supporting the development of hydrogen and fuel cells, we are working to make hydrogen (H₂) a key part of decarbonising and powering our own operations. We have been developing fuel cell-powered underground mining equipment for a number of years. Our current flagship project is to pilot a green hydrogen powered, platinum bearing fuel cell electric truck at Mogalakwena Mine (reviewed below). This supports SA's ambition to play a role in an emerging global hydrogen economy.

There have been positive developments in South Africa's energy regulations, allowing mining companies to generate their own energy for self-use. The National Energy Regulator of South Africa (Nersa) has confirmed that it is now able to issue licences for power generation above 1MW, without a project-specific ministerial determination. This is an important step for our solar PV projects.

Solar PV projects

The project to develop a large-scale (75MW) solar PV facility to supply power to our Mogalakwena complex is progressing well. The request for proposal was issued to the market in 2020 and bids are being adjudicated. The environmental scoping study is under way on the proposed site. This includes a description of proposed activity, focused on its impact on the environment and surroundings, namely the way the biological, social, economic and cultural aspects, among others, of the environment may be impacted by the proposed activity, description of environmental issues and potential impacts that have been identified for more detailed study in the environmental impact assessment. The study also includes compilation of the interested and affected parties database and public participation process to receive comments, feedback, risks and issues from these parties. The application for a generating licence will follow once the detailed technical design and commercial agreements are concluded post-adjudication.

The project will include host-community participation and benefit options, including community ownership, land lease rentals, job creation and skills development as well as engaging local enterprise (small, medium and micro enterprises or SMEs).

The solar PV plant would cater for around 22% of the mine's annual electricity consumption (an average of 170GWh per annum versus its total annual energy requirement of some 780GWh). The plant design includes the option to scale up to 120MW and then 340MW. The longer-term aim is to use electricity from solar PV to power an electrolyser, a device that splits water into hydrogen and oxygen using electrical energy, generating green H₂ for use in fuel cell haul trucks.

Anglo American Platinum has also begun installing ground-mounted and roof-top solar PV plants at its Western Limb Distribution Centre, Dishaba Mine and Unki Harare offices. More of these small-scale solar PV installations are being considered.

Supporting growth in the hydrogen and fuel cell economy

Hydrogen, the most abundant element, is a versatile, zero-emission energy carrier with a high energy density. It can also be stored in large quantities and for long periods. The Hydrogen Council currently estimates that H₂ could represent 18% of global energy demand by 2050.

We continue to support development of the hydrogen economy through several partnerships. We are a founder and board member of the global Hydrogen Council (now numbering over 100 members) and the Green Hydrogen Consortium, which was formed in early 2020 and places strong emphasis on green hydrogen and fuel cell technology for mobility and power generation in mining. Through our USD100 million investment in AP Ventures, an independent venture-capital fund with a mandate to invest in developing new applications for the full suite of PGMs, we have been investing in a wide range of promising new

technologies and companies in the fuel cell, hydrogen and energy-storage value chain.

Anglo American will embark on a public/private partnership focused on determining viability of zero-emission valleys (ZEV) in South Africa. A ZEV is a geographical area hosting an entire hydrogen value chain – from production to distribution, storage and local end-use. The ZEV study leverages work being done on developing a hydrogen freight corridor extending between Limpopo-Gauteng-KwaZulu-Natal and is enabled through utilising the excess green hydrogen produced from the hydrogen project demo equipment at Mogalakwena.

Hydrogen fuel cell electric vehicles

New technology and legislation continue to drive demand for platinum metals in the car industry – both through autocatalysts and through increased use of fuel cells. Fuel cell electric vehicles (FCEVs) offer a zero-emissions alternative to internal combustion engine (ICE) vehicles, without the need for consumers to change their behaviour. FCEVs – which use platinum as the catalyst that turns hydrogen gas into electrical power – are expected to play a significant part in the world's future transport energy mix. Research house SFA Oxford estimated in a May 2020 report that hydrogen-fuelled vehicles could absorb as much as 500,000 oz of platinum demand by 2030 from 60,000 oz this year.

There are obstacles in the path of adoption by the consumer light vehicle market – not least the high infrastructure costs of setting up a network of hydrogen refuelling stations (although these are expected to fall dramatically over the next decade). Anglo American is partnering in a study to develop a hydrogen freight corridor in South Africa (see case study below). It is likely, however, that FCEVs and battery electric vehicles (BEVs) will provide complementary, emissions-free solutions for different applications, with FCEVs continuing to benefit from their quick refuelling times and greater range.

Case study 8:

Hydrogen fuel cell-powered large mining trucks

Using fuel cells in large mining trucks will eliminate all emissions associated with diesel trucks today, reduce continuous noise pollution, and result in lower energy intensity compared to diesel. We have partnered with global energy company, Engie, which is providing the hydrogen generation and refuelling station, while Anglo American has been developing the world's first hybrid hydrogen-powered fuel cell 800kW mine haul truck (using some 130g of platinum). The aim is to modify vehicles by replacing diesel (4,500-litre tanks) with hydrogen tanks and replacing engines with hydrogen fuel cells and battery packs.



Artist impression of the Hydrogen Electrolysis Plant

The prototype single hydrogen-powered haulage truck is being developed and, once site equipment is assembled at Mogalakwena Mine in 2021, a testing and validation phase will be conducted before the project is scaled up.

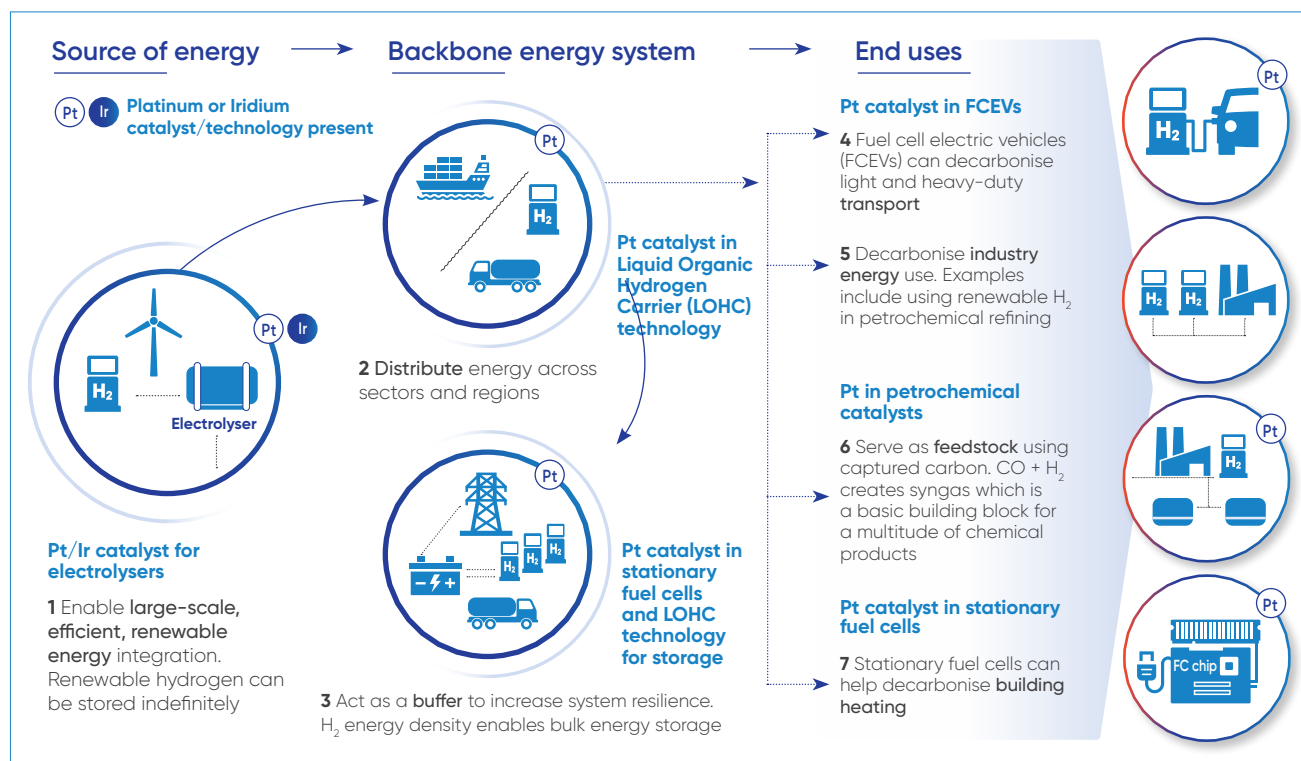
The new power plant module will be able to deliver more power than the diesel engine installed today, enabling it to power a fully-laden truck up the slope from the mine; and then capture energy from the wheel motors on the return journey.

At Mogalakwena, we are building a 3.5MW electrolyser to produce green hydrogen on site for use as fuel instead of diesel. This will be supported by a solar field on the same site, with site works started in August 2020. Mechanical completion and first hydrogen are scheduled for June 2021.

The combination of renewable power and green hydrogen-powered haul trucks could reduce current levels of CO₂e emitted by 50% to 70% at our mine sites (scope 1 and 2) and could be applied across Anglo American's fleet.

In addition to potentially eliminating diesel consumption in the wider group and reducing GHG emissions in our mines, the initiative also means cleaner air for employees and communities, reduces noise and vibrations, and generates maintenance savings.

The use of PGMs in Hydrogen Technologies



Radically reducing energy consumption

In our quest to radically reduce energy consumption, our FutureSmart Mining programme includes technology solutions that substantially reduce energy use through changes to processes and equipment. We summarise the principal technological advancements we are implementing and developing:

Bulk sorting: By capitalising on natural variations in orebodies, we can identify and extract low-value material from the ore stream going into the mills and concentrator circuits. This means we can reduce our specific energy intensity by over 10%, as less gangue is being processed in our plants. In other words, for the same amount of metal produced, we consume less water, energy and resources.

Comminution: Grinding and crushing rock (comminution) is the biggest energy consumer in mineral processing. We are developing new shockbreak comminution technologies (Vero and EDS) that fragment rock using 30% less energy than conventional means. Complementing the original Vero pilot unit at our Baobab concentrator site in 2017 for wear testing, we installed an additional Vero and EDS unit at TS Labs in 2018 to progress metallurgical recovery testing. An EDS pilot plant will be installed at Mogalakwena in Q1 2021 to focus on wear testing to augment and accelerate our learning. In partnership with Element Six, development on wearing materials (hammers on the Vero and flingers on the EDS) to ensure durability is still under way, given the internal hardness of PGM-bearing ore. Development of this technology was delayed while we acquired the required environmental licence, which is now in place.

Coarse particle recovery: Coarse particle recovery technology enables the separation of metals from rock at particle sizes coarser than conventional flotation. This allows for a significant reduction in energy, while increasing throughput and productivity. It also allows for a substantial reduction in water consumption when the

technology is paired with dry stacking of tailings. A full-scale demonstration plant is being constructed at Mogalakwena north concentrator and planned for commissioning in the second half of 2021.

Public policy and engagement on climate change

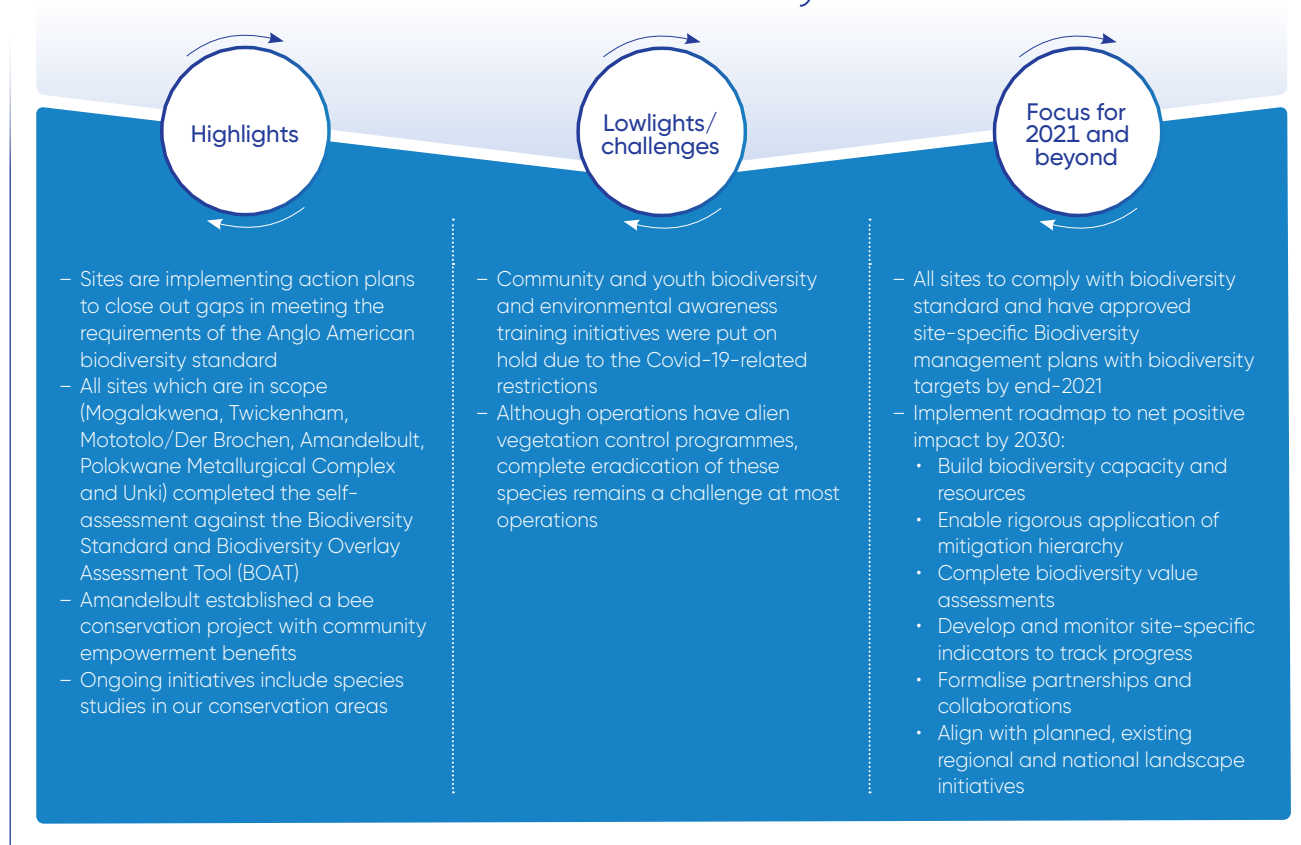
Anglo American's formal position on climate change is expressed in the group climate change policy, which was refreshed in 2019 and aligns with the latest ICMM position statement on climate change.

As part of Anglo American, we engage in policy processes through the ICMM, as well as several local and international forums. In South Africa, we participate in policy-engagement processes through our membership of the National Business Initiative, Business Unity South Africa and the industry task team on climate change.

We take a positive policy-advocacy stance to accelerate investment in developing and commercialising both hydrogen and fuel cell sectors. We have been instrumental in a number of initiatives, such as the global Hydrogen Council, of which we are a founding member. Also as member, we actively participate in the China-based International Hydrogen and Fuel Cell Association, UK-based Hydrogen and Fuel Cell Association as well as two USA-based associations. Each organisation provides a platform to engage relevant industry and government partners.

In South Africa, our operating sites comply with requirements under national GHG emission-reporting regulations and the new carbon tax. While certain policy and technical aspects remain outstanding, we are evaluating further opportunities to limit our exposure through both reduced energy use and GHG emissions, and opportunities to source carbon-offset credits.

Biodiversity



A tenet of our approach to sustainability is to contribute positively to biodiversity. Biodiversity underpins the structure, function and composition of ecosystems and the services they provide to societies and economies.

Our vision is to deliver net positive impact (NPI) across our operations by implementing the mitigation hierarchy and investing in biodiversity stewardship.

Our biodiversity commitment

Our NPI target means that any impact on biodiversity from our activities must be outweighed by the gains we achieve. For this strategy to be meaningful, we need to assess our full biodiversity impact rigorously, ensure plans are in place to minimise that impact, rehabilitate land and take appropriate offsetting measures.

Biodiversity is a complex interaction between species and habitats. The NPI commitment applies to significant biodiversity features impacted by activities from the date of that commitment, which was 1 January 2018. These can include threatened species, natural habitats, features supporting important ecological processes and/or ecosystem services essential to the wellbeing of beneficiaries. Some of our operations are in areas of higher biodiversity value, increasing our responsibility to contribute to its conservation.

In addition, we continue to uphold our 2003 commitment to neither explore nor develop new mines in world heritage sites. We also respect legally designated protected areas, in line with the ICMM's position statement on mining and protected areas.

Our approach and progress

The Anglo American biodiversity technical standard and sustainable mining plan (page 11 [PDF](#)) seek to ensure that, by 2030, all our sites demonstrate that they are on track to deliver NPI at closure. The

standard is supported by a biodiversity guideline for implementation, and outlines a systematic approach to identify biodiversity features, set targets for significant biodiversity features, identify actions to meet those targets, and track progress to achieve NPI through monitoring programmes.

In implementing the requirements of the standard, by the end of 2020, all required sites (Amandelbult, Twickenham, Mototolo/Der Brochen, Mogalakwena, Polokwane Metallurgical Complex, Modikwa and Unki), had achieved our targeted progress. The sites are working on full compliance to the standard and are monitoring and evaluating the state of biodiversity and mitigating actions to reduce residual impacts.

To assess and determine the level of biodiversity on land where we have operations and the potential impacts of our activities, the sites have applied the Anglo American biodiversity overlay assessment tool. This helps to screen and map associated risks and liabilities as well as, importantly, biodiversity opportunities for an operation. Each site is working on its own biodiversity value assessment, which is used to identify potential significant biodiversity features that might have impacts that require applying the mitigation hierarchy and setting NPI targets. The sites have drafted biodiversity baselines and plans with site-specific indicators to track progress towards NPI, which will be integrated into their SHE performance management systems.

In implementing our sustainable mining plan, we aim to have approved site-specific Biodiversity management plans with biodiversity targets by end-2021. Between 2022 and 2025, indicators will be tracked against plan on a quarterly, half-yearly or annual basis as per approved site plan.

Biodiversity forms part of the long-term business plan for every site. Using the tools and guidance, all operations can follow the mitigation hierarchy and document actions taken to avoid, minimise and restore impacts to significant biodiversity features across the mining life cycle. This rigorous application of the hierarchy conforms to global best practice in biodiversity management and is communicated to stakeholders.

In building a foundation of monitoring and evaluating progress towards NPI, we are building operational biodiversity capacity. This includes support services to assist sites with baselines and specialist studies to inform setting NPI targets, implementing biodiversity management programmes, developing an Anglo American Platinum biodiversity offset strategy (offsets, and annual NPI biodiversity assessments).

We are also formalising partnerships and collaborations aligned with planned, existing regional and national landscape initiatives.

Our principal operational initiatives

While our operations implement requirements to meet NPI targets and deepen understanding of their respective biodiversity value, below are some of the biodiversity projects being implemented towards NPI.

Alien species control: The impact of alien invasive plant species is a key risk to biodiversity. Our sites (Whiskey Creek property, Mototolo, Der Brochen, Mogalakwena and Twickenham) have implemented alien vegetation control programmes. The removal of alien species is often done by our employees and through community businesses, some established by the mines. Removing these species significantly benefits the protection of natural fauna and flora as well as sensitive habitat types. At Mogalakwena, we researched the most effective eradication method for the aggressive species *Tecoma stans*. Since 2018, over 113,200 individual plants have been eradicated at the mine. This approach is being replicated at our other operations. To add to our biodiversity initiatives, we support the annual Arbour Week in South Africa, with year-round tree planting across our operations and neighbouring communities.

Removal and relocation of protected species: Operations that are expanding footprints or developing new infrastructure have identified and removed protected species, with the required regulatory permits. Where possible, these species have been relocated and used in rehabilitating other areas. For example, at Der Brochen, ahead of operations beginning at the Mareesburg tailings storage facility, we removed and relocated protected plants and trees from the area, including to a new indigenous plant nursery. At Mogalakwena Mine, 45 protected trees (marula – *Sclerocarya birrea*) were transplanted this year to three new rehabilitation sites south of the Blinkwater tailings dam, bringing the total to 59 indigenous trees.

Rehabilitation and conservation: In rehabilitating the land we disturb, we strive to recreate a habitat conducive to plant and animal species. This includes seeding indigenous (endemic) grass seeds, planting trees and building rockeries. We regularly monitor the state of the vegetation and presence of wildlife, with

encouraging progress observed. Conservation initiatives include establishing beehives and a bee apiary at Amandelbult complex (reviewed below).



Planting indigenous trees at Mogalakwena complex



Vegetation rehabilitation progress on a trial plot at Mogalakwena complex

Protected area management: Anglo American Platinum owns tracts of land around its operations and further afield that are being managed as conservation areas. These properties contribute to biodiversity protection, and some make a significant contribution to sustainable development initiatives for surrounding communities. Some of these properties also have the potential to become biodiversity offset areas if required or to meet Anglo American NPI requirements.

– Mogalakwena manages farms, including Mooihoek and Groenfontein, as an integrated conservation area. The operation conducts various initiatives to improve biodiversity value on the farms (see below), and has identified heritage sites of significance

- in the nearby Mohtlotlo hills. These have been declared an exclusion zone and biodiversity protection measures, approved by authorities and local communities, will be implemented.
- At our Whiskey Creek property in the Lydenburg montane grasslands, we conducted a property stewardship assessment with the local conservation authority and have made progress in formalising a voluntary agreement to protect and manage the site as a formal protected area, the Mount Anderson catchment nature reserve. We have submitted an environmental management plan and await approval from the Mpumalanga Tourism and Parks Agency. This stewardship agreement will support conservation and sustainable resource use. It also provides long-term security for Whiskey Creek and helps meet national targets in the Protected Areas Act.

Research initiatives: A number of research initiatives have been implemented, primarily at Mogalakwena. The environmental team has involved special-interest groups to develop a greater understanding of the biodiversity around the operations. Research has been conducted on the diversity of species inhabiting Mogalakwena's offset area (Mooihoek and Groenfontein farms), notably among rodents and bats. The data collected has provided insight on population numbers and the health of those populations. This can be used to protect endangered species and inform urgent conservation and management decisions, as well as further studies as part of our NPI commitments.

Conservation and socio-economic development

We are adopting a regional approach to identify, formalise and support strategic partnerships at local level to conserve and protect threatened and endemic species. The objective is to establish a framework with guiding principles and processes that apply across our operational footprint. In 2020, progress has been limited owing to Covid-19-related restrictions.

In Limpopo, the socio-economic development (SED) platform was launched in 2019 for multiple stakeholders to partner in identifying and supporting opportunities to generate socio-economic and environmental benefits in the province. This work has included biodiversity offset and agricultural initiatives that optimise the use of available (non-operational) land at a regional scale in these sectors. This builds on the leading example at Mogalakwena's farms (reviewed on page 48 [\[48\]](#)).

As Anglo American Platinum owns and manages large tracts of land in South Africa, with only around 20% actually used for mining and related activities, opportunities include linking community-owned land with mining concessions to create locally managed biodiversity conservation areas that contribute to the local economy through wildlife ranching and tourism. The programme is being developed in line with national biodiversity strategies, conservation plans and provincial development initiatives.

Case study 9:

Uncovering mushroom diversity at Whiskey Creek

To understand biodiversity value at our Whiskey Creek property, we investigated mushroom diversity and identified over 100 species as well as two new species. We have also compiled a field guide to mushrooms at Whiskey Creek.

Involvement of Fauna and Flora International (FFI): FFI is assisting Mogalakwena and Unki mines with a gap analysis of their biodiversity management plans to meet the requirements of NPI.

Biodiversity awareness and sustainable land-use training:

Mogalakwena has contributed significantly to promoting awareness and education on biodiversity and sustainable development among local youth and community members since 2014. In 2020, several long-term initiatives were put on hold due to Covid-19 restrictions, and are being adapted to ensure adequate precautionary measures are in place to mitigate associated risks:

- The mine has an incubator support programme on its Groenfontein farm. This community investment promotes the development of community cooperatives and SMEs in the farming, food, land stewardship and environmental business areas. The incubator includes a centre that provides environmental training for community members of all ages in sustainable land-use practices, funded by the mine.
- For six years, the incubator has supported four local schools on the Eco-Schools programme, part of an acclaimed international programme implemented in South Africa by the Wildlife and Environment Society of South Africa (WESSA). The programme supports environmental learning in the classroom, promoting awareness and action on social and environmental

sustainability. Through its Eco-clubs programme, Mogalakwena also supports learners from schools that face challenges in meeting Eco-Schools' expectations in delivering year-end portfolios.

- Linked to these programmes, Mogalakwena delivers an inspiring weekend course at its environmental training centre on biodiversity and sustainable development, for children in local villages.



➤ Diversity of mushrooms found at Whiskey Creek

Case study 10:

Beekeeping at Amandelbult complex yields diverse benefits

At Amandelbult complex, we are implementing a bee-conservation initiative. This will ensure bees are managed in an environmentally acceptable manner while empowering communities through a bee apiary.

The bee-apiary project is an excellent example of sustainably combining biodiversity and mining. As pollinators, bees play a part in every aspect of the ecosystem. They support the growth of trees, flowers and other plants that serve as food and shelter for creatures large and small. Bees contribute to complex, interconnected ecosystems that allow a diverse number of species to co-exist. But bees also present a health and safety hazard at our operations. This initiative is a proactive and preventative control rather than the conventional and reactive 'removal' of bees, and protects and promotes pollination and biodiversity, contributing to NPI.

Amandelbult complex acquired the services of a specialist company, Simplie Honey, to manage the bees. Forty beehives (catch boxes) have been placed strategically across the complex to attract bees. Once the bees inhabit the catch box, they are relocated to an apiary in the game park at the complex. The project has been registered with the Department of Environment, Forestry and Fisheries and two community candidates are assisting with the beekeeping programme. Honey is currently processed and packaged at Simplie Honey, and Amandelbult plans to establish its own honey-processing room onsite in 2021.



⌕ Kai Hichert (bee farmer) holding a beehive from a catch box

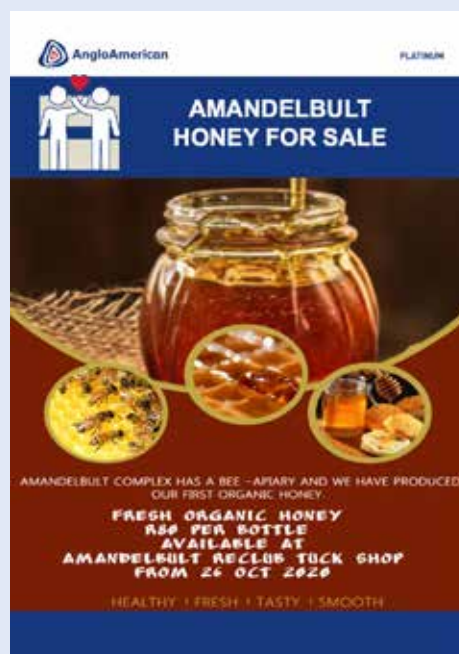
In the initial harvest, 20kg of honey was produced from the hives, compared to around 60kg in the second harvest. The next harvest will be in January 2021 and the hives will be moved close to sunflower fields for a further harvest from February 2021.

Amandelbult honey is being sold at the Amandelbult recreation club tuckshop for R80. Three jars of this honey will be entered into the national honey competition in the novice and developmental light liquid honey category.

This flourishing initiative provides opportunities to empower and encourage interested community members to undertake bee farming and develop business opportunities. The hives present other income-generating prospects for community members, with potential products including candles and lip balm.



⌕ Kai Hichert (bee farmer) and Tumi Selemela (bee farmer assistant) at the Amandelbult bee apiary



⌕ Advert for Honey sale at Amandelbult complex

Mineral residue facilities



Management of mineral residue facilities is a critical issue for our industry. It represents a social, safety and environmental challenge that we are determined to meet. Tailings treatment and disposal practices also present significant opportunities to optimise water and energy use.

Managing tailings and storing mineral residue

Mineral residue from mining includes both the waste rock from which we extract ore, and the mineral residue that remains after we process it. Tailings are the materials left over after processing mined ore from the host rock. A tailings storage facility (TSF) is a highly engineered structure comprising one or more tailings dams, with embankments designed to permanently store the tailings.

Tailings dams represent one of the top catastrophic risks for our organisation. In recent years, failures of tailings dams in the mining industry, such as at Vale in Brazil in early 2019, have demonstrated the tragedy and devastation that can result from a potential catastrophic tailings dam failure.

In managing and storing tailings material, we aim for zero harm by adhering to our industry-leading group mineral residue facilities technical standard and related technical specifications. The standard addresses the risks that TSFs pose, and sets minimum requirements for design criteria, monitoring, inspection and surveillance. It covers both tailings facilities and water-containment facilities.

We are implementing leading practices in all aspects of tailings and dam management – from concept, design, engineering, maintenance and surveillance to closure and post-closure. For example, to reduce the impact of our containment facilities on the environment, we try to place tailings and waste rock together, to improve stability of the outer walls and reduce the size of the area we disturb. This also enables greater water recovery by reducing evaporation losses and optimises mine-closure initiatives. This co-disposal is in place at the Blinkwater TSF. Our approach integrates the latest technologies with sound engineering and scientific judgement, based on our extensive experience and specialist knowledge.

In ensuring ongoing improvement in managing our TSFs, we are committed to meeting the requirements of the new global industry standard on tailings management (GISTM), which was launched in August 2020 by the Global Tailings Review. The standard is an important milestone towards the ambition of zero harm to people and the environment from tailings facilities. Informed by existing best practice and findings from past tailings facility failures and developed by a multidisciplinary expert panel with input from a multistakeholder advisory group, including Anglo American, the standard will strengthen current practices in the mining industry by integrating social, environmental, local economic and technical considerations. It covers the entire tailings facility life cycle – from site selection, design and construction, management and monitoring, to closure and post-closure. An evaluation of the group standard against the GISTM showed close alignment. We are updating our standard and will develop and implement plans to achieve compliance with the new standard's requirements.

We take a holistic approach to the safety of our tailings dams, which includes the way we communicate with people living near the dams. As part of our social way management system, where relevant, we require sites to develop emergency preparedness plans and run drills with local communities and other key stakeholders.

All our TSFs in South Africa are operated in line with the national mandatory code of practice on mine residue deposits as stipulated by the DMRE.

Risk management for waste-rock dumps and stockpiles is covered in the group geotechnical standard. In implementing the standard, this year we have classified our waste-rock dumps and stockpiles and conducted risk assessments according to international best-practice guidelines from the large open-pit project of which Anglo American is a sponsor. Going forward, we will follow a

risk-based approach to ensure that design and monitoring measures are aligned with best-practice requirements, including critical control verification where appropriate and reporting to ensure resilient risk management.

Our mineral residue storage footprint

Anglo American Platinum manages six active TSFs: five in Limpopo, South Africa, and one in the Midlands province of Zimbabwe. We also manage three slag dumps: two in Limpopo, and one in Zimbabwe.

All our managed tailings dams have been constructed using the upstream method, except Blinkwater dam at Mogalakwena, which uses a downstream method of construction, and dam 1 at Unki Mine, which uses a hybrid downstream/upstream method. Upstream tailings dams are generally considered an appropriate design for facilities in dry and seismically stable regions with flat topography, including our TSFs in South Africa and Zimbabwe. There are seven TSFs (two on care and maintenance) at our non-managed JVs where we have an ownership interest in North West and Limpopo provinces in South Africa.

Details on all these facilities are published on our website. This information underscores our confidence in the integrity of our managed storage facilities. We have also requested and received appropriate assurances from the operators of non-managed JVs in which we have an interest.

Effective risk management

TSFs are subject to a rigorous risk management programme. The mandatory Anglo American mineral residue facilities standard is implemented at all managed operations. Self-assessments this year against the standard showed improved compliance levels at our critical (consequence classification of structures ratings of 'major' and 'high') facilities, with most of the remaining critical items completed.

As required by the standard, all TSFs have a consequence classification of structure rating based on the consequences of credible failure modes. We base planning, design, monitoring and surveillance requirements on this rating. The roll-out of the standard for facilities with insignificant and minor consequence classifications is under way.

Major or high-rated consequence classification of structures (CCS) tailings storage facilities have a Competent Person (CP) in charge, meeting the competencies set out in the standard, and an external Engineer of Record (EoR), working continuously with the owners, to ensure the structure is constructed and operated according to the design intent, and that it performs as expected. Risk assessments are conducted at all stages of mineral residue facility management. A dedicated team of group engineering specialists provides strategic direction and technical support. A review of tailings facilities at non-managed operations is done on a rotational basis.

Various forms of remote and other monitoring technology are used to measure TSF performance, including ground movement and seepage. Local site-based operational personnel conduct daily/weekly/fortnightly inspections. An engineer of record conducts formal dam-safety reviews at all managed sites on a quarterly, semi-annual or annual basis. A Technical Review Panel (TRP) conducts an independent review of critical facilities at least once per year.

Safety assessments of our mineral residue facilities are undertaken at least annually and trigger action response plans (TARPs) are in place to guide an effective response to different potential scenarios. Communities in inundation areas at all our mining and process operations have been included in emergency response plans and appropriate training is being provided. Planned emergency with community engagements this year were rescheduled to 2021 due to Covid-19 lockdown restrictions.

We have not had any significant tailings management-related incidents since 2013, when we recorded a tailings spillage (level 3) at Mogalakwena's Blinkwater TSF. There were no instability risks identified this year. At Mogalakwena's Vaalkop 1 tailings dam, as a precautionary measure after an assessment, we are constructing a waste-rock buttress to improve its stability. The value of the technique to increase dam stability, is well demonstrated at our Helena TSF.

New solutions for tailings management

Technology has a vital role in strengthening the monitoring of tailings dams, reinforcing the construction of existing structures, and reducing the amount of water used in tailings transport, deposition and storage, minimising water losses and maximising water reuse.

The technologies we use, and are developing, include:

- Satellite technology and drones to monitor environmental and critical controls, and document inspections through photos and video. The increasing use of drones to monitor tailings dams proved particularly valuable during the lockdown restrictions (see case study below). At Mogalakwena, satellite InSAR will offer a robust and effective monitoring solution to support local geotechnical engineers in risk evaluation for safety and operational continuity on the Vaalkop TSF.
- We have started implementing step-change technologies that we expect to significantly decrease the volume of waste material produced in extracting and processing mineral ore. These will also generate major water and energy-use reductions for each tonne of metal or mineral produced, as well as smaller overall mine waste footprints. Coarse particle recovery is a method that uses a fluidised bed to enable valuable minerals, with as little as 1% mineral surface exposure, to be separated from gangue (ore of no commercial value). This will create a drier and more stable mineral residue deposit. New comminution technologies will deliver a dry product and will be key enabler for dry separation processes, which remains our longer-term goal to achieve dry tailings. Bulk ore-sorting leverages new sensor technology that can, in real time, reject a proportion of sub-economic material early in the processing sequence, creating opportunities to increase plant throughput and reduce the volume of waste material to the TSF. The bulk ore-sorting technology is being implemented at Mogalakwena.
- At Mototolo concentrator, a filter press processes coarse and fine tailings streams to an acceptable moisture content for bedding and over-liner material in the new Mareesburg TSF. This will protect the synthetic liner that serves as a pollution control measure to prevent seepage into groundwater. At this facility, we use fibre-optic cables to monitor strain, temperature, leakage and stability in real time. Mototolo also uses hydro-cyclones to deposit tailings at the Helena and Mareesburg TSFs.
- We use digital tablets for safety inspections of tailings facilities and water-retaining dams. We have developed an online dashboard for risk management across the containment facilities at our operations and trained supervisors.

Case study 11:

Drone surveying provides a vital operational function

Using drones to monitor tailings dam issues was vital during lockdown restrictions when teams were unable to conduct routine on-site evaluations of tailings facilities. Drone surveying for tailings dams, which is almost entirely automated, is easier, safer and faster than surveying with traditional methods. At

Amandelbult in particular, where there are four tailings structures (three active), drone operators captured aerial video images of tailings dams that were recorded and shared with teams and, where applicable, third-party technical review panels. We are pursuing opportunities to increase the use of drones for ongoing monitoring and to optimise the frequency of site visits.



Drone-based image of Amandelbult TSF



Drone-based image of Helena TSF

Mineral waste as a resource

We aim to reduce our impacts on land by increasing levels of waste-mineral recovery and reuse. For example, we used waste rock to construct the containment dam at Mogalakwena. Some of the mine's waste-rock dumps are a source of low-grade PGMs which are remined, crushed and reprocessed. The waste rock is also processed into aggregates for construction and road-building. Waste rock at the Amandelbult and Twickenham operations supports small-scale crushing projects that reduce their waste-rock footprints and decrease our closure liability.

Realising opportunities to reuse slag is a focus in our initiatives to deliver circular-economy value. In January 2020, we received approval to exclude slag as a waste stream from the definition of waste for all three smelters. This will allow the smelters to use the slag for 22 different permitted uses. We are currently developing the business case for the slag project, which includes assessing various options for the material to generate value for diverse stakeholders such as communities and local businesses, including employment opportunities and promoting profitability and sustainability.

Tailings are one of the major-consequence waste types that mining companies produce in terms of volume and potential toxicity. Quantities accumulated at our operations in 2020 are shown on page 71 .

Non-mineral waste



Total waste sent to landfill in 2020 from all our operations was 1 763 tonnes which is a 92% reduction against the 2013 baseline of 22 120 tonnes. The remaining 5 problematic waste streams (for which landfill alternatives have not yet been identified) make up 0.7% of the 2013 baseline.

Our holistic approach demonstrates leadership in reducing and managing non-mineral waste streams to minimise effects on human health and the environment, and to align with circular-economy principles. Our progress has depended on ensuring a mind-shift change, and the participation and cooperation of everyone across the business.

Achieving and sustaining zero waste to landfill

Our ZW2L objective and commitment

Anglo American Platinum set a target in 2013 to achieve zero waste to landfill (ZW2L) for all managed operations by the end of 2020. The strategy was developed to support our commitment to sustainable development and to comply with the regulatory framework.

At a landfill site, decomposition processes release greenhouse gases, such as potent methane, into the atmosphere. Less waste in our environment can curb climate change and prevent other forms of pollution to water or soil.

The ZW2L project focuses on ensuring that all waste included in its scope is reused, recycled, composted, or sent to energy recovery. It is about keeping waste out of landfills and reducing demand for waste that are typically thrown away, and forms part of a bigger philosophy, the circular economy, where waste becomes a resource. A circular economy, or closed-loop system, is a regenerative alternative to a linear economy. It is a strategy that aims to diminish overconsumption and eliminate waste by making the most of resources through reuse and recycling.

Our journey

The journey to achieve ZW2L has been underpinned by a progressive shift in our approach to waste management, supported by awareness campaigns and improved waste-stream sorting and recycling to drive behavioural change across the company.

All our operations apply the 'avoid, reduce, reuse and recycle' waste-management hierarchy. Introducing colour-coded waste

bins to support at-source sorting was one of the first steps. By identifying individual waste streams and related quantities generated by each operation, we started the process of identifying alternatives to divert these streams away from landfill. Alternatives for simple streams were initially developed, and then for more challenging waste streams.

Between 2013 and 2018, we focused on improved waste management, while volumes of waste generated also decreased due to divestment of the Rustenburg and Union mines. In 2018, we appointed a specialist waste management company to support the identification and implementation of reuse and recycling solutions. This facilitated a step-change in our performance. The graph overleaf illustrates our measured progress towards achieving ZW2L.

We took critical steps to design processes to eliminate unnecessary wastage and waste generation, and to ensure that methods were in place to eliminate any disposal to landfills. This was achieved through a number of initiatives such as waste recovery, reuse and recycling, as well as environmentally friendly technologies. Operational specific waste reduction targets were developed, based on individual waste streams and available alternatives. Actual performance against these targets has been tracked monthly.

The best-performing operations in reducing waste across the business unit are recognised and rewarded quarterly, and we hold a quarterly competition to select a company waste hero from our operations for their commitment to excellence in waste management.

Our approach encompasses the entire value chain, not only end-of-line production waste. Our supply chain is a critical area for waste avoidance and minimisation initiatives. We strive to mitigate the levels of products we use across our activities, particularly hazardous materials, and encourage all key suppliers to consider reuse and recycling opportunities and support our ZW2L goals. We are also exploring and developing cost-effective reuse and recycling business ventures with community-based initiatives, as part of a growing shift to life cycle solutions.

We continue to demonstrate innovation and commitment to maintaining ZW2L as a vehicle for long-term sustainable change at Anglo American Platinum. Our leading example is serving as a blueprint for other Anglo American business units.

In supporting external collaborative efforts to reduce environmental impacts caused by waste, we committed in 2020 to being a sponsorship partner of the zero plastics to the seas of Africa conference in South Africa, postponed due to Covid-19 impacts.

Validating our achievement

By year end, all our managed operations had achieved ZW2L status (except for five waste streams totalling 0.7% of 2013 total waste of 22.12kt). To be certified as a ZW2L site, each site must have three months of data demonstrating that they are not sending any hazardous or non-hazardous waste to landfill (excluding unregulated waste, namely asbestos and waste streams with no reuse/recycling offtake solutions). Once an operation has been ZW2L certified, if waste is subsequently sent to landfill for any reason, the site is allowed 30 days to rectify and revalidate its ZW2L status.

Waste streams are sorted on site and weighed when leaving the operation. Large non-mineral waste streams include tyres, oils and greases, rubble and office consumables. We report hazardous and non-hazardous waste separately and against targets. Detailed monthly reports indicate the types and quantities of waste recycled, reused and disposed. We track and report our monthly and year-to-date performance against targets across our operations.

Key initiatives and positive impacts

During the ZW2L project, we have prevented many types of waste from going to landfill: scrap metal, plastic, paper, cardboard, empty paint tins, glass, fuel, fluorescent tubes and bulbs, and construction materials, including electrical scrap and cables.

The estimated total GHG emissions removed from the environment through our ZW2L activities between 2013 and 2020 is around 503,000 tonnes of carbon dioxide equivalent. Most of these savings are associated with metal, fuel and construction materials.

In reducing hazardous waste sent to landfill, key initiatives implemented were bioremediation plants at our operations which rehabilitate soil affected by hydrocarbon spills so that it can safely be reused in land rehabilitation, and improving the quality of sodium sulphate and sodium chloride by-products at our refineries so that they can be sold and used in various applications. We also burn low-grade materials to recover metals.

Through these initiatives, annual savings in avoided transport and disposal costs exceed R32 million.

Waste streams such as food packaging and mixed waste are used in refuse-derived fuel (RDF) facilities, while building rubble is used as a resource at the Klinkerstene waste management facility. Other innovations include separating the components of air filters for recycling and reusing flux (clay) pots.

By treating waste as a resource, various revenue-generating and cost-saving opportunities have been unlocked. It has also eliminated the need to build new landfills at our Mogalakwena and Unki mines, saving on associated capital and operational costs. Selling gypsum, sodium chloride, scrap metal, sodium sulphate and used oil has annually generated additional revenue.

We continue to innovate and find solutions. For example, in Zimbabwe, where there are limited offset/recycling opportunities external to the operation, our Unki operation recently established an incinerator to thermally treat waste, and a biodigester to generate biogas. Mogalakwena is trialling an aerobic composting process to ameliorate soil for rehabilitation purposes (see case studies below).

In managing waste associated with Covid-19 prevention measures, across our operations we implemented awareness initiatives on biohazardous and medical waste, with dedicated bins for responsible disposal of materials such as used masks and gloves. All biohazardous and medical waste is sent for thermal treatment.

Addressing challenges

A focus in 2020 was to identify recycling/reuse offtakes for certain challenging waste streams. Not all our waste can be recycled or reused because the technology is not yet available to do so. We remain abreast of changes in waste-management options and will continue to communicate with the relevant experts and authorities.

At year end, there were five waste streams for which we are yet to identify offset solutions: fibreglass-related waste, base emulsion (explosive waste), vanadium pentoxide, zeolites and lead waste. This resulted in 0.7% of total waste still being sent to landfill. We continue to engage suppliers to engineer solutions to identify more economical and environmentally friendly ways to prevent waste from being sent to landfill.

Our progress in downsizing used tyres (pre-levy tyres) at Mogalakwena was limited in 2020, partially owing to Covid-19 restrictions. We have engaged a specialist company to operate a plant on site to generate shredded, high-quality rubber for reuse. A further 979 pre-levy tyres of all sizes are yet to be downsized. In addition, almost 2,600 post-levy tyres need to be downsized (approximately 36 tyres are added to this stockpile per month). We continue to engage with the DEFF on delays and challenges.

Hazardous waste management

Managing hazardous substances is strictly regulated and controlled at our operations, and at receiving-waste facilities, which are regularly audited by external parties. Hazardous waste can only be stockpiled for up to 90 days and is not an alternative for sending it to landfill.

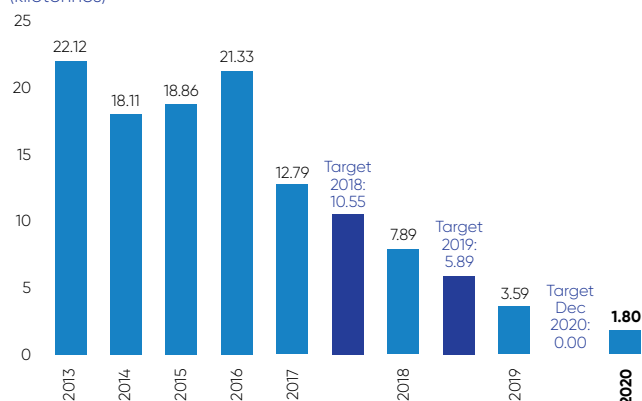
All our sites have completed performance reviews against the Anglo American hazardous-materials management technical standard, and a number of internal audits were completed. The standard requires operations to design systems to reduce the potential for exposure to hazardous materials. It does not set explicit targets on reducing or substituting the use of hazardous materials. In managing hazardous materials, we are implementing defined minimum mandatory critical controls for each site to ensure fatal

risks are proactively managed. Consistent with the goals of our new SHE policy, we began implementing a new software platform for control of all hazardous materials to bring consistency across the group.

Hazardous waste, such as acids and chemicals, are primarily used in the refineries (RBMR and PMR) and where we have on-site laboratories. At RBMR, for example, used chemicals are retained in a closed system and absorbed in the production cycle, ensuring that no liquid chemical waste is sent to landfill. Chemical/acid waste is mostly produced when there are spillages, for example a sump spill at an acid plant. These are typically treated with lime before being cleaned out of the sump and the lime mix is further treated so that it can be used as cover/fill material (becoming a resource) at the Klinkerstene landfill facility.

Total waste to landfill

(kilotonnes)



The table below shows ZW2L performance over the past three years against targets.

000t	2020 target	2020 actual	2019 target	2019 actual	2018 target	2018 actual
Non-hazardous waste to legal landfill	0.63	0.61	1.90	1.28*	3.03	2.30
Hazardous waste to legal landfill	0.98	1.19	3.99	2.31*	7.52	5.60
Total	1.61	1.80**	5.89	3.59	10.55	7.89

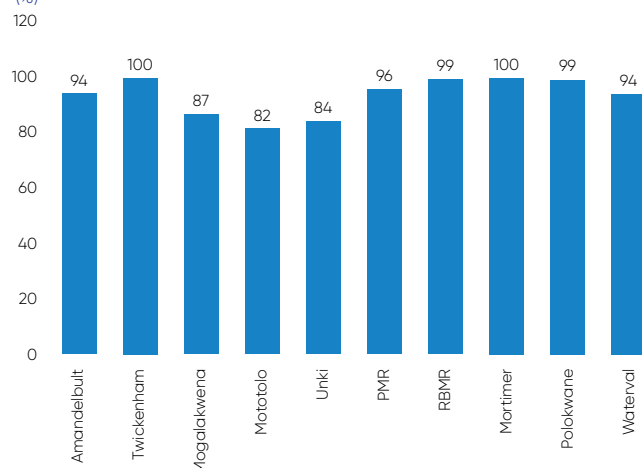
* Excluding Mototolo Mine which only became part of Anglo American Platinum in November 2018.

** Total waste sent to landfill during 2020 (include waste without offset solutions) while working towards ZW2L – achieved in December 2020

The graph below illustrates the percentage of waste diverted from individual operations in 2020.

Waste diversion rate

(%)



Community initiatives

Our operations undertake site-specific engagements on ZWL and waste-related matters in their host communities. These are often interactive, for example building on the success of a school art competition we held in 2018, in which students from schools around each operation expressed their creativity by reusing waste to create pieces of art.

In 2019, Twickenham established an innovative central waste-collection and recycling hub for its host communities. The project involves community members delivering recyclable materials to the hub and receiving e-vouchers in return that can be used at retail outlets to buy goods. The central hub is not yet operational, but planned to be up and running in 2021. Twickenham supported improved waste management in communities by donating ten caged bicycles to recyclers at the local municipality to boost their productivity and income (see case study 14 on page 58).

We are increasingly identifying and supporting enterprising waste reuse and recycling-related income-generating projects for community members. For example, Mogalakwena is facilitating a project for community members who use wooden pallets to build furniture, including unique sofas.



⌵ Mogalakwena community members using wooden pallets to make sofas

Case study 12:

Transforming waste materials into compost

Mogalakwena Mine has a well-established world-class bioremediation facility for treating contaminated soil. The operation identified an opportunity to produce compost using suitable materials generated at its sites – this will be used to improve the condition of soil used for rehabilitation instead of buying fertilisers, which are mostly chemical-based.

Compost materials are produced at the operation from different areas: 0.63t of sewage sludge per month from three treatment facilities; 1.0t of food waste from the tuck shops per month; and around 100t of woodchips stockpiled at the operation's farms. A trial in-house aerobic composting process is under way to provide an environment-friendly and cost-effective solution for these waste streams.

The process takes place in a double composting tumbler (100 litres in each compartment) at the general landfill site. The compost materials are added in layers into the tumbler, alternating moist and dry materials in the appropriate ratio, with water sprinkled between each layer. The tumbler is left closed in the sun to retain moisture and heat. It is filled to the maximum of 90% to allow aeration to take place and keep bacteria alive to destroy pathogens and heavy metals from the sewage sludge.

The contents are turned weekly to keep mixing the materials, which become usable compost in four to eight weeks. The final product will be benchmarked against the South African agricultural compost requirements/limits. Mogalakwena has generated around 0.7 tonnes of compost as part of their pilot project. Good lessons have been learned and will be applied going forward.



⌵ Composting tumbler at Mogalakwena

Case study 13:

Unki innovates to overcome ZW2L challenges

At our Unki operation, the ZW2L 2020 target seemed unattainable, given limited recycling options in Zimbabwe. In striving to find solutions, two key milestones achieved this year enabled the mine to secure ZW2L certification by the end of 2020.

The principal development has been the purchase, safe installation and commissioning of a waste incinerator capable of incinerating 150kg of waste per hour. In September 2020, the initiative was approved by the Environmental Management Agency and launched. While the focus is still on reducing waste at source, recycling and reusing initiatives, the remaining waste (mainly hazardous) is now thermally treated through the incinerator.



Unki Mine's incinerator to thermally treat waste

Unki complex is implementing a biodigester project with several positive impacts. The main objective of the plant is to generate biogas through the sustainable treatment of biodegradable waste. Targeted waste feed is domestic waste from the camps and offices (vegetable peels, waste food materials) and sewage. The controlled anaerobic breakdown/fermentation/decomposition of these organic materials by bacteria generates environmentally friendly, clean and efficient biogas fuel.

The biodigester was designed by Rural Electrification Fund (REF), which is responsible for renewable energy initiatives in Zimbabwe.



Location of the Unki biodigester project

Construction of the brick-and-cement structure was completed in February 2020, but procurement and installation of appliances (tailor-made commercial oil-jacketed cooking pots manufactured in South Africa) was delayed by Covid-19 restrictions.

Biogas was generated after commissioning and quality checks for the product were conducted and verified. Before activating the plant, in February 2020, the sewage feed bypassed the biodigester to avoid generating unused methane gas, and food waste was composted. However, the project was delayed as a result of Covid-19 and it was activated again in December 2020, whereafter a review will be done in January/February 2021.

When operating fully, the 150m³ biogas digester can generate an average of 70m³/day, enough to sustain the daily cooking energy demands for the two oil-jacketed gas cookers installed at one of the on-site accommodation kitchens.

Other viable options for the renewable gas will include generating electricity, with the ability to generate 140kWh/day. The project has also offered a variety of opportunities in broader environmental management, including the opportunity to improve energy intensity. The technology can also be transferred to the community as a positive social investment, contributing to a healthy environment and communities.

The nitrogen-rich organic sludge (a by-product from the biodigester that accumulates over three to five years depending on the quantity of waste feed) will be used for rehabilitation or land restoration around the complex.



Construction of Unki's biodigester



Levelled area after construction was completed

Case study 14:

Donating bicycles to local recyclers to boost their productivity and income

A passion to protect the environment and empower local women prompted our Twickenham operation to donate ten purpose-built bicycles to women recyclers in the Greater Fetakgomo Tubatse local municipality, on 17 July 2020, in honour of Mandela Day.

The caged bikes help the women be more productive in reclaiming greater volumes of recyclable material, while curbing litter in the town and generating a better income. The average monthly income of the recyclers at Twickenham is R2,000. The focus was on supporting women, recognising that the Covid-19 pandemic has especially impacted women, with many losing their source of income.

The municipality's acting mayor Maria Maboshego said: "We view this donation towards our local recyclers as part of a continued process of strengthening the relationship between the mine and the government."

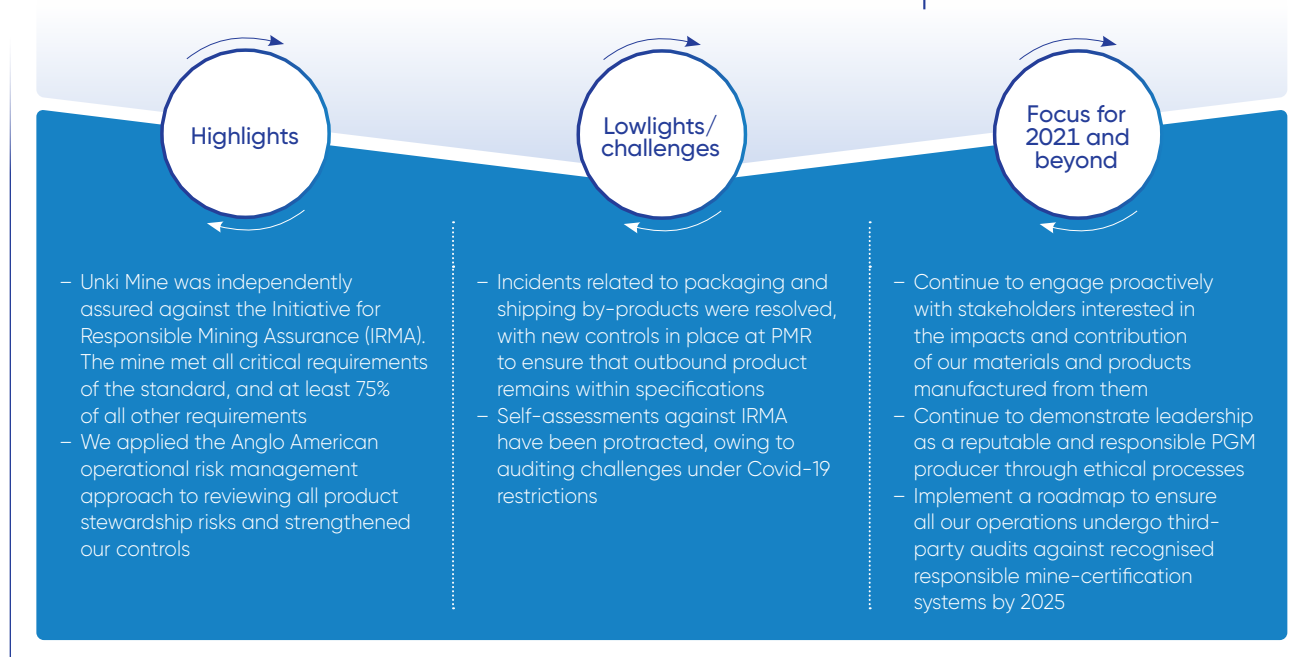


⤴ Donation of bicycles to women recyclers in Greater Tubatse local municipality



⤴ Rejamonate farm

Product stewardship



Responsible-product stewards should seek to positively influence the environmental and social impacts of their products across the value chain and throughout their life cycles. Companies maximise value to society when they produce materials responsibly, and then engage downstream to promote their beneficial use.

Responsible stewardship is crucial for preserving our reputation and our ability to market products. Our approach focuses on ensuring responsible production, meeting regulatory obligations, and responding to growing demand from our customers for assurance that the minerals and metals they buy are produced responsibly.

Meeting regulatory obligations

The implementation of product-focused regulation such as the UN's globally harmonised system of classification and labelling of chemicals (GHS) is growing. We comply by developing quality hazard data on our products and communicating it – either to customers through safety-data sheets, or to authorities where required, notably under the European Union's (EU) registration, evaluation, authorisation and restriction of chemicals (REACH) regulation.

Product regulatory activity has focused on maintaining REACH dossiers for the EU and implementing plans to ensure compliance in the UK post-Brexit. We are also engaging with metals consortiums to update dossiers and ensure ongoing compliance in other regions. To meet future requirements of the so-called K-REACH regulation in South Korea, we have pre-registered substances under that regulation.

Regulations like REACH and those stemming from the GHS apply to all chemical substances, including minerals and metals. Failing to comply would jeopardise our ability to access markets. Comprehensive systems are in place to ensure ongoing compliance, establishing a continuous process of product testing, hazard assessment and communication via safety-data sheets. Where products are deemed to be 'dangerous goods', the relevant

packaging, labelling and consignment procedures are met – as defined in regulations such as the UN's international maritime dangerous goods code.

In 2020, we faced issues with packaging and shipping by-products. The incidents, which had no negative impacts, have been resolved and new processing controls instituted at PMR to ensure outbound product remains within specifications. We have reviewed all product stewardship risks and controls, in line with Anglo American's operational risk management approach, and strengthened controls where necessary. Work is ongoing to ensure regulatory approval in various markets for more of our by-products, as part of efforts to promote a circular economy.

We enable our sites to manage hazardous materials effectively. These practices are reviewed on page 55 .

This work helps protect the environment and human health by informing downstream risk management decisions, and ensures we maintain our licence to market. We also work closely with industry peers, academia and government to improve the science and test methods used for minerals and metals, and ensure they are appropriately applied – for example in shipping codes that ensure safe transport of our products. This is part of a programme of continuous learning and development to ensure our sector remains on top of emerging issues.

Ethical value chains and the circular economy

A tenet of our sustainable mining plan is to demonstrate how our products impact the key social and environmental challenges facing society – including climate change – and support efforts to decouple economic growth from resource consumption.

Here, we are looking beyond compliance and engaging proactively with those who are interested in the impacts and contribution of our materials and resulting products. In developing our contribution to the circular economy, we are focusing on three dimensions that are relevant for the future of Anglo American and aligned with our purpose:

- Operationally: ensuring the optimal use of resources and elimination of waste and inefficiency, to achieve a neutral or even net-positive impact on the environment and communities by leveraging our strategic goals (eg reducing our water and energy/carbon footprint, physical waste management)
- Through our value chains: maintaining the value of resources in the economy for as long as possible, providing maximum benefit to society and ensuring waste is eliminated across the life cycle of our products (eg getting our materials into the most beneficial and well-designed products)
- Through holistic circular-economy transformation: a lens to re-imagine mining by growing our business while reducing global resource use to sustainable levels. This means we continually evaluate our strategy against developments in the circular economy and in a resource-constrained world.

We are already implementing the tenets of a circular economy in many parts of the business, notably in our waste-management practices, and supporting the development of hydrogen and fuel cell technologies (see pages 44 and 45 [📄](#)).

In parallel, conscious consumers are increasingly choosing 'responsible' brands and products, and there is a growing interest in responsible sourcing programmes and sustainability matters from myriad stakeholders. They are all fundamentally seeking assurance that minerals and metals have been produced responsibly. Anglo American Platinum is committed to being a reputable and responsible PGM producer through ethical production processes.

One of the ways we will provide this assurance in future is through assessment against the Initiative for Responsible Mining Assurance's (IRMA) new standard. Our Unki Mine was the first in the world to be independently audited against IRMA, in December 2019. The audit process was protracted due to Covid-19 restrictions, but concluded in November 2020. Unki met all the critical requirements of the standard, and has achieved the IRMA 75 level of performance. The mine is implementing a plan to close identified gaps. Our other mines are completing the IRMA self-assessment and will begin third-party assurance. We have a roadmap to ensure all our operations undergo third-party audits against recognised responsible mine-certification systems by 2025 (see IRMA case study on page 18 [📄](#)).

Where we source concentrate and feedstocks from third parties, we have systems to enforce the appropriate due diligence. This ensures that our practices and policies meet the requirements of the London Platinum and Palladium Markets' (LPPM) platinum and palladium responsible sourcing guidance, a commitment that is externally assured. Anglo American Platinum's process sites have received LPPM accreditation.



[🔍](#) Platinum ingot

Air quality



Addressing the effect of air quality on human health is vital, if our operations are to have a positive impact on people's lives. Ensuring we adequately understand and control the dust and gases we release at our operations is essential to prevent adverse impacts on host communities, and to meet current and future legislative requirements.

Our management approach

Air quality and air emissions are governed by national and local legislation, as well as national and international conventions. Our RBMR, PMR, Polokwane smelter, Waterval smelter complex and Mortimer smelter each have an atmospheric emission licence (AEL), aligned to legislated emissions standards for South Africa. We have real-time ambient monitoring networks in Rustenburg, Polokwane and near the town of Northam.

In addition to Green House Gasses (GHGs), we monitor and manage the emission of sulfur dioxide (SO₂) and particulates (largely from our smelters), as well as dust (mainly from our tailings dams and opencast mines), and nitrogen oxides (NOx) emissions from mine vehicles and other diesel engines. The emissions inventory is calculated annually under the national atmospheric emissions inventory system (NAEIS).

We promote ongoing operational improvements to reduce emissions levels and manage air-quality risks by implementing the Anglo American air quality and emissions technical standard, endorsed in 2018. This provides a framework for how we monitor and manage emissions of dust and gas (excluding emissions managed for occupational-health impacts) from our sites that may pose a risk to humans, fauna and flora. In doing so, we reduce adverse effects on communities, the risk of non-compliances, and strengthen our position to meet evolving regulatory requirements. Our targets to reduce emissions are aligned to legal requirements. Specific reduction targets are in place for our smelters.

Over the last two years, all our high-risk sites for air quality have been improving their performance rating by implementing site-specific plans to address identified gaps in meeting group air-quality and emissions standards, and ensure ongoing improvements in tracking and closing out actions. In 2020, Mortimer and Polokwane smelters developed air quality offset plans for approval by the Department of Environment, Forestry and Fisheries (DEFF) and commenced with baseline air quality monitoring and establishment.

We plan to strengthen our risk management approach by introducing predictive environmental monitoring. This will generate information to enable us to move beyond compliance towards proactive decision-making processes (see case study on page 63 [📄](#)).

SO₂ abatement

Our most material air-quality issue is SO₂ emissions from our three smelters in South Africa. These are regulated by the National Air Quality Act, which stipulated more stringent Minimum Emission Standards (MES) by 2015, and a further reduction by 2020.

At our Unki smelter, additional abatement needs will be determined through further monitoring and impact studies.

After an initial postponement in 2015 for Polokwane and Mortimer smelters, Rustenburg Platinum Mines Limited (RPM) was granted further postponement in November 2019 of the timeframes for complying with 2020 emission limits for all three smelters. The requested postponement for Waterval is to enable us to evaluate

Natural Environment continued

the impact of future high-sulfur concentrate. The requested limits and dates were approved, with a SO₂ postponement to 2022 for Polokwane smelter; 2025 for Mortimer smelter; and 2023 for Waterval smelter. In addition Waterval smelter has a postponement to 2025 for NO_x.

Over the last three years, RPM has been constructing the SO₂ Abatement Project at the Polokwane smelter, which will use innovative technology to capture SO₂ gas from the furnace and convert it to sulphuric acid. Project progress in 2020 was delayed by Covid-19, with construction completed in December 2020 and commissioning and start-up planned from January 2021.

Once the Polokwane SO₂ abatement has been successfully commissioned, we will apply the lessons to inform development of a similar SO₂ abatement project at the Mortimer complex. Taking a phased approach is essential, owing to the breakthrough nature of the technology.

Upgrades will also be done at Waterval smelter complex. We are addressing SO₂ and NO_x abatement at the Waterval smelter complex by optimising operations and redesigning start-up and shutdown procedures. Waterval smelter work towards compliance with the MES for SO₂ by 31 December 2023 and for NO_x by 31 March 2025.

The approved postponement for Waterval smelter complex and Mortimer smelters, which fall in the Waterberg Bojanala air-quality priority area, is conditional on implementing an air-quality offset programme to reduce emissions contributing to air pollution in the ambient/receiving environment (see case study below).

Anglo American Platinum is required to report quarterly on implementation of the compliance roadmap and commitments made during the application, as well as progress reports on implemented offset projects.



⚡ Mogalakwena – Limpopo South Africa

Case study 15:

Improving ambient air quality in host communities

Rustenburg Platinum Mines Limited (RPM) has initiated an air-quality offset programme aimed at improving ambient air quality in communities around its Mortimer and Waterval smelters. This is aligned with both regulatory requirements of the smelters and our core values and principles.

Air-quality offset implementation plans for the two smelters were developed and submitted as required to the Department of Environment, Forestry and Fisheries (DEFF) in March 2020, and approved in June 2020.

These plans are aligned with the regulator's 2016 air quality offsets guideline and comprise key phases, which will be supported throughout by appropriate stakeholder engagement:

- Baseline establishment and identification of intervention opportunities
- Intervention selection prefeasibility and design development
- Implementation of offset interventions (feasibility, pilot, and then large-scale implementation)
- Impact monitoring and evaluation.

Baseline activities began in April 2020 to establish scientifically sound air-quality offset baselines and implementation activities in communities most affected by emissions from our smelters.

Results from the scoping/preparation phase indicated that particulates (both as PM_{2.5} and PM₁₀) are significant pollutants in the target areas. Three pollution sources of concern have been identified near both smelters that can be addressed by offset interventions: vehicle-entrained road dust; domestic solid fuel use; and burning domestic waste in particular areas.

Although the licence conditions specify that SO₂ is the target pollutant, which is aligned with our emissions, as permitted in the offsets guideline, we have requested the DEFF to approve PM as an alternative target pollutant for the offsets programme.

The baseline research has informed the identification of potential offset projects to reduce air-quality impacts on people's health. For instance, in addressing dust from roads, highly ranked options

include surfacing unpaved roads and sidewalks as well as sweeping paved roads or spraying unpaved roads. To mitigate household wood burning, potential interventions include introducing liquefied petroleum gas (LPG), improved cookstoves, heaters or water heaters at wood-using households. Initiatives to avoid waste burning will probably include different approaches, such as removing waste in public areas, collecting waste from residential houses, establishing a recycling and composting centre, optimising landfill operations, household education and training, and a combination of approaches.

Public participation meetings were held on 7 December 2020 for Mortimer smelter and 9 December 2020 for Waterval smelter. The most suitable air-quality offset interventions will be selected and developed in collaboration with end users – the individuals or entities living near the smelters. We will pursue relevant best-practice methods in the design, as well as in monitoring and reporting on our activities. Programme and project-level impact on air quality, air quality drivers and quality of life will be monitored by comparing the project scenario with the baseline scenario.

By year end, the bulk of baseline data had been acquired and analysed. In 2021, the remaining baseline activities will run concurrently with developing initiatives. Similarly, pilot implementation will run concurrently with completing intervention development.

Full-scale implementation is anticipated from 2022. The implementation plan timeframe may be amended in response to Covid-19-related developments or any other unforeseen risks that may arise during the project life cycle.

The intervention life cycle designs include planning for continued benefit after the mandated offset impact period, through appropriate hand-over activities. We will engage regularly, transparently and meaningfully with stakeholders, using our existing local community interaction and recognised environmental consulting practices.

Our performance

Anglo American Platinum's GHG reporting aligns with annual NAEIS reporting regulations. All our South African operations submitted their 2020 NAEIS process and mining emissions data, including GHGs, using 2019 data, before the 31 March 2020 deadline, and submitted their GHG reporting data through the SAGERS in April 2020. Our 2020 data will be submitted for the 2021 NAEIS and SAGERS reporting cycle by 31 March 2021.

In 2020, ambient conditions for SO₂ at all three smelters remained below the limit of under 88 exceedances of the hourly standard per annum.

The compliance with the three smelters with the postponement limits (expressed as a monthly average) is as follows:

- SO₂ stack emissions for Mortimer smelter remained below the AEL limit of 52,000mg/Nm³ based on the monthly average
- At Polokwane smelter, the AEL limit for SO₂ stack emissions of 60,000mg/Nm³ was exceeded in June 2020, based on monthly averages, due to a higher sulfur content in the concentrate smelted and improved sealing of the furnace off gas system, leading up to the commissioning of the SO₂ abatement plant.
- SO₂ stack emissions for ACP remained below the AEL limit of 3,500mg/Nm³ based on the monthly average. Waterval smelter exceeded the limit of 3,500mg/Nm³ in July 2020 due to the Tower Plant being off-line. In some instances the daily averages are

exceeded, but the abatement technology being implemented will address these in line with meeting postponement limits.

- The monthly average of the NO_x limit of 2,000mg/Nm³ was not exceeded – zero emissions were experienced in November 2020 due to the plant not running as part of a converter rebuild.

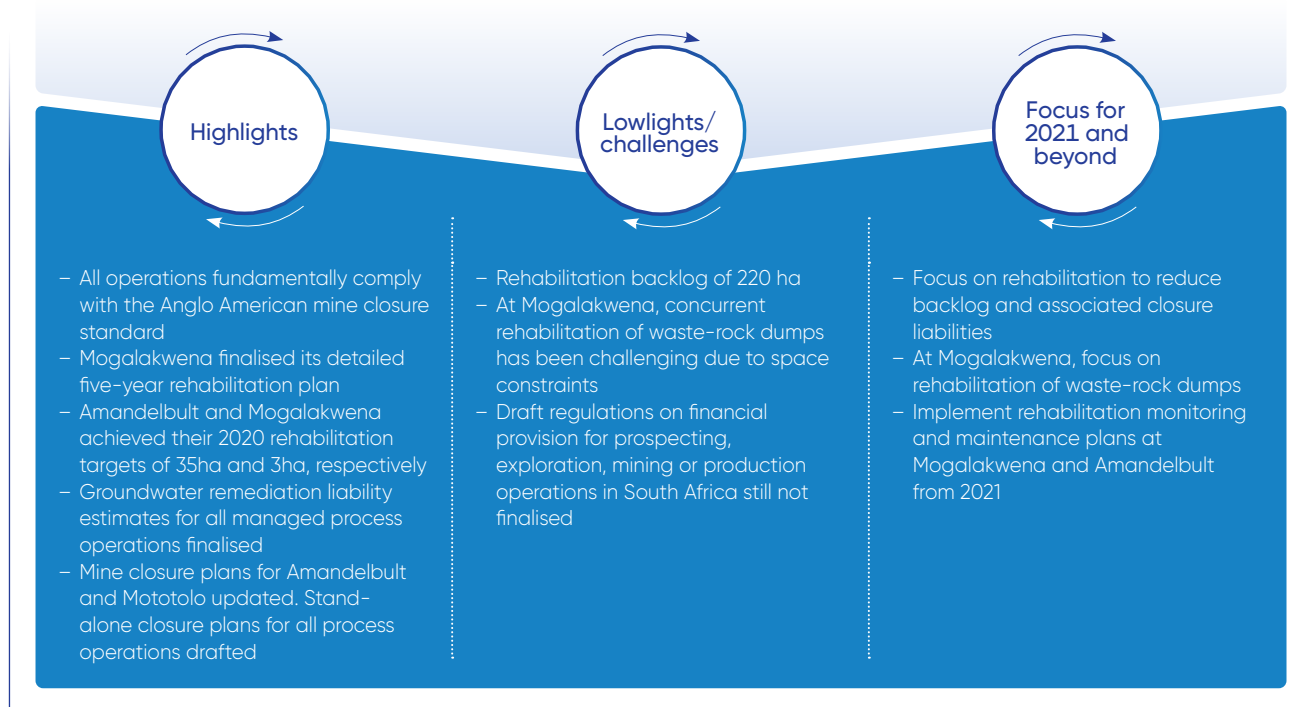
In May 2020, we successfully started up the new hot-gas cleaning plant at the Polokwane complex and, as anticipated in the postponement application, higher SO₂ emissions were observed. This increase is attributed to improved sealing of the furnace offgas system (not to a change in the smelting process), leading up to commissioning the SO₂ abatement plant when furnace offgas will be sent to the new acid plant to reduce SO₂ emissions to the target of 1,200mg/Nm³.

Although the stack emission limit was exceeded in June 2020, it did not result in any hourly average or daily average exceedances at any of the ambient stations in the month. One exceedance of the 10-minute average was noted at the game farm ambient monitoring station.

In 2020, we recorded five air quality-related complaints (2019: nine) associated with activities related to gas emissions at our Waterval smelter and excessive dust.

All complaints are investigated and dealt with through the environmental management system.

Mine closure and rehabilitation



The end of a mine's operational life is far from the end of its social and environmental impact. Anglo American Platinum recognises its responsibility to close mines in a way that leaves a positive, healthy and sustainable legacy. Taking the lead on closure and rehabilitation planning will have a positive effect on people's lives and our financial performance.

Our management approach

The purpose of 'mine closure planning' at Anglo American Platinum is to deliver value through integrated, risk and opportunities-based closure planning and execution, to establish safe, stable and non-polluting post-mining landscapes that leave a sustainable legacy for stakeholders.

Our 'cradle-to-cradle' approach to mine-closure planning spans the entire life of an operation from the exploration to post-closure phase to ensure a sustainable post-mining legacy. The mine closure and rehabilitation at Anglo American Platinum is primarily governed by three key workstreams: the mine-closure toolbox (MCT) and mine closure standard compliance (MCS), the rehabilitation strategy, and the closure liabilities.

All above-mentioned workstreams enable Anglo American Platinum to integrate the closure planning process in its operational plans in such a way that will reduce the current and future impacts of mining on the operational footprints and ensure a sustainable post-mining legacy.

Mine-closure standard

MCS is the Anglo American technical standard approved in 2018. The MCS has 23 minimum requirements: seven for planning and design, 11 for implementation and management, and five for performance monitoring. As at end 2020, all Anglo American Platinum operations were fundamentally compliant with 22 of the requirements and partially compliant with one. The MCT and the rehabilitation strategy provide the guidance to comply with the MCS requirements.

Key principles in applying the standard include:

- Integrating the closure process into planning and operational levels
- Appropriate application of the closure standard throughout the life-of-mine cycle (cradle-to-cradle)
- Using the investment development model (IDM) for closure planning and execution
- Applying the MCT (v3) for detailed guidance on how to meet the standard's requirements.

Aligning with the closure standard also ensures alignment with our sustainable mining plan.

Mine-closure toolbox

Our MCT is a structured framework for planning and managing the closure of mines, and is internationally recognised as leading practice. It provides a mechanism for our long-term business plans to consider, before a mine even starts operating, what will happen after we close it. The MCT was originally introduced in 2007 and subsequently updated in 2013. In November 2019, we launched the third version (v3) of the updated MCT. This includes additional focus on key components such as social transition, and incorporates our integrated closure planning system, which focuses on integrating multidisciplinary closure planning and execution. As a result, we now have a single, consistent framework for closing mines that guides operations on how to meet the group closure standard and aligns with leading-practice guidance from the ICMM. In 2020, we developed and delivered MCT (v3) virtual instructor-led training for business unit and operations closure champions, as well as

web-based training for our senior leaders. We also facilitated nine internal webinars covering topics from social transition to integration and remote rehabilitation monitoring.

The MCT (v3) is structured as a 'plan-do-check-act' method and has three key components:

- Planning and design: requires the operations to develop a closure plan that is fundamentally aligned with the toolbox, establish a closure vision with associated closure objectives and land-use plans. A risk assessment and gap analysis aligned with the toolbox must be completed in all updates of the closure plan. Closure plans consider and address regulatory conditions as well as community and stakeholder commitments. In addition, where appropriate, closure liabilities are minimised by proactive integrated planning throughout the operational life cycle, involving formal opportunities analysis. Closure requirements are integrated into the business planning and life-of-mine planning processes, and sites are required to have at least a five-year concurrent rehabilitation plan with clear targets.
- Implementation and management: all toolbox and rehabilitation strategy requirements are implemented at our operations. This includes promoting beneficial reuse of infrastructure post-closure where possible, minimising post-closure active treatment requirements through integrated closure planning, managing and reducing dependency of relevant surrounding communities through the life cycle of the operation to leave a positive post-closure legacy. The successful rehabilitation of impacted sites is achieved through proven rehabilitation techniques that meet the closure vision and associated land-use. In addition, a review and update of closure liability estimates (accounting provision) is completed annually at all our operations and a financial provision (guarantee, trust fund) is provided to the DMRE to cover premature closure costs as required by regulations.
- Performance monitoring: all post-production monitoring and maintenance costs are included in closure liability estimates that allow sufficient time for realistic lease relinquishment (minimum of ten years post-decommissioning phase unless otherwise indicated in site-specific technical studies). Detailed monitoring plans are implemented at rehabilitated sites.

Group rehabilitation strategy

Our approach emphasises the need to integrate rehabilitation into the business planning process, manage our financial liabilities rigorously, reduce our environmental footprint, work with stakeholders to address social impacts, and begin rehabilitating mines while they are still active. Our rehabilitation strategy upholds a commitment to reduce the backlog of our disturbed land that requires rehabilitation, during the lifetime of our current mines rather than after operations cease.

Our mine rehabilitation programme is designed to be integrated into our key business planning processes – resource development plans, life-of-asset planning and the sustainable mining plan – to reduce our disturbance footprint and generate value for the group and our stakeholders.

Anglo American's group rehabilitation strategy (and associated guideline) outlines the requirements for open-pit operations to integrate rehabilitation into our different planning processes and develop five-year rehabilitation plans to reduce any related backlog.

Additionally, rehabilitation performance – reshaping and seeding completion against target – has been a metric in the CEO scorecard. The metric – seeding completion against target – was also included in the long-term incentive plan (LTIP) scorecard from 2018–2020.

Performance developments

Compliance with MCT and closure standard

We made significant progress in closing out the few remaining actions to meet all the requirements of the closure standard, despite challenges presented by Covid-19 restrictions in 2020. All our managed operations achieved fundamental compliance by the end of 2020. We conducted assisted maturity self-assessments at eight managed mining and processing operations in our portfolio. We have plans in place to ensure all our managed operations have closure plans to a required maturity level of competence by the end of 2021.

Closure plans and actions

All our mining operations have stand-alone (outside the closure liability assessment reports) mine-closure plans. Detailed closure plans are developed within five to ten years of operational closure. The current life-of-mine for most of our mines is until end-2040.

The stand-alone mine-closure plans for process operations (Rustenburg process operations, Mortimer smelter and Polokwane smelter) will be finalised in early 2021. Additionally Mototolo Mine, acquired in 2019, is being integrated into the Mototolo concentrator operation's closure plan.

At our underground Twickenham Mine, on care and maintenance, illegal chrome mining in the mining-right area presents a risk to the health and safety of local communities and the environment. The DMRE is addressing the matter in conjunction with mining companies. Since 2019, as a responsible mining company, the cost of rehabilitating illegally mined areas in Twickenham's surface rights was included in its overall liability.

The key closure actions identified for the Mototolo concentrator were to develop the current conceptual-level decommissioning and closure plan into an execution level for the Helena TSF, which reached the end of its life in 2020. The execution-level plan will be based on the key closure objective of rendering a safe, stable, non-polluting landscape post-closure, while meeting internal and external requirements. Detailed closure planning work on the execution-level decommissioning and closure plan began in 2020 and is expected to be complete in 2021.

Integrated planning projects

As part of integrated closure planning, detailed design closure criteria inputs have informed life-of-asset plans for Mogalakwena and Amandelbult. The objective of the integration is to enable efficient rehabilitation by establishing and working towards short and long-term rehabilitation targets and assigning annual budgets. In addition, we aim to optimise our mining processes to reduce the environmental impact and ultimately reduce liability where possible.

The focus at Mogalakwena is to reduce the rehabilitation liability of its waste-rock dumps. Since waste rock and tailings account for the bulk of mine residue and the overall liability, the integration process has ensured that both residues are placed in dumps as close to their final rehabilitation angles as possible. This will reduce the reshaping liability of final dumps and reduce the overall liability. In addition, it will enable the successful concurrent rehabilitation of these dumps. Therefore, key closure inputs have been provided in the updated waste-placement strategy.

Closure liabilities

The financial provision regulations under NEMA were promulgated in 2015, but the compliance date has been further extended to June 2021. This may be extended by another year as regulations are yet to be finalised by the DEFF. The 2020 closure liability submission for Anglo American Platinum managed mining operations to the Department of Mineral Resources and Energy (DMRE) is done in terms of the MPRDA, given uncertainty on NEMA financial provision regulations compliance.

The closure liabilities of all Anglo American Platinum operations are assessed annually through a rigorous assessment process. External specialists assess the operations annually for their impacts on physical and bio-physical environment and associated long- and short-term risks. The estimate of the closure liability is always based on the first principle calculation models and third-party contractor rates. The liability estimates include the post-closure remediation liability for any groundwater impacts.

Financial provisions are made annually, reviewed and audited in line with internal and external requirements. We engage extensively with the DMRE through the process of submitting and seeking approval of annual closure liabilities for our mining operations. In addition, closure liabilities of all new or planned projects are reported to the authorities. Financial provisions are provided once approvals of liability estimates from the DMRE are received.

Anglo American Platinum have approximately R4 billion in financial guarantees and rehabilitation trust funds with the DMRE to cover the premature closure liability of all its South African mining operations.

Annual closure liability assessments are based on environmental management programmes (EMPR) and other commitments in various authorisations, as well as design closure criteria for final closure of the operations. In 2020, we finalised groundwater liability estimations for our process operations (Rustenburg process and Mortimer smelter) and a joint venture (Modikwa Mine), concluding the project initiated in 2017 to estimate the post-closure residual liability due to surface and groundwater contamination at all Anglo American Platinum managed operations. The post-closure groundwater liability for all our operations, including process operations, will be reviewed and updated continually (every three years, based on monitoring data).

The open-pit mining sites, Mogalakwena and Amandelbult, recorded year-on-year increases in their liabilities, primarily owing to physical changes intrinsic to their activities. Our underground mine Twickenham, on care and maintenance, and process operations had only inflation-related increases in their liabilities compared to the previous year, in addition to including groundwater liabilities in overall liabilities.

Assumptions underpinning closure-liability estimates are regularly reviewed and revised as required to improve estimates. As per the mine-closure standard requirement, all operations have ten years of monitoring and maintenance liability.

Closure liabilities: independent assessment

The 2020 liability for all Anglo American Platinum managed operations has been estimated by an independent consultant using the standardised reclamation cost-estimating model, customised to South African conditions and populated with data relevant to the operations. As such, final closure liability estimates are more conservative and practical than the DMRE model.

The 2020 liability estimate includes the following main categories of costing for our operations:

- Infrastructure demolition and rehabilitation
- Rehabilitating mine residue deposits (tailings storage facilities, waste-rock dumps, slag dumps)
- Backfilling and rehabilitating open pits
- Environmental remediation such as rehabilitating contaminated soil, water courses and riparian ecosystems
- Lawful disposal of hazardous and non-hazardous waste
- Residual liability, mainly for ground and surface-water remediation, including post-closure monitoring and maintenance.

The residual groundwater liability for all Anglo American Platinum operations has been assessed and included in the overall closure liability (see table below). An overview of per-operation 2020 closure liabilities is also provided (table on page 67 [table](#)). A detailed bill of quantities per operation is available on request from the company secretary office.

The 2020 closure liability assessment is based on identified closure risks (predominantly environmental) at each operation and developing a mitigation plan over the remaining life of operation. The table on page 68 [table](#) summarises closure and rehabilitation risks at our operations.

The financial provision to address premature liability has two components: funds in the environmental rehabilitation trust and financial guarantees. The Platinum Producers' Environmental Trust is the main rehabilitation facility for Amandelbult and Mogalakwena complexes as well as Twickenham project. Mototolo Mine and concentrator are provided for under the Mototolo Environmental Rehabilitation Trust. Please refer to the table on page 67 [table](#) for further details.

Trust funds are invested over the life of these operations to ensure there will be sufficient funds at the end of life to sustainably rehabilitate and close them. The annual financial statements for these trusts are available from the company secretary office.

Closure liability estimates and corresponding financial provisions for year-end 2020

Operations		Remaining life of operations (as per mining rights) (years)	Premature closure liability at end 2020 (excl residual liability, DMRE weighting factor, P&G [^] , cont and VAT) (ZARm*)	Residual liability for ground and surface water remediation (ZARm*)	Total premature closure liability (incl residual liability, DMRE weighting factor, P&G, cont and VAT) as at end 2020 (ZARm*)	Closing balance in rehabilitation trust at end 2020 (ZARm*)	Financial guarantees in place at end 2020** (ZARm*)	Name of rehabilitation trust/beneficiaries
North West	Mortimer smelter	Dependent on life of mining operations from which they process ore	43	5	Since process operations are not governed under MPRDA or NEMA financial provision regulations, they are not required to calculate and provide the financial provision			n/a
	Precious Metals Refiners (PMR)		154					
	Waternet smelter and ACP		144					
	Rustenburg Base Metals Refiners (RBMR)		638	17				
Limpopo	Polokwane smelter	Dependent on life of mining operations from which they process ore	369	0				
	Amandelbult complex	20	715	97	1 138	148	991	Platinum Producers Environmental Trust/Anglo American Platinum Operations
	Mogalakwena complex	20	1 295	19	1 841	447	1 394	
	Twickenham platinum project	21	96	5	148	18	129	
	Mototolo Mine and concentrator	14	165	32	276	76	200	Mototolo Environmental Rehabilitation Trust/AAP and Glencore
Zimbabwe	Unki Mine	Mineral rights tenure in Zimbabwe is not restricted to number of years	USD18 million	USD1 million	Zimbabwe*** legislation does not require calculating and providing a financial provision	Zimbabwe legislation does not require a rehabilitation trust provision***		

[^] Preliminary and general

* ZAR is only used for South African operations, the closure liability for Zimbabwe operation (Unki Mine) is estimated in USD.

** Guarantee amounts include 2021 top-ups that will be submitted to DMRE in Q1 2021.

***The financial provision against closure liability is not a legal requirement in Zimbabwe. However, similar to the South African operations, Anglo American Platinum makes an accounting provision for the restoration liability for Unki.

Natural
Environment continued

Closure and rehabilitation risks and corresponding remedial actions at end 2020

Top five risks	Mortimer smelter	PMR	Waterval smelter and ACP	RBMR	Mogalakwena complex	Twickenham project	Mototolo concentrator	Unki Mine
Risk 1	Successful rehabilitation of slag dump	Groundwater contamination from processing activities	Groundwater contamination from processing activities	Groundwater contamination from processing activities	Successful rehabilitation of waste-rock dumps	Groundwater contamination from mining activities	Groundwater contamination from concentrating activities	Groundwater contamination from mining activities
Risk 2	Groundwater contamination due to mining and processing activities	Soil contamination	Soil contamination	Soil contamination	Access to open pits	Illegal mining in surrounding areas	Stability of Helena TSF	Illegal mining in surrounding areas
Risk 3	Soil contamination	–	Air quality impact	–	Soil contamination	Soil contamination	Loss of biodiversity	Lack of natural growth medium such as topsoil
Risk 4	Air quality impact	–	–	–	Loss of biodiversity	–	Lack of natural growth medium such as topsoil	–
Risk 5	–	–	–	–	Groundwater contamination due to mining activities	–	–	–

Rehabilitation

Operational footprint and impact (ha)

	Company-managed land	Total land altered for mining and commercial activities, and supporting infrastructure	Land fully rehabilitated and land rehabilitated but not yet meeting agreed land-use objectives	Area available for rehabilitation	Rehabilitation target for 2020	Reshaping completed by end-2020	Growth medium construction completed by end-2020	Seeding completed by end-2020
Amandelbult complex	11,934.95	2,275.99	151	140.5	35	41.4	41.4	41.4
Mogalakwena complex	15,430.52	4,158.24	95	65	3	3.01	3.01	3.01

Rehabilitation

Rehabilitation of the land we disturb to a condition that meets the expectations of affected communities and other stakeholders is important to maintain our licence to operate. Disturbed land is rehabilitated concurrently, where possible, which involves the staged rehabilitation of disturbed areas over mining project phases instead of large-scale work when the mine closes. This demonstrates social responsibility, results in significant financial and environmental benefits, and aids in reducing closure liabilities.

All our mines are underground operations, except the open-pit Mogalakwena Mine. Our most significant surface disturbances are tailings storage facilities (TSFs) and waste-rock dumps, roads and infrastructure, and Mogalakwena's open pits. All TSFs have concurrent rehabilitation plans that include revegetation of side slopes as well as dust and water management.

Amandelbult and Mogalakwena have integrated closure and rehabilitation actions into life-of-asset operational planning. The group rehabilitation strategy requires these complexes to establish and annually update detailed rolling five-year rehabilitation plans, to ensure a focus on reducing land available for rehabilitation and to test rehabilitation prescriptions.

At Mogalakwena, the most significant concurrent rehabilitation opportunity is rehabilitating its waste-rock dumps. However, concurrent rehabilitation has been a challenge due to space constraints. We have revised our dumping strategy to optimise the dumping space and availability of dump slopes for rehabilitation in the near future (within the next five years) as well as medium to long term. In 2020, Mogalakwena finalised its detailed five-year plan and Amandelbult updated the plan it finalised in 2019, to address the concurrent rehabilitation of their opencast operations. Rehabilitation trials (waste characterisation and landform evolution modelling) were undertaken at Mogalakwena in 2020 to optimise the final landform configuration.

We developed rehabilitation success criteria by documenting the success and failures of rehabilitation trials. Monitoring and maintenance plans were developed for both operations in 2020 and will be implemented in 2021.

Our South African operations follow prescribed standards for remediating contaminated land as per the Waste Act. Mogalakwena has a bioremediation plant that rehabilitates soil affected by hydrocarbon spills, which can then be reused as cover material for rehabilitation.

The total estimated undiscounted rehabilitation liability for our managed mining operations (excluding process operations and joint ventures) at the end of 2020 was R2.6 billion (2019: R2.20 billion).

Rehabilitation targets and performance

Anglo American Platinum manages 37,701ha of land, of which 8,626ha have been altered for mineral-extraction activities. We currently have a rehabilitation backlog of some 220ha at our mining operations.

Mogalakwena and Amandelbult complexes set annual targets aligned with their five-year rehabilitation plans, as required by the group rehabilitation strategy. Our other operations do not set specific rehabilitation targets as there is no current area available for rehabilitation. At our underground Twickenham project, on care and maintenance, there is little surface disturbance at present and therefore no current rehabilitation opportunities.

In 2020, our rehabilitation target was 39ha, split between Amandelbult (90%) and Mogalakwena (10%). At year end, we had met this target.

- **Amandelbult:** historical rehabilitation work, until end-2019, totalled 151ha of rehabilitated opencast areas (Merensky and UG2 outcrop). The new opencast (UG2) rehabilitation began in 2018 and will continue to the end of 2024. In 2020, we exceeded the targeted rehabilitation of 35ha, by completing 41.4 ha of opencast area. This involved backfilling, reshaping and top-soiling the area. Due to a rich natural seedbank, the rehabilitated area is monitored for natural vegetation growth
- **Mogalakwena:** historical rehabilitation work, until end-2019, totalled 95ha of waste-rock dump side slopes. The 2020 target was only 3ha, due to challenges with available areas for rehabilitation. This addressed mainly river crossings affected by erosion, and was achieved.

Environmental indicators

for the year ended 31 December

	2020	2019	2018	2017	2016
Materials – kilotonnes					
Rock broken – managed operations (100%)	89,234	91,570	97,369	98,340	112,433
Ore milled – managed operations (100%)	22,092	25,179	25,378	26,066	37,165
Accumulated low-grade stockpiles	61,407	60,500	59,909	55,710	49,060
Coal	109.97	128.94	133.96	142.27	132.58
Liquefied petroleum gas (LPG)	4.87	6.1	5.68	4.62	4.84
Grease	0.25	0.29	0.29	0.34	0.37
Fuels – megalitres	76.35	74.38	79.55	74.88	75.68
Lubricating and hydraulic oils	2.44	13.12	2.83	7.66	53.14
Energy – terajoules					
Energy from electricity purchased	12,209	13,768	13,402	14,889	18,112
Energy from processes and fossil fuels	5,836	6,311	6,609	6,608	6,516
 Total energy consumed	18,045	20,079	20,011	21,497	24,628
Energy intensity – GJ/tonne milled	0.82	0.80	0.79	0.82	0.66
Water – megalitres					
Total water withdrawals ¹	22,357	25,094	24,433	26,533	32,687
Potable water from an external source	6,571	7,642	6,142	9,433	12,327
Non-potable water from an external source ²	5,286	6,884	6,189	5,595	10,021
Surface water used	2,628	1,717	1,418	1,396	4,521
Groundwater used	7,872	8,851	10,684	10,110	5,826
Water recycled in processes	29,098	28,877	25,783	28,791	54,631
Water Intensity – m³/tonne milled					
Total withdrawal intensity	1.01	1.00	0.96	1.02	0.88
Potable water intensity	0.297	0.303	0.242	0.362	0.332
Land – hectares					
Land under company charge for current mining activities	115,275	118,085	98,374	109,299	108,202
Land under management control	37,701	40,511	41,594	43,240	42,142
Land used for current mining and related activities	8,626	7,756	7,539	8,600	7,903
Total tailings dam area	1,127	1,127	1,316	1,564	1,593
Total waste rock dump area	1,276	1,134	1,134	928	947
All land owned	11,054	11,054	13,685	13,685	13,685
Emissions – kilotonnes					
GHG emissions, CO ₂ e (scope 1 and 2 only)	3,943	4,436	4,118	4,612	5,579
 From electricity purchased	3,454	3,903	3,560	4,049	5,034
 Internally generated – from fossil fuels	488	533	558	563	545
Nitrous oxides ³	NA	1,645	1,521	0,937	1,395
Sulfur dioxide ³	NA	21,97	22,29	14,78	23,97
Particulates (point sources)	0.03	0.03	0,03	0,04	0,18
GHG emissions Intensity – tonnes CO₂e/tonne milled	0.178	0.176	0.162	0.177	0.150
Discharge – megalitres					
Discharge to surface water	463	566	352	769	913
Quality					
Surface water quality monitored at all operations	Yes	Yes	Yes	Yes	Yes
Surface water quality deterioration offsite	Yes	Yes	Yes	Yes	Yes
Adverse surface water impact on humans	No	No	No	No	No
Groundwater quality monitored at all operations	Yes	Yes	Yes	Yes	Yes
Groundwater quality deterioration	Yes	Yes	Yes	Yes	Yes
Adverse groundwater impact on humans	No	No	No	No	No

Environmental indicators continued

for the year ended 31 December

	2020	2019	2018	2017	2016
Waste – kilotonnes					
Mineral waste accumulated in:					
Tailings dams (active and inactive)	443,089	422,180	400,059	467,072	439,118
Rock dumps	1,621,347	1,554,357	1,488,359	1,184,522	1,115,410
Slag dumps	7,378	6,902	6,340	5,820	5,218
Non-mineral waste generated					
Hazardous to landfill ⁴	1.19	2.61	5.6	9.22	15.51
Hazardous incinerated ⁵	0.46	0.09	0.09	–	–
Non-hazardous to landfill ⁶	0.61	1.5	2.3	3.58	5.82
Non-hazardous incinerated ⁷	0.32	–	–	–	–
Environmental incidents and complaints					
Level 1	143	131	209	381	603
Level 2	14	20	12	10	28
Level 3	1	1	–	–	–
Level 4 and 5	–	–	–	–	–
Formal complaints	8	11	8	9	23
Substandard acts and conditions	995	998	1,536	1,480	1,786
Products – ounces					
Total refined PGMs and gold	2,989,693	4,885,547	4,507,335	4,621,211	4,641,604

Notes:

Rustenburg and Union divested operations included to respective dates of divestment – 31 October 2016 and 31 January 2018.

Unki Smelter operational from September 2018 and Motatolo Lebowa and Borwa shafts acquired 1 November 2018.

1 Total water withdrawals or abstractions (total water inflows). Water usage for primary and non-primary activities no longer reported.

2 Non-potable water from external sources includes waste or second-class water (prior years).

3 Annual calculated tonnage of NO_x and SO₂ from processes only available for reporting by 31 March 2021 as per the NAEIS (DEA reporting) system.

4 No offset solutions were found for five waste streams that were still sent to landfill during 2020 and therefore excluded from zero waste to landfill (ZW2L).

5 2020 hazardous waste incinerated includes Covid-19 biohazardous waste.

6 The Maresburg TSF phases 2 & 3 waste disposal did not form part of ZW2L managed operations' reporting.

Non-hazardous waste to landfill reflects at 0.57 kilotonnes excluding 0.04 kilotonnes from these projects.

7 Non-hazardous waste is sent for incineration after recyclables have been removed and the remaining non-recyclables cannot report to the refuse derived fuel (RDF) facility. Also when waste is inadequately sorted to enable relevant ZW2L offtake, incineration might be required.

NA Not available.



Capital: Human and social

Safety and health

The safety, health and wellness of our people are priorities, in line with our core values.

Safety and health of employees and communities

The safety, health and wellbeing of our employees remain a top priority and core value for Anglo American Platinum. Our robust health and safety strategies have underpinned our leading response to managing the infectious coronavirus disease (Covid-19) across our operations and our unwavering focus on eliminating fatalities by reducing (and ultimately eliminating) injuries from the workplace, as well as mitigating any adverse effects on human health. Our aim is to continually build and instil both a company and industry culture that protects people from harm and improves their health and wellbeing.

Protecting and supporting our employees and communities through Covid-19

The infectious coronavirus disease has become the prevalent health challenge facing our employees and their families and communities at all our operations. From the onset of the pandemic in early 2020, Anglo American Platinum responded quickly and decisively in developing and implementing comprehensive response plans to safeguard and support employees and host communities. Our mines and host communities, often home to much of our workforce, operate as an ecosystem and both must be healthy to prosper.

In responding to the pandemic, ensuring the safety of our people has been our priority in all our decisions. Our Covid-19 critical controls and preventative measures have ensured that we have successfully managed infection rates at our operations (statistics are provided below). We are confident that we have the required systems in place to ensure we deal with suspected infections in

a safe and timely manner, that we can test our employees, trace possible contacts where needed, and provide the necessary support where required.

Risk-based management

In delivering our leading response, we proactively developed risk-based strategies using accepted scientific understanding to enable safe and productive operation. These included putting operational trigger action response plans (TARPs) in place. Covid-19 workplace exposure assessments and role risk profiles were completed and are managed at all operations. Covid-19 material risk management and critical controls are rigorously managed.

All Covid-19 protocols at the workplace have been implemented in close collaboration with and approval from recognised unions at our operations. These exceed minimum requirements set by the Department of Mineral Resources and Energy's (DMRE) directive and the Minerals Council's standard operating procedure.

Re-imagining mining to improve people's lives



WeCare health awareness and support programme

We have implemented an integrated health awareness and support programme called WeCare, specifically to protect the health and wellbeing of our employees and full-time contractors, as well as measures to support our host communities, during the pandemic.

As part of this programme, we have been helping colleagues better understand how to protect themselves and others from contracting the virus, monitoring their health to detect early symptoms, and to manage their health if they test positive for Covid-19.

These measures included establishing our own polymerase chain reaction (PCR) testing facilities, implementing thorough health-screening measures, securing isolation and quarantine facilities for employees and their families, and appointing additional medical support staff.

Our WeCare programme requires all employees to self-screen for symptoms and log their results on an app every day before they report for work. Where symptoms are recorded, initial medical support is provided at home. These measures are in addition to screening measures at the workplace, as well as the extensive social distancing, hygiene and sanitation protocols for transporting employees, and dedensification protocols that have been implemented.

We elaborate on key issues forming part of our response:

Identification and care for vulnerable employees

A key part of our strategy has been to identify potentially vulnerable employees and provide additional precautionary measures to increase their protection. Vulnerable employees are defined as those at risk of a negative outcome should they become infected with the coronavirus or are more likely to develop a severe clinical manifestation of the infection. This applies to anyone older than 60 or any person with a medical condition classified by the Department of Health to be vulnerable. Pre-existing conditions considered to be co-morbidities for Covid-19, including diabetes, HIV and hypertension, were medically assessed and only those employees whose conditions were controlled were allowed into the workplace. For example, in March 2020, we gave all employees with an illness deemed to be well controlled pre-packaged supplies of chronic medication for a period of six months, to ensure that these at-risk employees did not need to visit hospitals or clinics during the peak infection time. We also procured a further six months' supply in case of stock shortages.

Our strong management in the workplace of pulmonary tuberculosis (TB) and the associated HIV co-infection continues to assist us in mitigating the impact of Covid-19.

We have developed a risk-based decision tool by which personnel categorised as vulnerable to Covid-19 can be integrated back into the workplace in a caring, protected and low-risk manner. It also affords those with an extreme level of vulnerability (critically vulnerable) to be protected and managed in a caring process.

Monitoring and engagement

Daily employee self-monitoring is conducted via an app we developed called Engage, which each employee downloads and uses at the company's cost. We also gave every employee a thermometer to take daily readings. Through the app, we provide educational material and videos, which are regularly updated. The platform has become increasingly interactive and well received and is important in supporting a sense of connection and team cohesion. Every six weeks, we conduct a quick survey to gain insights from people on how they are feeling, their concerns and their opinions on emerging developments, such as the anticipated Covid-19 vaccine.

Testing at our operations

We developed and implemented a testing strategy and installed PCR laboratories at Amandelbult, RTB occupational health centre, Mogalakwena, Polokwane, Mototolo and Unki. In addition to testing people under investigation (PUIs) for Covid-19, routine testing is undertaken on high and medium-exposure groups, high-exposure groups (funerals/travel risk) and random testing is scheduled according to availability of testing capacity. Testing asymptomatic employees will increase Covid-19 positive cases. To maintain our rigorous standards, from January 2021, we added the test for antibodies and rapid antigen testing for Covid-19.

Medical staff resourcing

We increased our medical staffing dramatically to ensure adequate resources. Fixed-term contracts were finalised with 140 new employees, including clinical associates, additional professional and assistant nursing staff, early on to deal with the projected numbers of patients and assist with monitoring and wellness. The contracts extended until June 2021 in anticipation of managing the second wave of infections from December 2020. The aim is to enable our permanent medical staff to focus on medical surveillance in 2021. Other resourcing includes 28 dedicated personnel to manage contact tracing and training over 120 mental health first-aiders. All medical staff completed training on Covid-19 procedures to ensure sustained compliance with protocols.

Treatment and facilities

Our Covid-19 facilities provide excellent nursing and healthcare. These were scaled up to ensure we had sufficient numbers of beds to provide for our employees (including contractors) and their dependants. We ensure the availability of 42 fully equipped Covid-19 isolation hospital beds at Amandelbult hospital and over 1,000 isolation and quarantine beds across our South African operations. The case management service is available to employees and their household members. This entails a remote consultation, access to PCR testing and, where appropriate, home-based care services. In Zimbabwe, we do not have hospital beds but provide isolation facilities and excellent treatment is available through the medical scheme provider.

Isolating and quarantining for Covid-19 infection control

In South Africa, mandatory quarantine and isolation protocols were implemented for employees returning from designated Covid-19 hot spots after the lockdown to minimise risk of transmission to the workforce and host communities. The company quarantine and isolation accommodation is also available to employees who come into close contact with Covid-19 positive patients or for employees who are infected and may not be able to self-isolate or quarantine at home. We have monitored and sought to respond to challenges experienced by individuals in these restricted environments. This has included offering them psychological support from mental health first-aiders and providing access to wi-fi and use of tablets.

Mental health and wellbeing

Supporting the mental health of employees, dependants and health workers is a pillar of our WeCare programme. We have conducted various assessments of our wellness programme and identified the need to strengthen our approach to be more inclusive of all health and wellness challenges. We have reviewed our wellness programme policy, procedures and employee assistance programme (EAP) standards, and applied recommendations from an industrial psychologist and insights from the leading wellness programme at Kumba Iron Ore, with developments communicated to our two EAP service providers. To facilitate access to professional support, we trained over 120 mental health first-aiders to support our operations and have extended our wellness support programme to people at our isolation and quarantine sites.

Responding to the Covid-19 nationwide lockdown

Following the announcement in March 2020 of a nationwide lockdown to curb the spread of the virus, in line with South African government regulations, we assessed the ability to continue some operations on a reduced scale. We ensured a controlled and measured shutdown of operations going into care and maintenance, which included our underground mining operations at Amandelbult, for the duration of the lockdown. At operations where we were permitted to continue on a reduced basis, we completed a thorough risk assessment to determine the safety of employees and contractors on site, and then instituted additional safety, health and hygiene provisions to protect the wellness of employees.

Critical care and maintenance work continued at all operations. A number of specified essential services also continued, including security; mine maintenance; tailings facility safety management; water treatment; community water supply; accommodation provision; health, safety and emergency response; and critical head office services.

Recognising the significant impact of the lockdown on our employees, we continued to pay all employees basic salaries, housing allowance and continued to make company contributions to medical and pension funds over the initial hard lockdown period.

Legislation allowed for staffing levels to increase initially to 50% from 1 May 2020, then to full capacity from 1 June 2020. We prepared carefully to ensure a safe start-up once lockdown restrictions eased and, combined with the extensive range of health, hygiene and social distancing measures in place across our business, we were able to ramp up and continue operating safely. Our people were motivated to come back to work and our screening regimes enable us to effectively identify and manage vulnerable at-risk employees, and mitigate the risk of individuals with light Covid-19 symptoms from coming to work.

Anglo American Platinum Covid-19 statistics

Our proactive and strict testing regimes have enabled us to proactively identify and respond to infections quickly. All cases of Covid-19 detected and confirmed at our operations have been reported transparently, and in line with requirements set by government authorities and industry bodies.

Amandelbult has been the operation most impacted by Covid-19, accounting for 45% of positive cases recorded at Anglo American Platinum and 14 of 17 deaths, as at year end. The particular vulnerabilities and challenges faced at this operation are reviewed on page 84. We continually evaluated the number of positive cases and number of recoveries so that we were able to respond effectively to the continually changing level and magnitude of the risk.

In line with national trends, the majority of infections recorded at our operations in 2020 were in July and August. A second wave of infections in South Africa at the end of 2020 impacted on our operations, with an escalation of infections recorded at the start of 2021.

At year end, we had a 97% recovery rate from infections (before the second wave of infections), well above the national average. In all 17 employee deaths from Covid-19 in the year, there were one or more co-morbidities.

Covid-19 deaths: 14 at Amandelbult (9 at Tumela, 4 at Dishaba, 1 at Amandelbult Central), 1 at RBMR, 1 at PMR, 1 at Mototolo. Comorbidities/risk factors included: age, diabetes (type 2), hypertension, HIV, obesity (BMI >30), cardiovascular diseases.

Covid-19-related statistics (at managed operations)

Diagnostic testing	13,393
Positive cases	3,293
Recovered	3,093
Active cases	176
Deaths	18

Challenges and outlook

As we continue to support the prevention of, response to and recovery from Covid-19, we will maintain our rigorous infection-preventative measures and an aggressive testing regime aligned with the evolving Covid-19 risk exposure profile.

Anticipating the second wave of infections (and possibly third and fourth) in 2021, we remained agile in our approach and continued to enhance our capability. There is still much uncertainty about the virus and we continue to learn and research developments to inform our interventions and adaptations. There are also challenges around pre-symptomatic and asymptomatic Covid-19 cases and uncertainty about transmission of the virus. In addition, we face challenges with individuals who have recovered from Covid-19 but present with recurring health issues, notably fatigue or depression, and would pose a health and safety risk, particularly if they work in high-risk areas. We continue to learn from our own cases and broader Covid-19 research findings.

With the advent of Covid-19 vaccines early in 2021, Anglo American has been pursuing an aggressive plan to vaccinate its workforce and is supporting the South African government's efforts to roll out vaccines at speed and scale.

Responding to our local communities' needs

The Anglo social way was leveraged to develop our Covid-19 WeCare Community Response Plans, providing much-needed support for our host communities. Through the WeCare Programme we spent approximately R500 million on providing food parcels, masks, hand sanitisers, drinking water, medical equipment, screening stations and isolation facilities to our host communities.

We have continued to provide a wide range of essential services to our host communities in South Africa and Zimbabwe, offering additional assistance to alleviate the health and economic effects of Covid-19.

In partnership with the University of Pretoria, Gift of the Givers and other stakeholders, we have been expanding water supply to communities that do not have access to water; supporting local clinics and hospitals with training and providing essential PPE and other equipment to assist them in responding to the pandemic; delivering food parcels to vulnerable families; and undertaking community awareness campaigns. These initiatives have benefited over 100,000 households in our host communities.

We will continue to ensure that support is directed to those most in need and vulnerable at this time and provide both monetary and in-kind assistance as conditions in South Africa and Zimbabwe continue to evolve.

Further details about our community Covid-19 relief efforts are shown on page 5 and in the case study in Our Communities section, on page 127.



Opening at the Covid-19 facility at Amandelbult

Case study 16:

Amandelbult Covid-19 medical and nursing facility

The pandemic has put unprecedented strain on an overloaded public healthcare system, our Covid-19 predictive transmission modelling projected a surge in active coronavirus cases in Limpopo and North West provinces by September/October 2020. In anticipation of this spike, our PMC decided to repurpose the old Amandelbult hospital as a state-of-the-art Covid-19 facility, as part of the company's social responsibility and in line with the WeCare programme. The objective was to establish and equip a facility that would provide sufficient levels of leading medical treatment and nursing care for our employees and their family members, and ensure faster recoveries from Covid-19 infection.

Anglo American Platinum recruited several specialists to ensure project success and execution within an eight-week period. By applying the values of innovation and collaboration, the high-tech facility was effectively completed before the anticipated surge in Covid-19 cases. As part of the scope, general isolation wards were established, along with staff quarters and required support services. The repurposed and upgraded Amandelbult hospital has 42 beds all with

supplementary oxygen and supportive medical equipment, including high-flow ventilators, 'i-stat' machines for local Covid-19 testing, and CPAP ventilators – these locally produced machines were designed specifically for use in severe and critical Covid-19 cases, providing continuous positive airway pressure to lung tissue. With the anticipated spike in tanked oxygen demand, we took the precaution of establishing our own oxygen-generating capacity with reticulation to all the beds, avoiding reliance on tanked oxygen delivery.

The project was completed at a cost of R26 million and the facility was ready by 1 September in anticipation of the second wave of infections, which began early December 2020. We provided fixed-term six-month contracts from mid-December 2020 for around 20 people in the Amandelbult area, including medical staff, kitchen, laundry, gardening and maintenance staff. The facility became operational at the beginning of January 2021, primarily as an overflow for patients when local hospitals lack capacity. It was agreed to extend the facility to other mining houses non-Anglo American Platinum health members during the peak of infections including dependents and people from surrounding communities.

Case study 17:

Unki Mine donates equipment for new ICU at Zimbabwe hospital

In August 2020, our Unki Mine donated a newly equipped ten-bed intensive care unit (ICU) to Gweru provincial hospital, as part of its efforts to limit the impact of Covid-19 at the workplace and in host communities. The donation included ventilators, ICU beds, oxygen equipment and its installation, personal protective equipment, multiparameter monitors and other medical equipment. The Unki Mine team had previously built and equipped a casualty ward at the hospital and refurbished the laundry room and children's ward.



Unki mine's donation of a ten-bed ICU unit to Gweru hospital in Zimbabwe

Case study 18:

Accelerating our commitment to the fight against gender-based violence

Our holistic response to Covid-19 has included a focus on addressing gender-based violence (GBV), given the significant increase in cases in South Africa during the lockdown, with many more women and children needing safe spaces.

As part of our WeCare programme, we have supported victims of GBV in our communities by providing certain quarantine facilities as shelter, or working with other organisations to assist with access to other facilities, and providing helplines and focus groups. Anglo American Platinum's senior leadership, including many women, have delivered addresses, including radio interviews and webinars, to raise awareness and encourage people to speak out. Addressing GBV has been integrated into our strategy going forward.



✧ The Mogalakwena team donated PPE and other essentials to three victim empowerment centres as part of its community response plan. From left are: Department of Social Development Waterberg District programme coordinator for restorative service Sammy Sekanka; SAPS Mahwelereng's Lieutenant Colonel Elias Sekanka; Mogalakwena complex local SED manager Hilda Motumi; Mpumelelo project manager Killian Manyuchi and Mahwelereng Victim Empowerment Centre programme coordinator Dikeledi Mokonyane

Safety and health: our management approach

Recognising the interplay between managing safety and health risks, and promoting employee wellbeing, we maintain close cross-functional collaboration to ensure an integrated approach. This has been critical in managing Covid-19 impacts. We implement the following key systems, processes and initiatives for safety and health:

Resilient management systems

Anglo American plc's SHE way integrates related expectations and performance standards into a single management system aligned with our goal of zero harm. All our operations are being certified to the ISO 45001 international standard for occupational health and safety management, and all requirements can be incorporated into existing systems. We have internal assurance processes to monitor our progress. Each site has continued to implement a SHE management improvement plan which includes tracking progress against key performance indicator (KPI) targets for 2020 across SHE performance areas, to ensure compliance with SHE way requirements and align with the certification process. The integration of health and safety into our operating model helps to optimise planning and scheduling of work and tasks. We conduct internal and external audits annually to monitor and provide assurance on our SHE performance.

Effective risk management

Embedding ORM for safety and health has helped us step up our approach to managing risks. By implementing ORM, front line managers are able to identify, prioritise and control risks that threaten their ability to meet objectives. The main purpose of ORM is to ensure we manage all forms of operational risk effectively, with emphasis on improving safety performance and eliminating fatalities. We continue to drive improvements in identifying, implementing and monitoring critical controls, analysing deficiencies and incorporating identified controls into task-risk assessments. ORM targets form part of management incentives and we will further embed this system in 2021. We provide risk management training and revision courses across our operations. Training schedules were disrupted during the lockdown but we met our targets once operations resumed and routines normalised. We conduct operational risk assessments that focus on the most significant risks identified at respective operations, and commission specialists to audit the findings.

Incident management

Reporting and investigating health and safety incidents is an essential part of managing our risks and tracking progress in hazard prevention and control measures. We continue to build in-house capacity to learn from incident (LFI) investigations and promote reporting on high-potential incidents (HPIs) and high-potential hazards (HPHs), to heighten awareness, facilitate organisational learning, and effect more robust controls. Reporting of HPIs and HPHs at our operations is currently safety focused and we aim to progressively integrate health-related reporting.

Post-incident medical care

Over the last two years, we have strengthened our emergency-response preparedness to ensure that our post-incident medical care delivers the best possible outcome for a person in need, so that the situation does not become life-threatening. We have focused on ensuring we provide the right amount and quality of first-aid training at various levels in the organisation, as well as providing training for control-room operators to ensure we are adequately equipped to respond to emergencies. All protocols and procedures have been adapted to incorporate Covid-19 risk prevention measures.

In responding to Covid-19 implications for treatment practices, we have reviewed and revised our emergency protocols and treatment policies. We have put special measures in place to ensure that in cases of serious injury or trauma, access to required medical facilities is guaranteed.

Independent contractors

In implementing our safety and occupational health initiatives, we treat independent contractors and permanent employees in the same way. This includes providing training, level of care and benefits. Performance data therefore does not differentiate between employees and contractors.

We typically have between 3,000 and 4,000 independent contractors at our operations, varying across the year according to operational demands. For example, to rebuild a furnace requires 600-700 contractors for a month.

Our employee health and wellbeing initiatives, such as disease management, are implemented primarily for our permanent employees. Initiatives that extend to independent contractors are indicated in the health section.

Our contractor safety management programme is designed to embed consistent, leading safety practices. This includes training and a medical examination. We use a web-based onboarding system, Passport 360, for managing contractor SHE compliance. The system allows Anglo American Platinum to set its requirements for contractors' SHE files and the 'passport' monitors and records essential information uploaded by contractors. It allows real-time monitoring of performance requirements including training, certificates of fitness and further requirements like permit issuing and management.

Mobility and digitisation

We have a dedicated team to drive mobility and digitalisation and are working on ambitious advancements in integrating digital technology at our operations in the short to medium term. We are on track with the roll-out of mobile devices. The mobile devices are used to capture and upload workplace information daily to a central platform and facilitate timely responses to concerns or deviations. We have experienced connectivity challenges at some operations, with online connections being affected for instance by adverse weather, and we are working on addressing the risks of unreliability. Roll-out of the mobile devices is more complex and challenging at our underground Amandelbult operation, which has a very large footprint. We are developing an integrated plan to establish a backbone of wireless mobile connectivity across all our operations over the next few years.

Our digitalisation and automation drive has been accelerated by the pandemic, which has intensified efforts to see how we can remotely do more of the work that had to happen on site, and how we do those tasks with fewer people. We already have extensive equipment using intelligent technologies and aim to be able to track and respond to information remotely. In the longer term, we aim to digitise lock-outs, daily bookings, logbooks, warnings, measuring critical-control effectiveness and monitoring health information via wearable devices. These developments are multi-year projects in progress. Establishing wi-fi connectivity will increase our opportunities to use technical innovation to create a safer working environment.

Mine modernisation

We continually explore methods to make mining safer and healthier. To achieve our long-term objectives, we have a continuous drive on modernisation to ensure our equipment is much safer, more efficient and productive. We emphasise advancements at Amandelbult including different types of drills and explosives, transport equipment, cleaning methods and logistics. While the benefits of innovation in mining, such as improved health and safety performance, are clear, we continue to engage in a socially responsible way in deploying innovation to mitigate concerns about job losses.

Engagement and collaboration

Anglo American Platinum has worked closely and collaboratively with government and unions in implementing Covid-19 mitigation measures. We aim to maintain the pandemic-inspired collaborative spirit forged with key stakeholders. Government officials have commended our leading efforts at our operations to curb the spread of the virus.

We play a leading role in the industry's initiatives to improve safety and health, and to achieve and sustain zero fatalities. We are long-standing participants in the industry CEOs' zero-harm forum, a platform to openly share experiences, determine challenges and drive collaborative action for a step-change in performance. This year, a focus was on Covid-19 risk-mitigation strategies.

We also participate in Anglo American's tripartite health and safety initiative, a senior leadership forum of mining company, government and labour representatives in South Africa that strives to improve the health and safety of miners through collaborative and transparent stakeholder engagement. Relations are good and collaboration has broadened this year, including greater involvement of faith groups.

Anglo American Platinum maintains constructive and collaborative relationships with regulators such as the DMRE and its mine health and safety inspectorate. We engage regularly to ensure a common understanding of issues and challenges, and collaborate on solutions.

Regulatory initiatives

We have continued to implement the five-pillar cultural transformation framework developed by the Minerals Council's Mine Health And Safety Council (MHSC). We participate in industry health and safety forums and report on our progress internally and externally. Key developments across the leadership, risk management, leading practices and technology pillars of the framework are reflected in this section. We are firm on our compliance obligations in terms of policy, legislation and practices.

For Anglo American Platinum, regulatory compliance is a minimum standard. We have also adopted several voluntary standards (see page 143 .

Assurance and transparency

In line with our culture of assurance and transparency, regular external assurance is undertaken across our operations. In 2020, the following key health and safety performance indicators were independently assured for a consecutive year, split between the more onerous high and moderate levels of assurance.

High assurance

- Total work-related fatal injuries
- Fatal-injury frequency rate (FIFR)
- Total recordable case frequency rate (TRCFR)
- Total new cases of noise-induced hearing loss (NIHL)

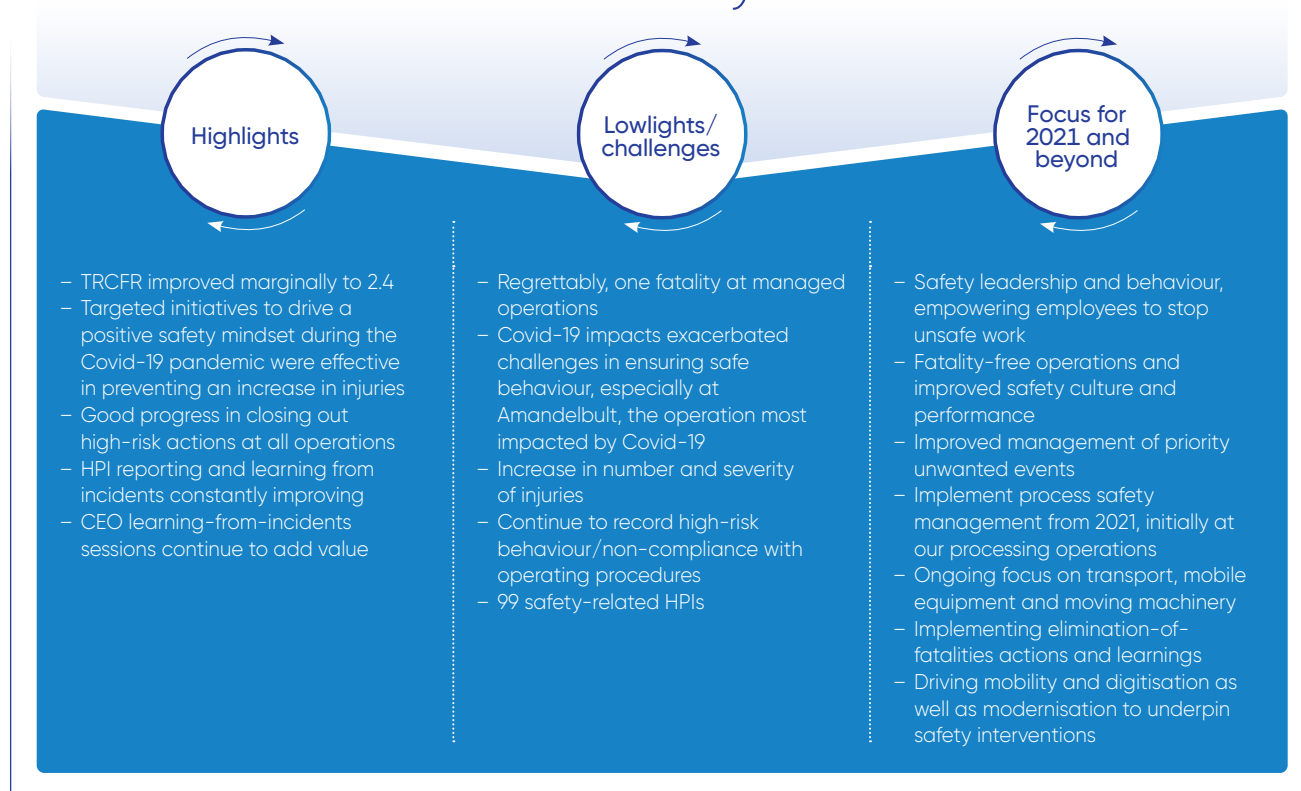
Moderate assurance

- Workers potentially exposed to inhalable hazards above the exposure limit
- Workers potentially exposed to carcinogens above the exposure limit
- Total employees who know their HIV status



Refer to page 195 for independent assurance report.

Safety



Safety is our number one priority – we want to ensure all our people go home safely, every day. During the challenging Covid-19 pandemic, we have focused on driving the right safety mindset as we continue to take decisive steps to foster a culture of collective responsibility and refusing to do unsafe work.

Our 2020 performance

Our intense focus on eliminating fatal risks ensured that we had no safety-related fatalities at our operations for 22 months. Tragically, in September 2020, one of our colleagues died while recovering from a fall-of-ground incident (details overleaf). We also regrettably lost three colleagues in separate incidents at non-managed joint operations.

We have otherwise sustained our safety performance in most areas, with further improvements in some indicators (page 87). Year-on-year comparability has been affected by the significant reduction in our mining activities over the second quarter, in line with regulated restrictions under the national lockdown. Covid-19 impacts, including high levels of workforce unavailability, have continued to affect our injury rates at certain operations.

We safely managed the operations through the unique risks presented by both a safe shutdown and the start-up of operations in a Covid-19 environment following the extended lockdown in the second quarter.

In 2020, we documented 153 recordable injuries (any injury requiring more than first-aid treatment), resulting in a TRCFR of 2.40, a 4% reduction on 2.50 in 2019. TRCFR is our preferred leading indicator, as opposed to lost-time injury frequency rate (LTIFR), given that it is a better measure of preventative actions. In September 2020 we experienced a TRCFR spike of 3.76 following the return to work of many employees after the first peak of infections (the first wave).

In October and November the TRCFR decreased dramatically and in December, the most challenging month of the year in terms of sustaining desired safety behaviour, we recorded our lowest TRCFR of 1.77. We believe this demonstrates the effectiveness of our targeted interventions to support employees in maintaining the right safety mindset.

Total lost-time injuries (LTIs) recorded decreased from 166 in 2019 to 128 in 2020. Consistent with previous years, low-level incidents, typically finger injuries from materials handling and slip-trip-fall incidents accounted for most of the LTIs. Amandelbult's Dishaba and Tumela mines accounted for 56 of 90 serious injuries (62%) across our operations in 2020, compared to 70% the previous two years. There were no major disabilities sustained at our operations in 2020. We continue to prioritise the prevention of transportation and materials-handling incidents.

We recorded 99 high-potential incidents (HPIs) at our operations in 2020, the same as 99 in 2019. HPIs primarily involved slip, trip and fall incidents (40), handling materials (32) and fall-of-ground (20). There were fewer HPIs in 2020 that involved uncontrolled release of energy, mobile equipment, fire or explosion, or falling/dropped objects.

The number of high potential hazards (HPH) recorded increased to 70 from 46 in 2019. The principal agencies were the uncontrolled release of energy, mobile equipment, and exposure to harmful substances and environments.

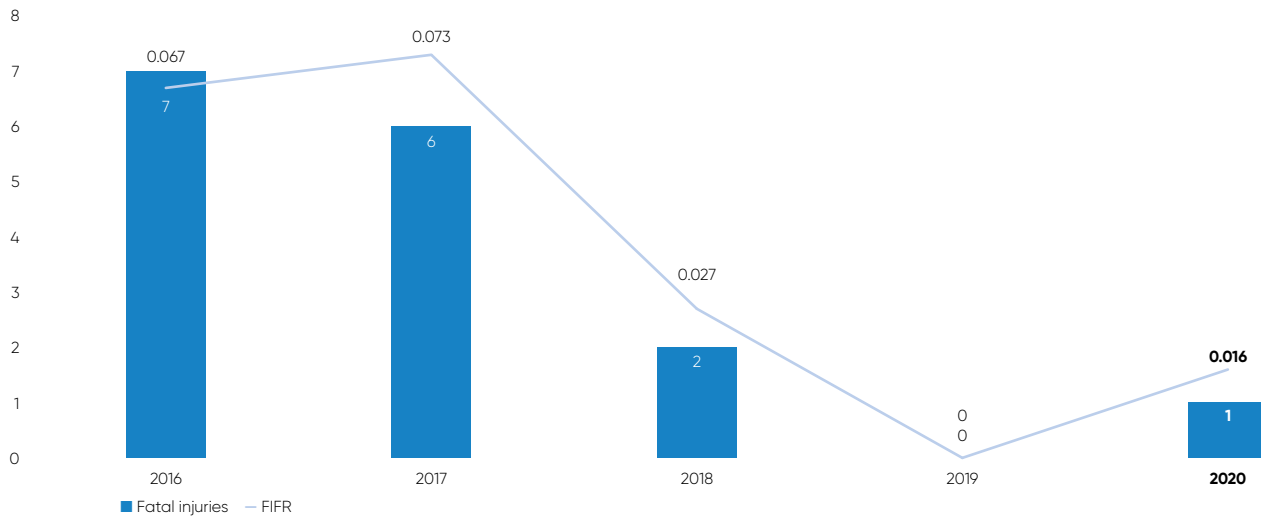
Human and social

Safety and health continued

The number of regulatory (section 54) stoppages declined from 21 in 2019 to 15 in 2020. Stoppages remain restricted to the area where the issue was observed. A total of 17 non-compliance (section 55) notices were issued across our operations (2019: 16). No fines or directives were issued.

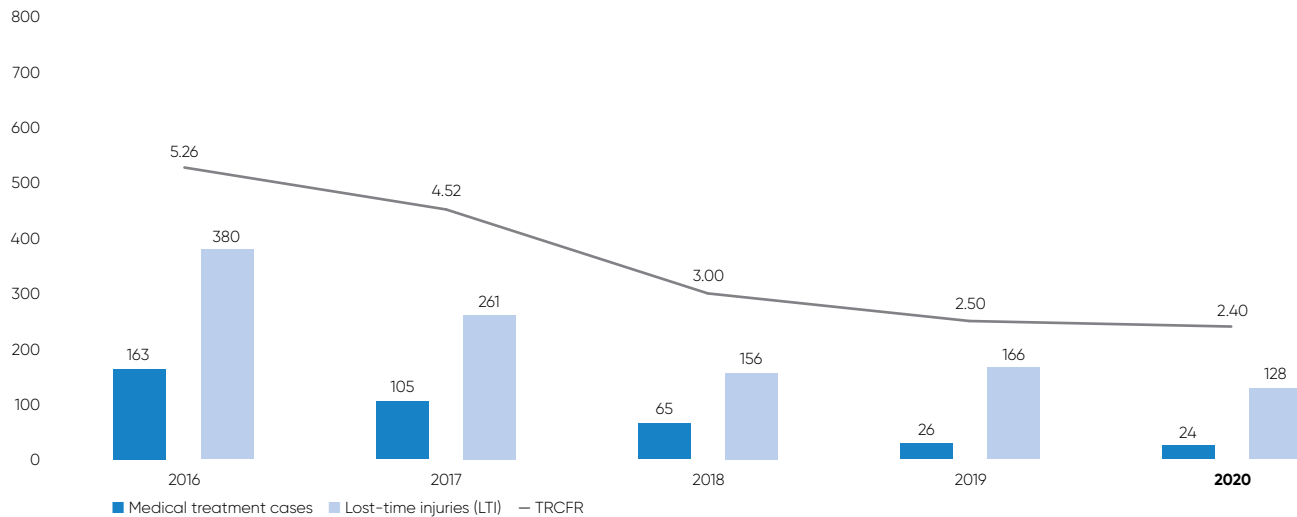
Analysis of regulatory and voluntary (proactive) stoppages shows that most continue to relate to non-compliance with operating procedures. In monitoring compliance to our standards, which remains a key focus, we implement targeted initiatives to address areas requiring significant improvement.

Loss of life and FIFR*



* Fatal-injury frequency rate per million hours worked.

TRCFR



2020 safety achievements:

On 22 June 2020, RBMR magnetic concentration plant (MCP) reached a four-year lost-time injury-free milestone, and one year with no recordable injuries.

On 13 July 2020, Amandelbult complex passed the milestone of six million fatality-free shifts after 642 consecutive fatality-free days.

On 22 July 2020, Mototolo Mine exceeded 14,000 consecutive production shifts fatality-free, having operated without a fatality for nine years and nine months (almost a decade).

On 28 September 2020, Tumela Mine's horizontal logistics engineering team surpassed 730 days (two years) injury-free.

On 14 October 2020 (Anglo American's global safety day), the Western Limb Distribution Centre celebrated four years injury-free.

Responding to fatal incidents

Lives lost at our operations and support for relatives

On 16 September, Lindile Manzingi (56), a mining team supervisor, collapsed and regrettably died while receiving physiotherapy as part of a diligent rehabilitation process after an injury sustained at Dishaba Mine two weeks earlier. We extend our sincere condolences to his family, friends and colleagues. Mr Manzingi was injured at the mine site when a rock fell and rolled onto his back, cracking a vertebra. The injury had not required surgery and was treated conservatively. Mr Manzingi was receiving treatment at the reputable Milpark Hospital in Johannesburg when he was diagnosed with Covid-19, which increases the risk of blood clotting and can cause other health complications. He was due to be discharged and his sudden death was unexpected. A full investigation was undertaken but the findings and learnings were inconclusive owing to uncertainties, such as when or how he contracted the virus, and the fact that protocols for trauma and Covid-19 are still evolving. Covid-19 is a relatively new virus and there is still a need for further research and consensus on best practice in managing the virus and associated trauma such as monitoring blood-clotting profiles and status, optimal prophylactic regimes to prevent blood clots, mechanisms to monitor for their development, and timing of surgical procedures.

We continue to honour our commitment to provide meaningful, long-term care to the families of all individuals who tragically lost their lives at our operations. This includes financial assistance for schooling dependant children (from pre-school to tertiary level) and follow-up visits to families at least annually to monitor their wellbeing and school performance.

Every fatal incident we have had at our operations (including non-managed joint ventures) has been subject to rigorous investigation, including an independent investigation by a multidisciplinary team. Learnings were shared across our operations and, where applicable, remedial actions taken and closed out to prevent similar incidents.

Lives lost at non-managed operations during 2020

We are also deeply saddened by the tragic loss of three colleagues in separate incidents at non-managed joint operations:

- At Kroondal Mine, Mr Joao Silindane (56), a rock drill operator, died in a fall-of-ground incident on 17 January 2020.
- At Modikwa Mine, Mr Dennis Mdaka (51), a rockdrill operator, died in a ventilation-related incident on 13 September.
- At Modikwa Mine, Mr Johannes Mahlalela (56), team leader, was injured at work in a winch-related incident on 7 October and died in hospital from complications on 11 October.

Providing a safe workplace

Our safety strategy and focus areas (short/medium and longer term) are illustrated below. We have maintained our focus on changing the safety culture at our more challenging mines at Amandelbult complex (see page 83 [\[table icon\]](#)). In 2020, while maintaining our emphasis on initiatives to eliminate fatalities, we invested extensively in engaging with our people to drive the right safety mindset during the challenging pandemic.



Principal safety risks facing our employees/contractors are falls-of-ground, moving machinery, transportation, electrical or release of stored energy, and isolation/lock-out. We continue to prioritise prevention in these areas, and are addressing identified shortcomings. Fatigue and stress management is another focus area.

Anglo American Platinum safety strategy

Aspirational statement

Deliver safe production by creating a resilient safety culture, built on robust and effective safety leadership and risk management



Case study 19:

Pre-emptive closures of ACP to ensure safe operating environment for employees

At the Anglo American Platinum converter plant (ACP), part of the chain of processing facilities, water leaks presenting safety and integrity required the plant to be intermittently shut in 2020 for extensive repair work. This will ensure an ongoing safe operating environment, protect employees and protect the integrity of the plant and surrounding processing assets.

The initial shutdown was in March, when the ACP phase A plant, at Waterval smelter in Rustenburg, was damaged after an explosion in the converter. Nobody was injured in the incident and work began to repair phase A.

As per normal business procedure, the phase B unit was commissioned to take over. While ramping up to steady state, water was detected in the furnace. Despite extensive testing to determine the source of the water, and a number of circuits being isolated, water continued to be observed in the furnace. We decided to temporarily shut phase B to ensure against a potential explosion. Repairs to this unit were completed safely and successfully during the extended lockdown period in South Africa. All safety protocols were implemented on site, in line with government approvals and regulations, and there were no health and safety or construction issues during the repair and ramp up.

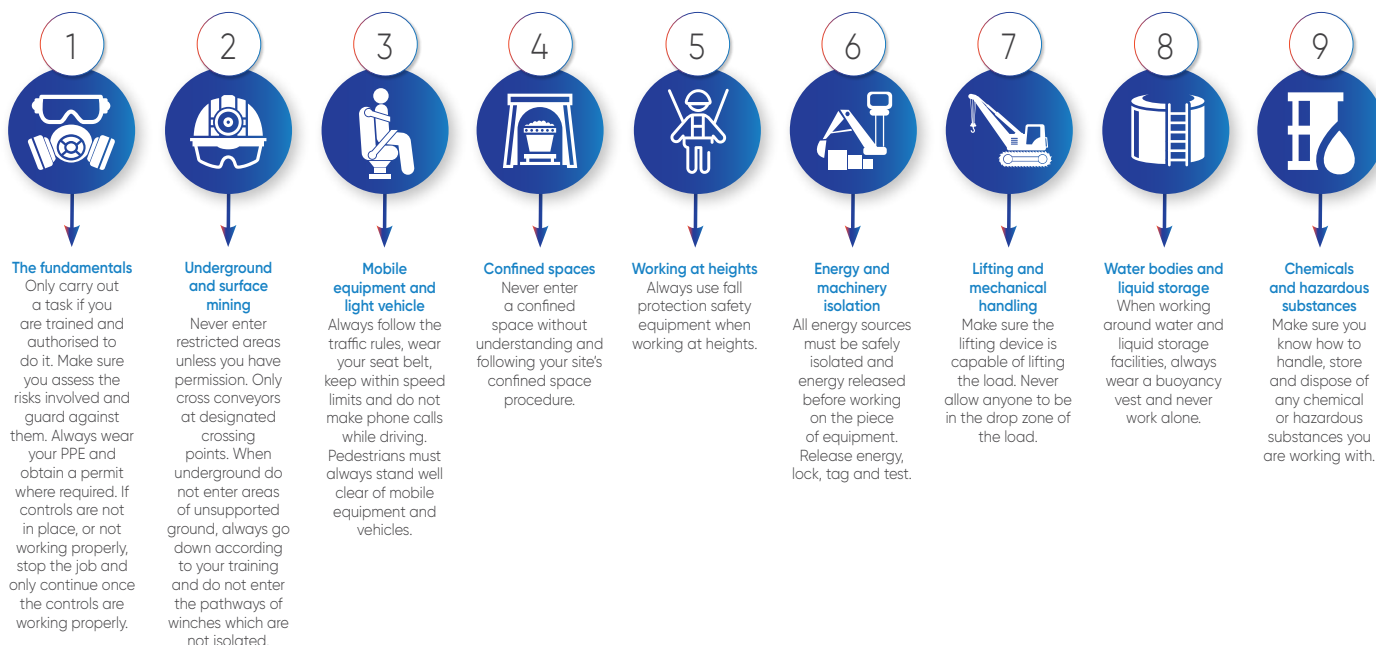
In May 2020, a water leak was detected in the high-pressure cooling section of the phase B unit. The unit was again brought down proactively and safely. All employees evacuated the area safely and the unit was temporarily closed. The detailed technical investigation into the cause of the leak showed localised damage to a single cooler tube that was replaced, and the leak was confirmed as unconnected to the earlier repair work. Other maintenance was undertaken and additional controls were put in place. A prudent approach was taken to safely ramp up the ACP phase B unit after a detailed risk-based assurance process had confirmed it safe to do so.

Increased monitoring, controls and systems were implemented to continually assess the ACP phase B unit and further water leaks were discovered. The unit again underwent a planned and measured safe shutdown and a comprehensive assessment concluded that more extensive repair work was required to ensure against the plant's fragility. It was closed in November for a full rebuild in 2021.

Repair work was completed at phase A and it resumed operations at the beginning of December 2020, ramping up to full capacity by the end of the year.

Our life-saving golden rules

In driving our safety culture, we continue to entrench a commitment throughout the company to honour our life-saving golden rules towards our goal of zero harm. These behaviours are a condition of employment and if employees do not comply, consequence management through the 'fair culture' model will apply. This approach ensures that fair and transparent processes are followed after safety incidents, and necessary consequences are consistently applied whenever unsafe acts are observed.



Key developments and focus areas in 2020

Responding to Covid-19: 'Switch on 4 safety' reinforces the imperative of keeping safety front of mind

After the initial three-week nationwide Covid-19 lockdown from late-March to mid-April 2020, we took great care to ensure the safe start-up of operations that had been put on care and maintenance by regulations. Recognising that the uncertainty, fear and other mental-health effects associated with the pandemic could affect safety behaviour, we also recognised the need to be more engaged with our people than ever before and support them in keeping the right safety mindset in these challenging times. At the same time, we needed to maintain momentum in achieving the broader goals of our safety strategy.

We were cognisant of behavioural challenges among our workforce, with various social issues emerging to affect adherence to protective measures at work. These included social stigmatisation, complacency, and fatigue/emotional burn-out/mental health issues.

As part of our WeCare programme (see page 73 ) we developed and implemented a dedicated initiative called 'Switch on 4 safety'. This was underpinned by the overarching message and tag line, "We're in this together. Keep doing the right thing", and was delivered through a relationship-centred leadership strategy and series of phased activities.

The initiative formed part of broader efforts to alleviate challenges for our people. It also aimed to inspire them to adopt the right behaviours and develop habits to stop the spread of Covid-19 and protect each other.

A key purpose was to communicate that we understood the challenging circumstances every employee faced, and the

importance of adhering to Covid-19 controls. But we stressed that it was imperative no one compromised in ensuring everyone's safety, with no shortcuts or unsafe work. We urged people to speak up if they felt unsafe and to support each other in overcoming challenges.

The success of the initiative hinged on ensuring better and more frequent engagement with our employees. Supported by our engage app, we connected with our employees to understand their issues, so that we could get a constant temperature check from the floor and adapt our engagement and responses accordingly.

The comprehensive effort was aimed at, among others:

- Line managers spending more time in the workplace, engaging with people
- Ensuring we have real, meaningful connections with people so we can relate to their challenges at home and at work
- Overseeing high-risk work and showing involvement
- Making available caring measures for people in mental distress
- Reviewing serious injury reports
- Expediting learnings to get a faster response and eliminate repeats.

The campaign's momentum was sustained in the second half of the year through further initiatives to drive a positive safety mindset with aligned focus on high-risk work and critical controls for Covid-19 and safety.

Responding to heightened challenges at Amandelbult

In recent years, we have focused on changing the safety culture at our more challenging operations, Amandelbult and the smelters, where we have the greatest number of employees (including 8,200 at Tumela Mine and 6,600 at Dishaba Mine) and continue to experience high-risk behaviour.

Human and social

Safety and health continued

The ongoing implementation of safety performance turnaround plans at these operations has driven steady significant improvements and remains critical in meeting our commitments. In 2020, however, the challenges of the pandemic heightened existing issues and affected our ability, from a safety perspective, to build continuity and keep to action plans. We responded with agility and, under the circumstances, Amandelbult has done well from a safety perspective.



⚡ Mototolo – Mareesburg tailings storage facility

During the pandemic, Amandelbult has been our more vulnerable and most heavily affected operation. A major impact on our ability to ensure operational excellence in safety this year has been the increase in already-high levels of unscheduled workforce absenteeism, which averaged 22.3% in 2020 compared to 8.4% in 2019.

Amandelbult was put on care and maintenance during the lockdown from 26 March to 1 May 2020, with staffing levels allowed to increase to 50% and then to full capacity from 1 June 2020. In managing employees returning from high-risk provinces and neighbouring countries, we adhered to isolation and quarantine protocols, which contributed to workforce unavailability but was a key focus in managing a safe work environment. Despite our stringent infection-prevention measures, we recorded an anticipated spike in infections at the sites, resulting in infected workers and employees who had been in close contact with Covid-19 positive patients being quarantined and off work until cleared or fully recovered. Long after regulated restrictions had eased, we had still not returned to a full complement of staff: at year end, over 1,000 employees were still infected or recovering from Covid-19.

The daily uncertainty on workforce attendance caused disruption and increased the risk of people compromising on safety standards rather than ensuring that all work is always safe. Our Switch on 4 Safety initiative, reviewed above, was developed to reinforce our existing campaigns to promote the right mindset and behaviours. While, we are deeply saddened to have had a safety-related fatality at our Dishaba Mine this year (see page 81 [📄](#)), it is commendable that through collective efforts and commitment through these challenging times, Amandelbult recorded a TRCFR of 3.40 for 2020, marginally exceeding the target of 3.41.

Ongoing focus areas include frontline supervisory training, critical control compliance, and enforcing our golden rules (life-saving behaviours). There is still much to be done to ensure that all employees voluntarily stop and fix a substandard workplace or activity, and eliminate a culture of rule-breaking and non-compliance to critical controls.

We have adapted our safety turnaround plans for 2021 in line with projections as well as uncertainty on future operational restrictions and disruptions.

Dishaba and Tumela (combined performance)	2020	2019	2018
Total fatal injuries due to all causes	1	0	2
Total recordable cases	93	117	127
TRCFR, per 1 million hours	4.04	3.62	4.02
Total lost-time injuries due to all causes	83	109	102
LTIFR – all causes, per 1 million hours	3.61	3.37	3.23
Total serious injuries	62	82	69
Total serious injuries frequency rate, per 1 million hours	2.70	2.54	2.18

Reporting and learning from high-potential incidents and hazards

Encouraging the identification and reporting of high-potential incidents (HPIs) remains a major focus in our strategy. While we recognise that any HPI exposes our employees to fatal risks, which is unacceptable, we greatly value the importance of improved reporting and learning from HPIs in heightening awareness of critical controls and promoting actions to improve their effectiveness. Every month, our CEO chairs a video conference across our operations to review and learn from two particularly significant HPIs, and identify key actions to be implemented and tracked across our operations. The incidents discussed are primarily safety-focused, and occasionally environmental or health-related. This initiative has been very successful and we have engaged our JV partners to participate, to promote the valuable sharing of lessons. Our approach is orientated around setting targets for improved learnings and associated action management and close-out.

In strengthening our proactive preventative approach, we are facilitating the reporting of high-potential hazards (HPH), where we identify hazards that could lead to loss of life. We plan to streamline learning-from-incidents processes through mobility and digitisation projects to make incident and inspection reporting processes quicker and easier. HPH reporting and analysis is under way at Mogalakwena and is being steadily introduced across our operations.

Process safety management

In raising the bar for our safety management, we are introducing process safety management (PSM) at our operations. This analytical tool – used to prevent the release of highly hazardous chemicals and improve safety in the workplace – is typically implemented at oil and gas or nuclear facilities and not at mining companies. This year we have engaged implementation specialists DuPont, focusing initially on our process operations and then the concentrators and mines, to review all our work and propose improvements. This includes assessing the current state of process safety maturity and effectiveness of PUE risk mitigation practices across the mining operations, to identify improvement priorities and integrate these with the broader PSM journey. The formal implementation of the process will start in 2021 and will take three to five years to embed.

The deployment of process safety management will support initiatives to address some of the basic and root causes of current HPIs at our operations. It will also assist in identifying the agency (object, substance or circumstance) and root causes particularly associated with processing operations.

Ownership and shared accountability

To foster a stronger safety culture, we are implementing a framework to embed positive safety leadership practices in daily activities. This defines the practices expected of managers, supervisors, and all our employees, and their roles in strengthening the culture and sustaining improved safety performance. The safety leadership framework is implemented and integrated as one of the core practices of the general leadership capability framework and as a holistic and integrated behavioural programme.

Being unconditional about safety is a critical component of true safety leadership. In practice, this means everyone needs to be as concerned about the safety of their colleagues as they are about their own. At the same time, we recognise our responsibility for ensuring our people are adequately trained and empowered to exercise their right to refuse to do any work they deem unsafe and withdraw to a safe area, without retribution. This is an area where we need to embed greater ownership and commitment.

Enhancing frontline supervision is an ongoing focus. Our development programme ensures supervisors have the required

technical skills, risk management capability, and skills on how to manage people and apply theory effectively in the workplace. In addition to improved performance management processes, coaching assists in addressing any challenges.

We continue to increase our efforts to promote a culture of stopping work when it is unsafe. While we have seen an increase in internal stoppages actioned by safety personnel or line managers, we are yet to see many instances of frontline workers actioning stoppages. Efforts to encourage employees to report when they believe a work area is unsafe include a monthly reward scheme to recognise and reward people for the best self-imposed stoppages.

Our employees' commitment to safety is promoted through annual Anglo American global safety campaigns. The eighth campaign was built around the theme Safety 365 – putting our six values of safety, care and respect, innovation, accountability, collaboration and integrity into action daily at work, at home and in the community, to ensure everyone's safety 365 days a year. The programme was launched on global safety day on 10 October 2019 and implemented over 12 months. It was initially designed around five initiatives, each involving an eight-week challenge on safety and one of our values. We adapted elements of the programme to align with Covid-19 circumstances and challenges, and support our other initiatives to ensure the right mindset, as well as safety and wellbeing, of our employees. This included implementing a global safety day Covid-19 edition, focusing on what we are doing to care for and respect employees during the pandemic. In adapting to Covid-19-related constraints, we used different types of technology to reach people. Through the engage app, we circulated video recordings and other materials, and engaged through virtual facilities. The initiative was very successful and well received. We implemented a programme related to Safety 365 to sustain its impact to the end of the year and, in January, we started a global safety day 2021.

Our safety results affect the performance-based remuneration of all employees. We use KPI-based reward and recognition to drive correct behaviours and provide the necessary training to support outcomes. We regularly review metrics and rewards to ensure they are in line with prevailing focus areas, and effective. Performance target setting is challenging given the uncertainty on future pandemic-related impacts.

Risk management

We train all employees on addressing risks and specific hazards in their workplaces. We identify substandard and high-risk conditions continuously, and rank workplaces based on observed risks. Management regularly visits workplaces with the highest risk ranking across our operations; these sites, and planned actions, are then discussed at executive level.

ORM has continued to improve, with the focus this year being on improving material risk and critical control management. The number of material risks under formal management increased by 10% in 2020, with a focus on initiatives at the Amandelbult and Mototolo complexes. By year end, we had achieved our target of having 84% of our critical controls active and being monitored. Monitoring to schedule increased (according to plan) to 94% from 86% in 2019. A rigorous programme for monitoring critical-control management is fostering greater transparency and accountability, and improving the levels of work executed to plan. We aim to ensure comprehensive implementation by 2021, with safety risk management inculcated into our daily action and thinking.

Covid-19 risk management became the key ORM programme undertaken in 2020. We also continued to focus on strengthening our fire risk management programmes.



↗ Hauling and drilling operations in Lebowa shaft, Mototolo Mine

Technology and innovation

Anglo American Platinum continues to demonstrate leadership in developing and adopting leading technologies and engineering solutions to reduce potentially fatal risks, reduce exposure to work hazards, and mitigate the risk of human error. This includes:

- Using existing modernisation technologies, like electro-hydraulic drills, and removing scraper winches
- Automated and continuous rock-cutting vehicles safely extract the targeted ore deep underground without the need for explosive blasting
- We are increasingly deploying remotely operated machinery: swarm robotics will be the next generation of mining, and will ultimately mean removing people from safety risk exposure, while upskilling employees in new technologies and approaches
- To mitigate the risk of winch-related injuries, in 2021 we will trial a technology that relies on a tracking device and magnetic sensor to intercept potential human contact with a scraper rope.

In responding to the implications of a pandemic, we anticipate an industry-wide acceleration in adopting technologies, specifically remote and virtual technologies, that assist in distancing mine workers from each other.

Examples of established and leading safety initiatives introduced in previous years include:

- We dramatically reduced the number of fall-of-ground incidents by using bolts and nets on the rockface to make the most dangerous area (between the last line of support and the face) much safer. At Amandelbult, in areas where we face challenging ground conditions, we have implemented comprehensive timberless support systems using tension-cabling anchors and grout packs
- In managing transport and machinery risks, we implemented collision-avoidance systems using vehicle and person proximity-detection systems and auto-braking. We continue to roll out the systems across heavy mobile equipment and light vehicles, and to identify and implement enhancements
- At Mogalakwena complex, we use earthmoving vehicles with technology that gives the operator a 360° view and significantly reduces the risk of a man-machine accident
- We use state-of-the-art fatigue management systems to predict fatigue risk and monitor employee fatigue in real time.
- Our progress with driving mobility and digitalisation is reviewed on page 114 [📄](#).

Safety indicators

For the year ended 31 December

Operations	Number of fatalities					Fatal-injury frequency rate (FIFR) ¹				
	2020	2019	2018	2017	2016	2020	2019	2018	2017	2016
Tumela Mine	—	—	—	1	2	—	—	—	0.056	0.11
Dishaba Mine	1	—	2	2	—	0.091	—	0.144	0.135	—
Mogalakwena Mine	—	—	—	—	—	—	—	—	—	—
Unki Platinum Mine	—	—	—	—	—	—	—	—	—	—
Amandelbult concentrators ²	—	—	—	—	—	—	—	—	—	—
Mogalakwena concentrators	—	—	—	—	—	—	—	—	—	—
Unki concentrator	—	—	—	—	—	—	—	—	—	—
Mototolo concentrator ³	—	—	—	—	—	—	—	—	—	—
Mototolo Lebowa and Borwa shafts ⁴	—	—	—	—	—	—	—	—	—	—
ACP	—	—	—	—	—	—	—	—	—	—
Waterval smelter	—	—	—	1	—	—	—	—	0.664	—
Mortimer smelter	—	—	—	—	—	—	—	—	—	—
Polokwane smelter	—	—	—	—	—	—	—	—	—	—
Unki smelter ⁵	—	—	—	—	—	—	—	—	—	—
Rustenburg Base Metal Refiners	—	—	—	—	—	—	—	—	—	—
Precious Metals Refinery	—	—	—	1	—	—	—	—	0.579	—
Greenfield projects ⁶	—	—	—	—	—	—	—	—	—	—
Total/aggregate⁷	1	—	2	6**	7*	0.016	—	0.027	0.073	0.067

Operations	Lost-time injury frequency rate (LTIFR) ⁸					Total recordable case frequency rate (TRCFR) ⁹				
	2020	2019	2018	2017	2016	2020	2019	2018	2017	2016
Tumela Mine	3.50	2.89	3.11	4.05	2.92	3.92	3.12	3.61	4.78	4.57
Dishaba Mine	3.72	3.97	3.38	2.69	3.14	4.18	4.24	4.53	4.44	4.76
Mogalakwena Mine (incl. services)	1.04	1.36	0.45	0.68	0.85	1.15	1.47	0.79	1.35	2.26
Unki Platinum Mine	1.16	—	1.17	1.68	0.95	1.62	0.43	1.40	2.80	4.13
Amandelbult concentrators ²	0.82	1.02	0.82	4.05	1.51	0.82	1.36	2.45	6.30	3.03
Mogalakwena concentrators	0.19	0.86	1.18	0.81	0.78	0.58	0.86	1.18	1.29	2.34
Unki concentrator	—	2.18	—	—	—	2.61	2.18	—	—	—
Mototolo concentrator ³	5.25	—	—	—	2.60	5.25	1.19	—	—	2.60
Mototolo Lebowa and Borwa shafts ⁴	0.65	0.93	—	—	—	0.98	1.85	—	—	—
ACP	3.82	4.62	4.14	3.05	1.06	4.77	5.55	6.90	3.05	1.06
Waterval smelter	2.10	2.62	1.96	3.32	2.60	2.80	2.62	2.61	7.30	3.25
Mortimer smelter	—	5.30	7.51	5.09	1.89	—	5.30	7.51	6.78	5.67
Polokwane smelter	2.33	2.22	—	—	—	2.33	2.22	—	4.53	2.28
Unki smelter ⁵	—	—	—	—	—	—	—	—	—	—
Rustenburg Base Metal Refiners	1.49	1.57	0.85	1.43	2.44	1.79	2.62	2.84	2.57	6.41
Precious Metals Refinery	2.96	1.56	2.13	1.16	6.03	2.96	2.07	2.13	2.32	7.23
Greenfield projects ⁶	1.16	1.03	1.07	0.94	0.82	3.10	2.75	4.73	1.57	1.37
Total/aggregate⁷	2.01	2.14	2.10	3.17	3.65	2.40	2.50	3.00	4.52	5.28

Notes

1 FIFR – Fatal injury frequency rate (calculated) is a measure of the rate of all fatal injuries per million hours worked.

2 Includes Amandelbult CRP (chrome recovery plant).

3 Includes Mareesburg tailings facilities from 2019 (previously included under greenfield projects).

4 Mototolo Lebowa and Borwa shafts acquired 1 November 2018.

5 Unki smelter operational from September 2018.

6 Projects (2020 greenfield): Twickenham Platinum Mine, Unki Housing Infrastructure and Debottlenecking projects, Der Brochen Exploration and Infrastructure, Polokwane SO₂ Abatement project, Mareesburg TSF phase 2 and phase 3, Western Limb Greenfields Exploration.

7 Rustenburg and Union divested operations included to respective dates of divestment – 31 October 2016 and 31 January 2018.

* 2016 total fatalities includes four fatalities at Rustenburg operations and one fatality at Union Mine.

** 2017 total fatalities includes one fatality at Union Mine.

8 LTIFR – Lost-time injury frequency rate (calculated) is a measure of the rate of all lost-time injuries per million hours worked.

9 TRCFR – Total recordable case frequency rate (calculated) is a measure of the rate of all injuries requiring treatment above first aid per million hours worked.

Health

Highlights

- Covid-19 risks effectively mitigated and managed at our operations; 97% recovery rate recorded
- Reinforced our HIV and TB management as part of Covid-19 prevention efforts;
- Against the UN HIV/Aids 90-90 targets, 94% of Anglo American Platinum employees know their status and 92% of known HIV-positive employees are on antiretroviral treatment
- TB incidence rate decreased to 187 per 100,000, a 43% year-on-year improvement
- Real-time data monitoring is enabling timely intervention when control failures are noted, driving a marked reduction in potential exposure to health hazards

Lowlights/ challenges

- Four cases of noise induced hearing loss
- 17 employees died of Covid-19 (14 at Amandelbult); all had co-morbidities
- Pre-symptomatic and asymptomatic Covid-19 cases and uncertainty on transmission in communities present significant challenges in modelling and managing the disease scenario
- 168 new cases of HIV diagnosed among new and existing employees
- 59 employee contracts terminated due to ill health and disability
- Our healthcare system continues to identify a high number of cases of diabetes, hypertension, mental disorders and other lifestyle diseases

Focus for 2021 and beyond

- Reduce Covid-19 infection rates
- Increase medical surveillance to ensure employees are fit to work
- Support physical and mental health and wellbeing of our employees through a proactive, integrated, holistic approach to managing workplace and personal health
- Optimise real-time monitoring and data analytics to improve controls and further reduce levels of exposure to occupational health hazards
- Retrofit exhaust systems with diesel particulate filtering devices
- By end-2021, have site-level stretch targets and strategies in place to achieve SDG3 targets for health in our host communities by 2030

Against the backdrop of the pandemic and an increasing burden of communicable and non-communicable diseases, our approach extends beyond protecting our people and striving for zero harm to promoting employee wellbeing and optimal levels of health.



General manager Tony Power engaging with employees before the start of the shift

At Anglo American Platinum, we understand that a person's health and wellbeing involve physical, social, cultural and psychological factors. Being in good physical and mental health is a vital component of employee wellbeing and contributes to a safe and productive workplace. We also address public-health issues among our employees and their families to build healthier host communities.

Our principal health risks

Key occupational health risks	Broader public-health perspective
– Exposure to inhalable hazards	– Communicable diseases (notably Covid-19)
– Exposure to noise	– Pulmonary tuberculosis (TB) and HIV co-infection
– Ergonomics and vibration (resulting in stress to the musculoskeletal system)	– Non-communicable diseases (mainly hypertension and mental health).
– Managing fatigue and mental health.	
– Plans to reduce exposure are implemented at all sites where risks are identified.	

Our management approach

Sustainable mining plan focus: healthy workforce

Key priorities

Occupational medicine	Occupational hygiene	Disease management	Mental health support	Trauma and emergency care
Fitness assessments, risk-based medical surveillance. Comprehensive and integrated screening and surveillance programmes that examine workplace, health conditions and personal lifestyle risks.	Carcinogen exposure reduction Inhalable exposure reduction Noise exposure reduction Health digitalisation: real-time monitoring of key controls and occupational hazards.	Maintain intensive Covid-19 prevention and screening programmes, HIV and TB programmes, manage chronic and lifestyle diseases. Continue to focus on identifying and managing patients with chronic conditions (particularly hypertension and diabetes) and monitoring these employees. Educate employees.	Promote emotional wellbeing, and support employees with early signs of emotional stress. Facilitate access to professional support through our well-established employee assistance programme.	Ensure post-incident medical care delivers the best possible outcome for an injured person. Resources allocated for the mine are also available to support emergency responses to incidents outside mining premises.

Health strategy

While our emphasis this year has been on mitigating Covid-19 infections, we have continued to focus on ensuring no new cases of occupational disease from exposure to health hazards at our operations. Equally, we aim to support the health and wellbeing of our employees through a proactive, integrated, holistic approach to managing workplace and personal health.

An overview of our health strategy is shown below. Our strong management of other major health risks informed our leading response to managing Covid-19 risks and impacts, reviewed on page 73.

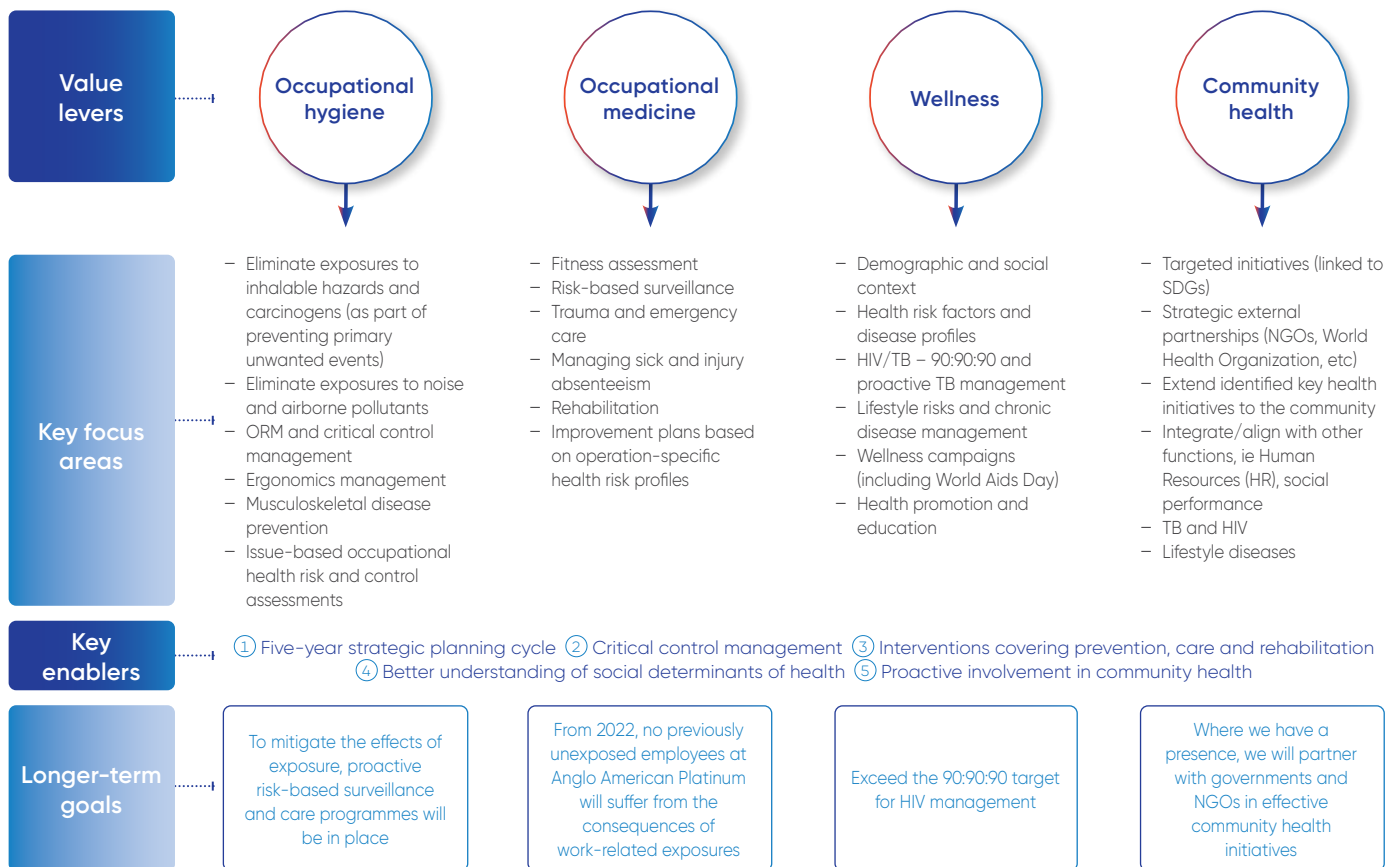
Continuously improving our health performance is underpinned by our progress in aligning health risk management with the operating model and ORM processes, as well as improving occupational hygiene capacity and capability. Ongoing action plans at our operations are aligned with the Mine Health and Safety Council's (MHSC) 2024 occupational health milestones for the South African mining industry, across all our operations. These include targets for controlling HIV, TB, dust and noise (see below).

In 2020, our community efforts were focused on providing Covid-19 relief.

Anglo American Platinum health strategy

Aspirational statement

Ensure a healthy and productive workforce through effective management of occupational health risks, wellness and identified community initiatives



Occupational health

Our primary focus is to eliminate or, where that is not possible, mitigate exposure to health hazards in the workplace to levels below those known to cause harm and prevent associated occupational diseases. We have ongoing initiatives to educate our employees and reinforce messages on managing health hazards.

In 2020 there were no regulatory work stoppages or non-compliance notices issued for medical or health-related matters (2019: zero).

Controlling occupational exposure

Our occupational hygiene programme targets eliminating occupational health hazards at source. By embedding our critical control management process and taking mitigating measures, we are steadily reducing levels of exposure and recording fewer health incidents.

We rigorously identify and manage potentially fatal inhalable health hazards. We are also concentrating on better understanding and managing certain occupational carcinogenic risks, including exposure to respirable diesel particulate matter (DPM), welding fumes, soluble rhodium and platinum, arsenic, nickel and sulfur dioxide. Reducing levels of exposure to DPM remains in particular a key focus.

In workplaces where exceedances above the occupational exposure limit (OEL) are recorded, we investigate and implement engineering and administrative controls, and give employees appropriate PPE, such as respiratory-protection and hearing-protection devices. We ensure that all PPE adheres to stringent national and international standards, including specific requirements for women's physique. Intensive programmes ensure

employees are aware of the hazards to which they are exposed, as well as the risk-mitigation measures implemented, and trained in the appropriate use and maintenance of PPE. Strict controls ensure employees adhere to requirements in areas where hazards are present and they need to use PPE.

Health digitalisation

In parallel with engineering solutions, we monitor key controls and occupational hazards in real time in all areas with recorded exposure levels above the OEL. In recent years, this has significantly improved the understanding of our risk profiles and timely control measures, supporting a marked reduction in potential exposure to health hazards. The real-time data analytics system (Anglo American's operational intelligence suite or OiS) records, analyses and collates data such as dust concentrations, air flow, gas levels and noise on a single platform. It monitors defined parameters and triggers an alert to critical-control owners when over-exposure is detected. This prompts an immediate investigation to determine root causes and effective remedial action to prevent repeat occurrences.

To date, we have rolled out the OiS at six operations (Rustenburg Base Metals Refinery, Precious Metals Refinery, ACP, Mogalakwena Mine, Amandelbult concentrator and Polokwane smelter), capturing data from 419 sensors and monitoring 135 critical areas. In 2021, we plan to roll out OiS to Mortimer, Unki, Amandelbult mining complex and Waterval smelter.

The OiS team is continuously engaging with sensor manufacturers and data-transfer specialists to ensure the platform remains a future-orientated solution. The current work at ACP on using low-range application (LoRa) technology is one example of the future-oriented thinking of this project.

New cases of occupational disease	2020	2019	2018	2017	2016
 Noise-induced hearing loss	4	1	2	6	23
Chronic obstructive airways disease	–	–	–	–	–
Occupational tuberculosis	–	–	–	–	–
Occupational asthma	–	1	1	3	1
Occupational dermatitis	–	–	1	3	1
Occupational cancers	–	–	–	–	–
Platinosis (platinum salt sensitivity)	–	1	–	–	2

Workers potentially exposed to hazards ¹	2020	2019	2018	2017
Total number of workers ²	37,077	36,700	37,096	37,947
Inhalable hazards and carcinogens				
 Workers potentially exposed to inhalable hazards above exposure limit ³	58	127	555	546
 Workers potentially exposed to carcinogens above exposure limit ⁴	714	428	527	983
Noise				
Workers potentially exposed to noise levels ≥85dB(A) <105dB(A)	23,358	19,978	18,639	21,465
Workers potentially exposed to noise levels ≥105dB(A)	–	–	–	3
Number of pieces of equipment emitting noise ≥107dB(A) ⁵	8	12	16	34

Notes:

Impact of attrition not factored

1 Exposure above the occupational exposure limit ('A' classification band) without taking PPE into account.

2 All workers – employees and contractors. Mototolo Mine included from January 2020.

3 2019 figure restated to include contractors.

4 2019 restated to include inferred potential diesel particulate matter (DPM) exposure for Mototolo Mine (acquired 1 November 2018).

2020 includes potential DPM exposure at Tumela Mine not previously recorded.

5 SA mining industry noise sources to be below 107dB(A). Count includes seven items at Unki.



Work was done on the reinforcement of the Helena tailings dam

Managing inhalable pollutants

Occupational exposure to airborne pollutants at our operations – respirable dust, silica and carcinogens – is associated with developing occupational lung diseases, notably TB, lung cancer and airway diseases.

We implement monitoring and control programmes for dust and other airborne pollutants at all sites, with results informing controls and initiatives to reduce levels of exposure. Exposure levels are linked to medical surveillance as an additional control to monitor employee wellness. We have achieved ongoing improvements, most efficiently at operations where we are implementing digital real-time monitoring.

We are tracking exposure reduction against a 2019 baseline assessment for carcinogens and inhalable hazards. We have set annual targets from 2021 to increasingly reduce levels of exposure and achieve zero exposures to carcinogens by 2025:

- The number of workers potentially exposed to inhalable hazards above the exposure limit decreased from 127 in 2019 to 58 in 2020
- The number of workers recorded as potentially exposed to carcinogens above the exposure limit increased from 428 in 2019 to 714 in 2020. The increase does not reflect the exposure reduction achieved through implemented controls as results are taken over a 12-month period to express the risk. The new baseline results are calculated in the next year to accurately reflect the exposure data. The carcinogen data mainly comprises exposure to diesel exhaust emissions.

Exposure above OEL by operation:

- Waterval smelter – 32 workers (metallurgical dust and SO₂); 22 (coal-tar pitch volatiles)
- ACP – 13 (nickel)
- PMR – 14 (soluble rhodium)
- Unki smelter 16 (metallurgical dust).

Diesel particulate matter: A variety of diesel-powered equipment is routinely used in underground mines, generating exhaust emissions that contain a mixture of gases and solid particles (diesel particulate matter). Our diesel particulate matter (DPM) reduction programme is well advanced, with the key initiative being to retrofit exhaust systems with filtering devices that reduce harmful particulate matter by over 95%. Other control mechanisms include optimising local exhaust ventilation flow and personal exposure monitoring. We have started to investigate real-time monitoring of differential pressures and inlet temperatures on diesel particulate filters evaluating efficiency. These improvements have assisted in understanding control exposure parameters in various underground conditions. To date, we have fitted 61 diesel particulate filters (eight at Modikwa Mine, 20 at Amandelbult Mine 26 at Mototolo Mine and seven at Unki Mine). The retrofitting strategy has been finalised and includes an installation schedule for different operations.

Although there is no OEL for DPM in South Africa and Zimbabwe, Anglo American Platinum has established an in-house DPM limit of 0.1mg/m³ elemental carbon. We currently have 679 employees potentially exposed to levels above this limit (341 at Mototolo Mine, 259 at Amandelbult and 79 at Unki).

Fugitive emissions: Metallurgical dust, coal tar pitch volatiles, nickel and sulfur dioxide (SO₂) have been identified as the main fugitive emissions at our smelter operations. Emissions generated by cleaning activities as well as the crusher plant and furnaces are the main sources of exposure. We implement plans to reduce exposure, with the main focus on availability and efficiency of local extraction ventilation systems. Task teams are in place at RBMR and PMR to address employee over-exposure at high-risk areas. Controls implemented at Mortimer smelter have ensured employee levels of exposure to metallurgical dust are below the legal limit.

Platinum salt sensitivity: We have assessed levels of exposure to respiratory sensitising platinum compounds at our operations. Exposure reduction plans at PMR are aligned with the International Platinum Association (IPA) targets for 2025.

Respirators: In 2019, we established a centre at our process clinic where we evaluate the best fit of respirators for individuals. The quantitative method considers various facial parameters. Employees required to wear a tight-fitting respirator must be fitted properly and tested for face-seal leakage before using the respirator in a high-risk area. Currently, on-site respiratory fitment testing is done during initial and periodic medicals for all employees working in high-risk areas. The respirator fitment programme was tempered, due to the impact of COVID-19.

Noise and hearing conservation

All operations have comprehensive noise registers comprising an equipment inventory and mitigation measures to reduce overall noise readings. Engineering solutions applied to haul-truck cabins and rock drills significantly mitigate the risk of exposure to excessive noise levels. We have also steadily decreased the proportion of employees working in higher-risk categories.

Our focus remains on controlling exposure at source and protecting employees who work in environments where noise levels exceed an eight-hour 85 decibel (dB(A)) limit. We have 16,139 pieces of equipment emitting noise levels above 85dB(A), compared to 15,172 in 2019, and eight emitting levels above 107dB(A) – diamond cutters, conical crushers and sandblasting devices.

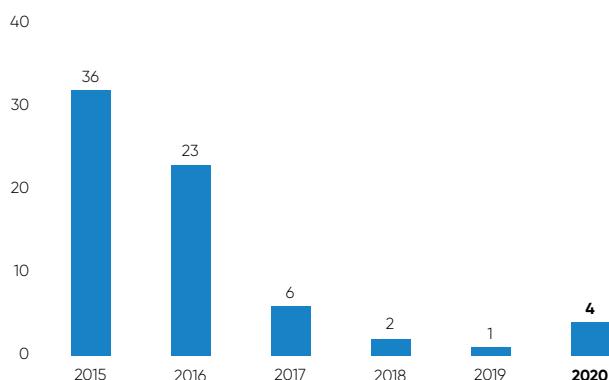
All operations continue to work with equipment manufacturers to develop engineering improvements to reduce noise levels to the 2024 milestone of below 107dB(A). We continue to test viable engineering solutions for our operations that will reduce levels by 10dB(A) and ensure we control noise to permitted levels.

Customised hearing-protection devices at all sites (mining 21,635; process 1,870) are fitted individually, and seal-tested to provide the best attenuation against noise sources. Annual maintenance and fitments are undertaken at occupational health clinics. Noise zones are clearly demarcated in every workplace, enforcing the use of protective devices.

To detect early hearing deterioration, we conduct both annual and ad hoc (depending on noise exposure) audiometric screening examinations, which incorporate the required standard threshold shift. Where necessary, we implement additional corrective measures before permanent NIHL develops.

In 2020, we recorded four new cases of NIHL. The fluctuation in the number of NIHL cases is likely, given the latency period between exposure and noise-hearing loss.

NIHL new cases



Monitoring the health of employees

Our occupational medical-surveillance programmes ensure that the baseline health of every employee entering the workforce is recorded; their state of health is monitored while employed; and focused initiatives help individuals sustain and potentially improve their health. These records have been critical in our initiatives to identify workers with certain underlying medical conditions that increase the risk for severe illness from the virus that causes Covid-19, such as diabetes or heart conditions, as well as those with conditions that might increase the risk, such as asthma or high blood pressure. Our approach to providing additional precautionary measures to increase the protection of these vulnerable employees from contracting Covid-19 is reported on page 73.

Our programmes are designed to detect risk factors and early signs of ill-health related to occupational exposures and lifestyle conditions. Medical surveillance therefore incorporates screening for common lifestyle health-risk factors, non-communicable and communicable diseases shown below. Guided by our Covid-19 risk assessment, in March 2020 medical surveillance was adapted to reduce interaction and potential exposure, and periodical medical examinations were extended for a three-month period. Spirometry and audiometry tests were postponed for 12 months if previous tests were normal and there was no medical indication to repeat. Medical-surveillance programmes resumed in July and focused on clinical examination to determine health status to be able to work safely.

Common lifestyle health-risk factors

- TB and HIV
- Obesity
- Smoking
- Hypertension
- Diabetes

Based on our health profiling and wellness examinations, we implement initiatives to address lifestyle-related health risks, particularly smoking, nutrition, stress and mental health conditions.

We use an advanced electronic system that allows health professionals to capture each health visit through a secure website. The employees' online records are linked to their hazard-exposure profile and can be accurately tracked and analysed over time.

In 2020, 59 employee contracts were terminated due to ill-health and disability, compared to 67 in 2019.

Musculoskeletal conditions

The most prevalent musculoskeletal issue at our operations is lower-back pain in machine operators. The most common musculoskeletal injuries involve limbs and lower-back injuries. In all cases, we ensure the necessary assessments and, where applicable, referral to a specialist, operation (if required), compensation, rehabilitation and return to work.

We continue to implement education and awareness initiatives on correct manual handling, good posture and periodic stretching exercises. We conduct ergonomic risk assessments for mobile equipment and tasks involving manual handling, and implement corrective measures to mitigate the risk exposure profile at that operation. For example, to lift heavy loads, we aim to use equipment instead of physical labour.

Fatigue management

Fatigue is a complex, multifactor challenge with many potential effects. Various factors, such as medical and psychological conditions as well as aspects of a person's workplace or lifestyle, can contribute to fatigue and, in turn, reduced alertness and poor judgement. The diverse impacts on people's lives and wellbeing during the pandemic have heightened fatigue-related risks. A particular challenge is among workers who have had Covid-19 – even with mild symptoms – and many people report fatigue long after recovery. Fatigue-related risks are also increased at some operations by exposure to heat stress.

Our current activities to manage and control this potential safety and health risk include:

- Seeking to balance workloads
- Staffing and shift scheduling

- Applying controls, such as compulsory fatigue breaks
- Training employees on how to manage fatigue
- Assessing alertness (readiness) for duty
- Monitoring fatigue

Our approach to managing fatigue is most advanced at Mogalakwena Mine, where we have implemented sophisticated fatigue-prevention, prediction and detection technology in high-risk areas. These include cameras in truck cabins and tracking fatigue shifts using bio-rostering. Our medical-surveillance programmes also consider contributing factors to fatigue.

Given the complexity of the challenge, we recognise the need to foster greater cross-functional collaboration across the human resources, health and safety disciplines to ensure a more integrated approach to managing fatigue.

2024 industry health milestones

Our operations are well on track to meet milestones set by the Mine Health and Safety Council (MHSC) for 2024. We continue to cooperate with the industry through the MHSC in developing programmes and initiatives to reach these milestones.

The December 2024 health milestones are:

- To eliminate coal workers' pneumoconiosis – 95% of all exposure measurement results must be below the milestone level of coal dust respirable particulate of $1.5\text{mg}/\text{m}^3$ (<5% crystalline silica)

Our performance: No exceedances were recorded for exposure to coal dust in our operations where coal activities occur

- To eliminate silicosis – 95% of all exposure measurement results will be below the milestone level of respirable crystalline silica of $0.05\text{mg}/\text{m}^3$

Our performance: Target achieved given the low silica percentage in our ore

- Reduction and prevention of TB and HIV and Aids – the TB incidence rate should be at or below the national TB incidence rate

Our performance: Annualised TB incidence rate 187 per 100,000 in 2020 compared to national average of 615 per 100,000 (in 2019)

- To eliminate noise-induced hearing loss – total operational or process noise emitted by any equipment must not exceed milestone sound pressure level of 107dB(A)

Our performance: Eight pieces of equipment emitting noise levels above 107dB(A) were recorded during the year. Plans are in place to mitigate the number of employees exposed to high noise levels. We plan to lower the noise from these pieces of equipment to align with compliance to MHSC milestones.



⌕ Cobalt sulphate packing plant, RBMR

Employee wellbeing

With the onset of Covid-19, we redirected the focus of our health-related initiatives to managing the diverse impacts and implications of the Covid-19 pandemic on employee health and wellbeing. Our agility in responding effectively has been supported by our integrated approach to health promotion, risk prevention and management.

All our operations are developing formal wellbeing strategies to be in place by end-2021, with implementation from 2022.

We have established wellness initiatives across our operations, supported by related campaigns. In 2020, these campaigns were Covid-19 focused. From 2021, we will reinstate other focus areas, with Covid-19 elements integrated, now that we are confident we have the required systems and resources in place to effectively manage the disease. Our various programmes include striving to educate people on preventing and managing chronic and lifestyle diseases, and to positively influence their wellbeing and lifestyles. In addition to HIV, TB and chronic-disease management, we continue to focus on mental health, drug and alcohol abuse, and other health issues. Contractors have access to our HIV and chronic disease-screening services.

Through our wellness ambassador programme, we strive to increase levels of knowledge and awareness of common health issues among our employees, and to promote ownership of personal health in the workplace. At each operation, we have wellness ambassadors – typically health and safety representatives – who serve as role models and ‘go-to’ people for our employees to find support and direction to the correct point of care or service. We currently have 70 trained ambassadors operating across six sites.

We recognise the importance of a good work-life balance. An imbalance can put strain on an individual and affect their physical and mental wellbeing. The Covid-19 pandemic has presented new dynamics, with the shift to remote working where possible and the need to ensure effective social distancing. Our wellness ambassador programme, employee assistance programme, medical-surveillance programmes and HR interactions support individuals in identifying and managing challenges. However, we recognise the need to develop a cross-functional and strategic approach to monitoring and promoting employee work-life balance.

As a condition of employment, permanent employees are required to have a medical aid. We encourage our independent contractors to have a medical aid. We continue to engage in developments at sector level through the Minerals Council, with a focus on occupational health and safety legislation, specifically workers’ compensation.

Managing HIV/Aids and TB

TB and HIV/Aids are significant public-health threats in southern Africa, with potentially life-threatening consequences for employees and their communities. These threats have been amplified by the spread of Covid-19, as people who have HIV or TB (or both) are considered more at risk of severe illness if they contract the virus. At our operations, ensuring that immunocompromised employees have their chronic diseases under control, with viral load suppressed, has been an ongoing focus. In March 2020, we gave all employees with chronic medical conditions, including HIV, treatment for six months to support adherence. Follow-up visits from September have indicated sustained compliance.

Anglo American Platinum is a recognised leader for its TB and HIV/Aids management programmes in the workplace and our performance is in line with World Health Organization and DMRE expectations. Our integrated response includes implementing appropriate health policies, allocating resources to enrol HIV-positive employees on treatment programmes, and reducing the incidence of TB and its associated complications.

We faced a setback in implementing some of our HIV and TB management initiatives in the second quarter as we focused on managing Covid-19 and restricted in-person interactions. However, in the second half of the year, as we adjusted to new ways of working and Covid-19 infection rates reduced, we intensified our wellness campaigns, group counselling and implementation of testing with treating/family medical service providers. We continue to concentrate on improvements at Amandelbult, where HIV and TB prevalence is highest. Recent developments include using a gene expert for better TB diagnosis and improved results turnaround time, intensifying the roll-out of isoniazid prophylaxis (INH) to reduce new cases, and incentivising newly traced HIV-positive employees to start and adhere to treatment programmes.

Anglo American Platinum has for a consecutive year achieved the first two 90:90:90 targets on HIV management set by UNAIDS. At the end of 2020, 94% of our permanent workforce (20,080 employees) knew their HIV status. The uptake of ART by HIV-positive employees increased to 92% (2019: 91%), which included an additional 107 employees in 2020. Of the known HIV-positive employees on ART, on the basis of available data, 84% have viral load suppression against a target of 90%.

Determining an accurate calculation for this performance indicator is challenging. While the majority of HIV-positive employees receive ART from Platinum Health doctors who provide viral load information, some employees use non-Platinum Health doctors (Mototolo/corporate/Polokwane), for whom viral load information is not available. The calculation of viral load suppression in 2020 was based on the number of HIV-positive employees on ART while in 2019 it was based on total viral load tests undertaken, impacting the year-on-year comparison.

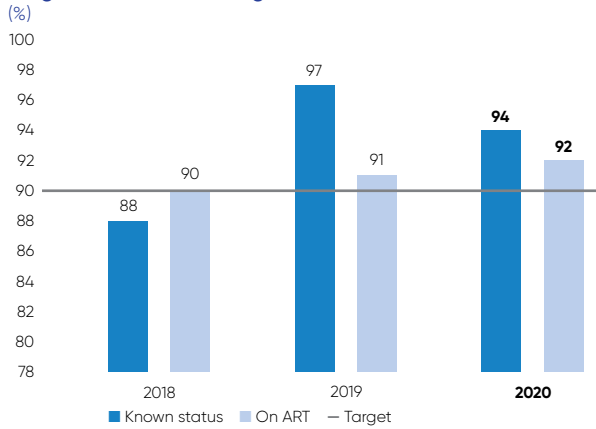
A total of 42 new TB cases were recorded at our operations in 2020, a 43% decrease on 74 in 2019. New cases were split 28 pulmonary TB and 14 extra-pulmonary. We have not recorded any TB retreatment cases in the last three years. Our healthcare facilities have infection-control measures and there have been no reported cases of occupational TB among healthcare workers in the last four years. The combined HIV and TB initiatives contributed to the TB incidence rate decreasing from 328 per 100,000 people in 2019 to 187 per 100,000 in 2020, significantly below the national average of 567 per 100,000. In 2020, we recorded one TB death (2019: three).

The number of reported new cases of HIV remains a challenge. There was an encouraging 48% decrease in the number of new cases recorded, from 325 in 2019 to 168 in 2020. New cases comprised 88 employees who were either new recruits or previous status unknown, and 80 who changed from negative to positive status.

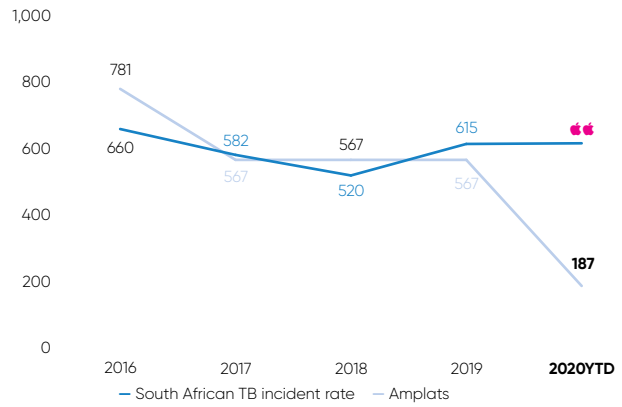
Human and social

Safety and health continued

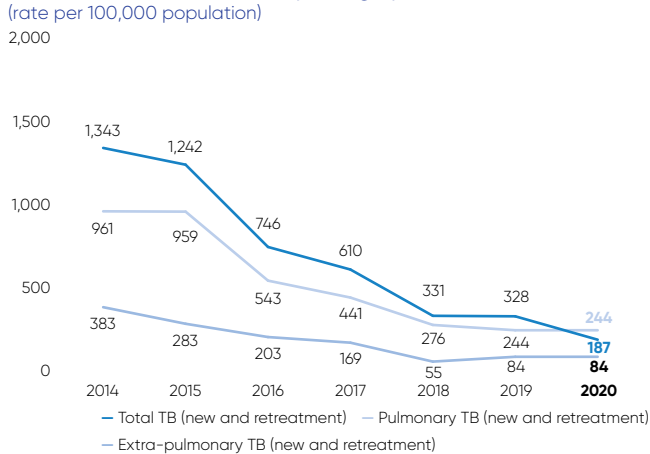
Progress towards HIV targets



Tuberculosis incidence rate annualised



Tuberculosis incidence rate by category



Employee wellness

	2020	2019	2018	2017	2016
HIV management					
≥90% at-risk population know their status ¹	94%	97%	88%	82%	NM
Employees who know their status ²	20,080	21,587	17,955	20,173	22,222
≥90% known HIV+ employees on anti-retroviral therapy (ART)	92%	91%	90%	86%	70%
Employees on anti-retroviral therapy (ART)	4,454	4,516	4,203	5,073	3,569
Tuberculosis					
Tuberculosis new cases	42	74	72	148	253
Tuberculosis retreatment cases	—	—	—	7	33
Tuberculosis deaths	1	3	5	5	14

Notes:

Impact of attrition not factored

NM = not measured

¹ HIV management excludes Unki. Reporting against 90:90:90 UN Aids targets began in 2017.

² All known HIV-positive plus non-reactive cases. 2016 = number of employee VCT cases (tested)

Chronic disease and lifestyle management

We continue to focus on identifying and managing patients with chronic conditions (particularly hypertension, HIV and diabetes) and assessing whether they are still fit to perform their duties safely and productively. All employees with chronic conditions are monitored regularly through our occupational health clinics to minimise associated risks.

We strive to identify health risks through regular screening and to manage them accordingly to prevent adverse health consequences or injury as far as reasonably practicable. The most prevalent and concerning lifestyle-associated health risks in our workforce are high salt intake and tobacco smoking. We reinforce promotional messages on healthy lifestyles at occupational health and dressing-station clinics, during team talks and wellness campaigns, and via health posters. We plan to further develop our efforts to support weight loss and promote physical activity levels.

Since 2019 we have been focusing more on monitoring body mass index (BMI), as levels that are high or low present health risks. Depending on the level of BMI, we implement measures to promote an improvement and monitor progress at appropriate intervals.

At our single-accommodation villages, we monitor average meal participation to ensure our workers are adequately nourished. At all sites, the main (lunch) meal participation remains over 85%. We closely monitor dietary intake and ensure food safety, storage and preparation requirements conform to recommended standards.

Mental health support

We are placing greater emphasis across our operations on supporting employees in managing mental health issues. This support has been critical in helping to mitigate effects associated with the Covid-19 pandemic, which can be greater for people with pre-existing mental health conditions. To promote emotional wellbeing, and support employees with early signs of emotional stress, we facilitate access to professional support. Through our well-established company-funded employee assistance programme, we help employees and contractors and their family members who need psychosocial support. The programme is run by social workers, clinical psychologists and psychiatrists. The facility is provided by an external service provider and access to support is through a confidential 24-hour helpline, as well as face-to-face and email contact.

We monitor and analyse engagements to understand the most prevalent challenges, then design and implement initiatives to address these, and assess progress in mitigating problems. In 2020, we recorded 2,427 mental health consultations across our operations (2019: 1,629), mainly for mental health (50%) and social issues (48%). The increase in consultations was primarily due to people in isolation for Covid-19 risk management.

Financial wellbeing

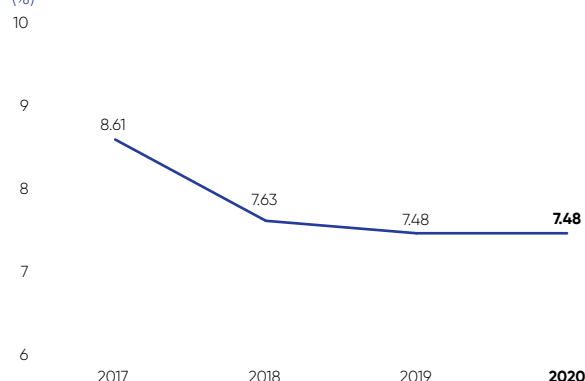
Mental-health challenges are often related to financial difficulties. In recent years, we have concentrated on mitigating the over-indebtedness that has affected the wellbeing of many employees at our operations. The benefits of our Nkululeko programme are evident in impressive numbers (pages 106 and 107 [📄](#)) but, more importantly, in improved mental health for the thousands of employees involved.

Absenteeism

Initiatives that support employees in achieving optimal levels of health also assist in reducing levels of absenteeism, which can have a significant impact on the ability of our teams to execute planned tasks safely and effectively.

Absenteeism

(%)



The Covid-19 pandemic has presented additional challenges to workforce availability (see page 73 [📄](#)) and to ensuring the right safety mindset (see page 83 [📄](#)).

The total absenteeism rate (from injuries on duty, non-work-related injuries and sickness) was 5.68% compared to 7.48% in 2019. This performance indicator was affected by reduced workforce attendance during the pandemic, particularly in the lockdown-restricted second quarter, with associated reductions in injuries, off-mine injuries, sick leave taken, and employee visits to doctors.

Barring the negative impacts of Covid-19, we continue to drive lower levels of non-work-related illness through chronic disease management processes such as aligning reviews with renewing chronic-medicine prescriptions and understanding and streamlining administrative processes for disease management.

Our absenteeism rate remains high compared to the industry standard, and we are strengthening our approach by developing corrective initiatives based on more insightful medical-surveillance reporting and effective illnesses management.

A particular focus is on return to work after frequent or prolonged sick leave. This continues to be driven by a cross-functional team and a coordinated approach between the human resources and health disciplines.

Health indicators

For the year ended 31 December

Absenteeism (days)	2020	2019	2018	2017	2016
Absenteeism due to injury on duty	20,176	31,962	22,702	30,514	42,670
Absenteeism due to non-work-related illness and injuries	285,762	352,051	384,474	496,109	767,587
Total absenteeism rate (%)	5.68	7.48	7.63	8.61	8.77

Investing in community health

In 2020, our community health initiatives focused on contributing meaningfully to mitigate the impact of the pandemic on lives and livelihoods. Our Covid-19 community response plans provide education and awareness on virus prevention measures, PPE, food packages for vulnerable community members, supporting community health service provision, and supporting community home facilities. An overview of our contribution is provided on page 5 [📄](#). We have also provided direct community support to combat gender-based and domestic violence (see page 128 [📄](#)).

To promote healthcare in the broader community, we are developing our understanding of locally relevant health priorities. We aim to forge strategic partnerships to implement community health solutions that will realise our vision: to achieve the UN SDG3 targets for health in all our host communities by 2030, with particular focus on girls, young women and people with disabilities. SDG3 has nine target areas for improving the health and wellbeing of people of all ages: maternal, neonatal and child health; communicable diseases; non-communicable diseases; mental health and other health risks; mitigating road-traffic accidents and strengthening health systems and funding.

In 2019, we completed social and health baseline assessments across our operations and started a stakeholder review to identify ways to achieve these targeted outcomes. The results and

recommendations are informing the development of site-level stretch targets linked to SDG3 and selecting initiatives to achieve these targets. Our planning is being adjusted in line with Covid-19 impacts and related known and unknown implications. In 2021, we will engage further with relevant government departments and other stakeholders to inform the selection of appropriate interventions and develop plans to be implemented in 2022. The close alignment between health and sustainability strategies supports the expansion of existing wellness initiatives, such as HIV and TB programmes.

Anglo American Platinum continues to contribute to community health through specific services, including:

- **Emergency medical services:** The resources allocated for mine emergency-medical services are also available to support emergency responses for incidents outside the mining premises. These include vehicle accidents on public roads, medical emergencies in the community and cases associated with community violence
- **TB contact tracing:** Working with district TB coordinators, our facilities focus on TB contact tracing
- **Alchemy project:** Our SHE management programme extends into host communities through our Alchemy project and our community empowerment and development programme (reviewed on page 124 [📄](#)).



[🔍](#) Naledi clinic



Our people

Resource the company
with an engaged
and productive workforce

Human resources

Our people



A people's approach to the Covid-19 pandemic

Amid the evolving situation of the Covid-19 pandemic in 2020, the Anglo American Platinum human resources (HR) function developed a response plan to mitigate business disruption and ensure the wellbeing of employees. This was developed taking various Covid-19 scenarios in consideration.

Continuous communication

During this period, a key focus was to continuously communicate with a variety of stakeholders (especially representative trade unions), including engagements led by the CEO. This was followed by periodic engagements with the unions' national offices, regional offices and operational branches. Engagements were led by the HR executive and operational executives, focused on operational updates on different government regulations and guidance for operational activities.

In addition, there has been continuous communication with all employees on issues related to the pandemic.

Employee pay and benefits

The pandemic and initial lockdown phases resulted in a large proportion of employees working from home. This in turn required a revised approach to dealing with remuneration and benefits during and after the lockdown periods. From the start of the pandemic to date, the agreed approach to employees' remuneration and benefits includes:

Fixed basic salary	All employees qualify
Medical aid, pension, housing	All employees qualify

This approach was reviewed and updated as required in terms of the business and financial impact, but also in line with evolving country dynamics.

Isolation and quarantine facilities

In response to the pandemic, we began securing accommodation facilities to isolate and quarantine employees. These were all compliant with requirements of the World Health Organization (WHO), National Department of Health and National Department of Public Works.

As part of the initial phase, 1,257 beds were secured at facilities close to our operations.

A second phase was planned for and informed by emerging demand, with over 2,500 beds available.

Working from home arrangements

With the declaration of a state of disaster in late-March 2020, we proactively prepared to de-densify workplaces, primarily office facilities. This included having 50% of staff in the office while the balance worked from home, and rotating weekly to prevent the spread of the virus.

With implementation of the national lockdown, this approach was reviewed and employees started to work from home, except for essential-services employees. In most instances for office staff, the work-from-home approach continued throughout 2020, with the IT function providing necessary support.

This approach is monitored continuously, in line with evolving requirements of the pandemic.

Labour impact

During the initial phase of the pandemic, the National Institute of Communicable Diseases (NICD) compiled various projections on the numbers of South Africans who could become infected and the related death rate. In response, we conducted an analysis on possible skills shortages at our operations should there be a surge and spread of the virus.

Based on this and to ensure business continuity, the operations examined different options for critical skills and back-up labour.

Management approach

The Anglo American Platinum approach to its people is an HR response plan that seeks to enable the business to deliver its full potential through its people in a values-driven and team-based way. This plan is based on four key levers:

- People, culture and skills development
- Future-fit employee relations climate
- Agile labour management
- Transition and change.

We measure our success in achieving these value levers through:

- An engaged, collaborative and team-based workforce
- A future-fit workforce and environment
- Having the right people at the right time in the right place
- Having an effective organisation.

It is also key to look at the future of work, which is being fundamentally reshaped by advancing technologies and new approaches.

Fines or directives

No fines or directives were issued.

Human resource development

We continually focus on the importance of developing our people as a key component in achieving our strategic objectives. In tandem, we are considering the impact of the so-called fourth industrial revolution, employee of the future and future of work, as well as the impact of the pandemic on the way people work and nature of the workplace.

The combination of these factors and a multigenerational workforce has a major influence on the company's learning landscape, specifically:

- How employees want to work (interactive, engaging, access to experts, co-created, remotely)
- Their benefit preferences (job-change options, mobility options, job flexibility, constant learning)
- What technology platforms they use and how they are connected (smart devices, always on, social media, 24x7 connectivity).

Accordingly, it is critical that we view the future of work and the employee of the future holistically, and through the Anglo American Platinum lens. The future of work, in line with the fourth industrial revolution, indicates that it will involve:

- Deploying digitally enabled hardware tools to perform or improve activities that have traditionally been carried out manually or with human-controlled machinery
- Using connected mobility, as well as virtual and augmented reality, to empower field, remote and centralised workers in real time
- Linking operations, IT layers and devices or systems that are currently separate
- Leveraging algorithms and artificial intelligence to process data from sources in and beyond the traditional value chain, to provide real-time decision support and projections.

Within Anglo American Platinum, introducing new mining technologies and methods as part of our modernisation and mechanisation strategy to improve performance efficiency and safety has required a different set of responses:

- Rapidly modernise existing conventional mining operations to increase safety, improve production output and lower costs. This is a large-scale transition to new equipment as well as a radically different operational method and associated team leadership model

- Prepare for underground mechanisation where specialised equipment will be deployed in pilot shafts to increase production and improve safety, and then rolled out to new operations. This represents a new skills set with the ever-increasing ability to operate and maintain a new fleet of equipment underground
- Quickly upskill people and commission new facilities. In several cases, this means a whole new operation to be staffed over a very short commissioning period in a remote area
- Prepare the company for sophisticated technology-driven mining approaches including data-driven mining, mining automation and cutting technologies as more and more mining is performed from the control room, and with self-managed mining operations based on sensing and data analytics.

The employee of the future is defined in the Anglo American Platinum landscape, dictating that they will work with:

- Immediate, remote expert assistance and real-time guidance
- In-depth technical knowledge of machinery
- Data-rich analysis and interpretation
- Cognitive and visio-spatial abilities
- Ability to apply more complex skills by monitoring equipment and problem-solving
- Advanced technology design, engineering and maintenance
- Strong analytical and technological skills.

The new skill sets required by Anglo American Platinum employees has fuelled the introduction of a digital talent and learning capability strategy.

Attracting and retaining talent

We have adopted an integrated approach to growing our talent and building a strong leadership pipeline to achieve our strategic objectives. The aim is to ensure that the workforce and leaders have the necessary skills and capabilities to drive business impact by:

- Growing and finding the right talent for all roles, with specific focus on management and critical skills roles
- Improving the standard of talent in the organisation over time
- Enhancing succession planning across the company
- Fostering the motivation and engagement of our talented people and their managers. We will ensure we have the best talent in the right place at the right time to meet our business needs now and in future.

Our 2020 talent plan successfully achieved key objectives:

- Talent identities for all employees in middle management and above were reviewed
- Succession planning focused on business-critical roles
- Development plans were rolled out for all 'ready now' and short-term successors
- Strengthening the leadership pipeline by improving access to learning and development opportunities for all employee levels, with specific reference to the Leadership Academy programmes
- Strengthening the pipeline for women in leadership positions, to support mining charter targets.

Future focus:

- Continue concentrating on increasing, engaging and retaining 'ready now' successors, particularly for business-critical roles
- Continue to develop short-term successors to be ready for future roles
- Improve diversity in the leadership pipeline, with specific focus on women in future leadership positions. The accelerating plan for women at senior management level to ensure we meet the mining charter target of 33% females by 2023 is progressing well. A new women in leadership programme was implemented by

Human and social

Our people continued

Anglo American plc as part of the Leadership Academy and nine women from Anglo American Platinum have been nominated to attend

- Continue increasing participation with other business units to ensure we fill positions internally and ensure we spread talent opportunities across business units
- Develop an early talent strategy to identify and develop talent as soon as possible to strengthen our pipeline with the skills and attributes we need for the employee of the future.

In addition to a new approach, we also need to rapidly extend our ability to identify and engage with talent in local communities to

create technological nodes where community members can bridge the digital divide and provide generations of highly skilled mining talent for years to come.

Expenditure on training and development for the South African operations was 5.05% of total payroll in 2020 (2019: 6.59%) while each employee received an average 33 hours of training (2019: 53).

The drop in training hours during 2020 is primarily as a result of the Covid-19 pandemic and the resultant closure of learning delivery centres during the national lockdown.

Training and development

	FY20	FY19
Average per full-time employee (FTE) on training and development (hours)	33	53
Average amount spent per FTE on training and development	R25,521	R24,754

Employee development programmes

Initiative	Description	Business benefits	Quantitative impact of business benefits (monetary or non-monetary)
Young professionals (bursars and graduates)	Anglo American Platinum has a well-structured bursary and graduate-development programme focused on ensuring a diverse pipeline of professionals into the business across all key disciplines	Ensuring a healthy pipeline that proactively feeds professionally competent people into Anglo American Platinum. Ensuring development of a specialised and competent workforce	The programme addresses one of South Africa's biggest socio-economic challenges – the lack of qualified engineers and technically competent people
Engineering learnerships	Learnership programmes help mitigate the skills shortage in engineering artisanal levels that Anglo American Platinum requires	Learnerships develop employee skills required to become artisans. They also support development of local communities, for a readily accessible pool of skills	Developing employees supports skills retention at operations. Employment for local communities through post-schooling qualifications
Fast-tracking programmes	Fast-tracking programmes address under-representation of historically disadvantaged South African (HDSA) employees in technical fields, focusing on supervisory and management categories	Developing HDSA employees with the right skills in under-represented areas, enabling them to fill supervisory and managerial roles	The programme addresses the need for Anglo American Platinum to be adequately represented across all occupational levels in line with its transformational objectives
Skills programmes	Various skills programmes, consisting of groups of unit standards that allow learners to become employable for a specific role and recognised by the Mining Qualification Authority	Giving learners the opportunity to participate in a skills development programme with national recognition	Employees benefit from nationally recognised qualifications relevant to the industry that also create the opportunity for promotion
Cadetship/internships	Training individuals from local communities in skills for specific jobs to be employed immediately into permanent positions or later as needed	Ensuring a pool of technically competent people from local communities who are immediately available to fill specific roles in the business on completing the cadetship/internship	Addresses the socio-economic issue of preparing youth for employment by providing experiential training in the mining and minerals processing industry

Our performance with selected training and development programmes in 2020 is summarised below:

Engineering training	259 learners enrolled in various engineering training schemes (2019: 291) and 44 qualified (2019: 214) 2,139 participated in different specialised trade-related short courses (2019: 3,638)
Leadership development	– As a result of the Covid-19 pandemic during 2020 no management and leadership development initiatives took place, however, delegates that attended programmes during 2019 continued on-line during 2020.
Developing our young professionals	Bursaries and graduate-in-training programmes in specific fields for 211 people (2019: 211)
Access to adult basic education and training (AET)	AET provided to 121 employees (2019: 165) and 22 contractor employees (2019: 44) as well as 47 community members (2019: 127)

Note: due to the pandemic and national lockdown in South Africa, the delivery of supervisory and leadership development programmes was severely affected in 2020. We used the period to revise all programmes for implementation in 2021.

We also reviewed the supervisory development programme to co-create an integrated programme that equips supervisors and frontline leaders with the necessary basic technical and behavioural skills and knowledge, based on the operating model principles, to achieve our business goals. The new supervisory development programme will be launched in 2021.

The leadership development programmes were also revised in 2020, based on redefined competencies that align with our purpose and strategic objectives to ensure a competent future leadership pipeline.

Transforming the workplace

For Anglo American Platinum to meaningfully transform itself and the communities in which it operates to improve people's lives and make a positive and sustainable contribution, we have developed a framework that defines our vision for transformation and focuses on:

- Employment equity
- Skills development
- Inclusive procurement
- Socio-economic development
- Ownership.

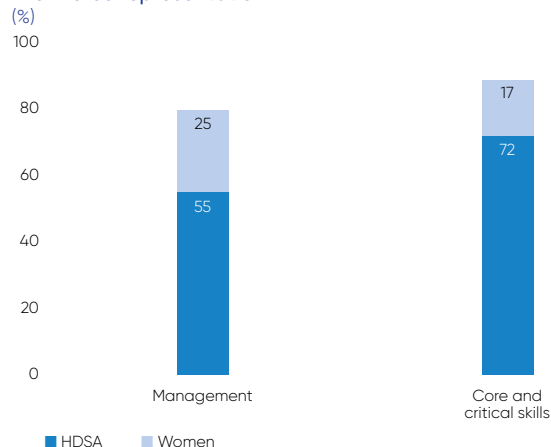
Transforming the workplace to reflect the diversity of South Africa's population and comply with mining charter requirements is a business imperative.

We are successfully diversifying our workforce through targeted recruitment and development initiatives for historically disadvantaged people, women and people with disabilities. Meeting representative demand for skills at managerial level is

an ongoing challenge. We focus on rewarding good performers, developing skills, providing opportunities for career advancement, and developing leadership capacity.

By the end of 2020, 80% of our managers were HDSAs (2019: 78%), exceeding the prior South African mining charter requirement of 40%. HDSA representation in core and critical skills was 89% against the mining charter target of 60%. At the end of 2020, women made up 25% of management and 20% of the total workforce (2019: 24% and 19% respectively), with 17% in the disciplines of mining, engineering, projects and metallurgy (2019: 17%).

Workforce representation



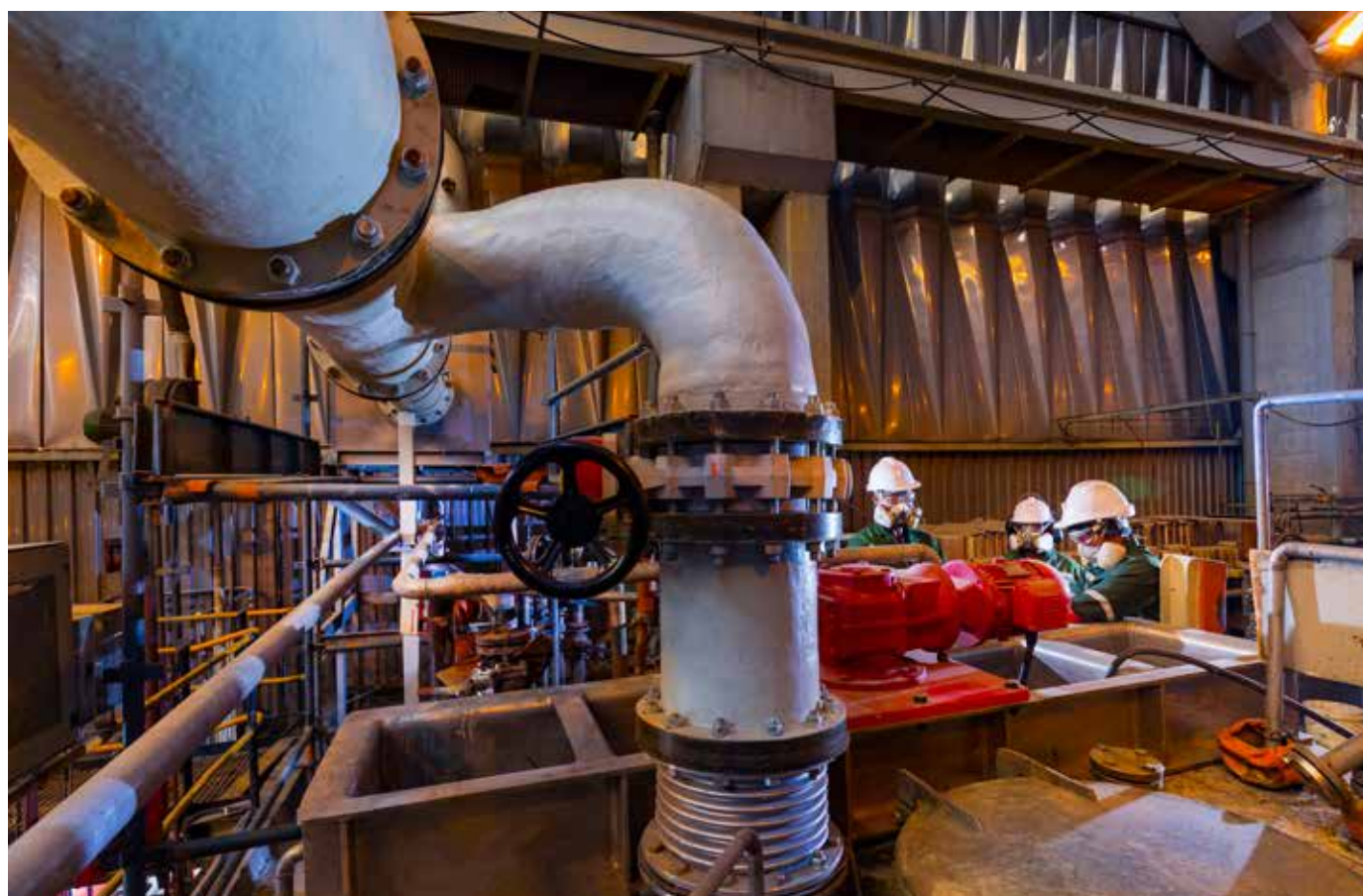
Employment equity as per mining charter

We continue to ensure the representation of historically disadvantaged South Africans and women in particular at management level, in line with our employment equity plan. The focus remains on removing barriers to ensure their equal participation in management structures. There is still a need to improve on female representation, particularly women at senior management levels.

Overall, there has been a significant improvement across occupational levels, as well as by race and gender. There has also been a slight improvement in employees with disabilities' representation due to a voluntary declaration initiative, but more work is needed at the different operations on voluntary declaration of any disabilities as well as disability awareness and training.

Description	Measure	 2020 progress against target %	Compliance target (MCIII 5-year targets) 2019-2023 %
			%
Diversifying the workplace to reflect the country's demographics and remain competitive	Top management (board level)	42	50
	Women in top management	33	20
	Executive management	50	50
	Women at executive level	33	20
	Senior management	55	60
	Women in senior management	20	25
	Middle management	73	60
	Women in middle management	28	25
	Junior management	83	70
	Women in junior management	24	30
	Core skills	67	60

Note: CEO and Finance Director are part of Board and excluded from executive management.



General view of the RBMR plant

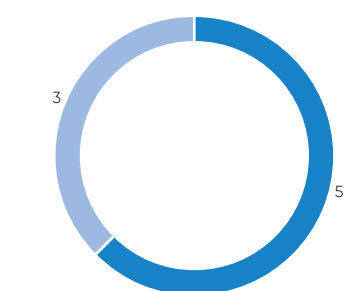
Employment equity per occupational level

(2020 statistics as per Employment Equity Act requirements)

Occupational levels	Male				Female				Foreign nationals		Total
	African	Coloured	Asian	White	African	Coloured	Asian	White	Male	Female	
Top management			1	4	2			1			8
Senior management	45	4	15	76	17		7	12	6	1	183
Professionally qualified and experienced specialists and mid-management	676	20	23	388	270	8	21	140	36	7	1,589
Skilled technical and academically qualified workers, junior management, supervisors	2,438	32	10	561	838	12	7	161	129	5	4,193
Semi-skilled and discretionary decision-making	11,277	9		86	2,611	3	1	14	1,120	1	15,122
Unskilled and discretionary decision-making	376	5		3	130	2			2		518
Total permanent employees	14,812	70	49	1,118	3,868	25	36	328	1,293	14	21,613
Temporary employees	9	–	–	–	–	–	–	–	–	–	9
Grand total	14,821	70	49	1,118	3,868	25	36	328	1,293	14	21,622

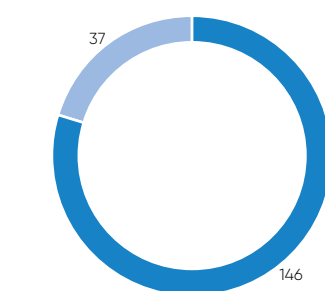
Note: All numbers are for the year ended 31 December 2020

Top management



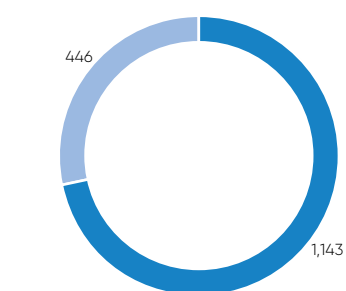
■ Male
■ Female

Senior management



■ Male
■ Female

Specialist and mid-management



■ Male
■ Female



Company maintained houses in Northam and Mokopane

Housing the future

In this dynamic world, Anglo American Platinum committed to re-imagine mining to improve people's lives. Accordingly, the company has immersed itself more in the lives of its employees and host communities.

Housing is an important component of our commitment. In 2020, we invested R484.7 million in an ongoing and comprehensive scheme to assist employees with housing and accommodation. In addition to the 13,133 employees benefiting from these schemes (living-out/rental allowance and home ownership allowance), we also house 5,016 employees in company accommodation (2,524 in family accommodation and 2,492 in decent single accommodation).

As part of our housing projects, we are on target in developing high-density units for employees and completing designs for services in the new Bendor Ext 127 township. These projects will provide 300 new housing opportunities in Polokwane and Mokopane for employees at Mogalakwena and the Polokwane smelter. For Amandelbult, we have finally reached agreement to proceed with development of the Northam wastewater treatment works, an R80 million project that will enable the development of over 2,000 residential erven in the area.

In December 2019, the final element in the new mining charter (MCIII) was concluded when DMRE gazetted the housing and living conditions standard, setting out new requirements for compliance. Under the new standard, we are required to prepare housing and living plans, which we submitted on time in December 2020.

We are working to resolve some new compliance measures in the December 2019 standards. These include the new treatment of living-out allowances, which require employees to prove that they are using the allowance to secure decent accommodation, and ensuring contracted employees are provided housing assistance by their respective companies. Anglo American Platinum aims to establish a framework with organised labour that will assist in implementing these requirements in the next three years.

We are committed to delivering adequate housing by 2025. Accordingly, we remain involved in several housing projects in areas where we operate to supply infrastructure and accommodation for both employees and the community.

We face challenges in improving people's lives, primarily the lack of essential bulk services in some areas, which in turn affect delivery of our housing projects. We are addressing this by partnering with national and local government departments. Some of our employees face credit challenges, preventing them from participating in our mortgaged developments. We are working on this with our Nkululeko partners (pages 106 and 107 [📄](#)).

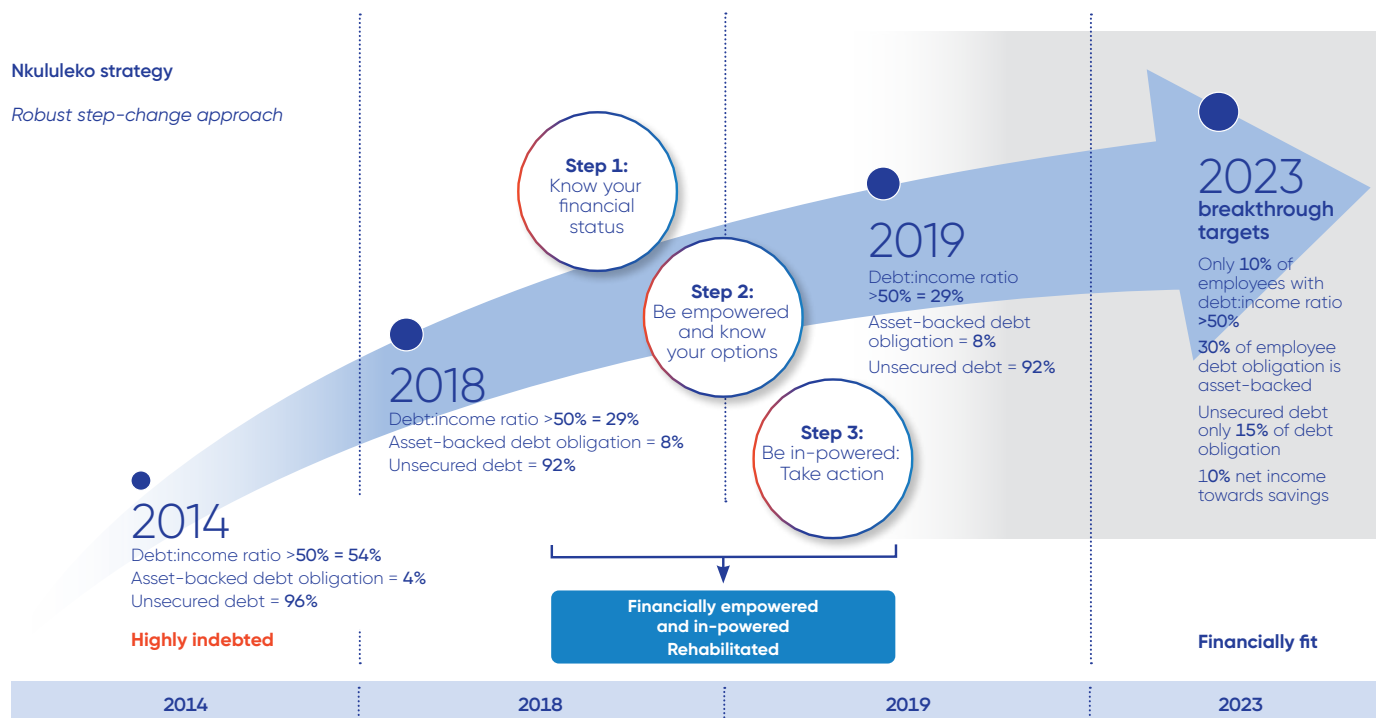
Nkululeko financial wellness programme

The Nkululeko programme continues to benefit our employees, their immediate families and contractors in taking ownership of their financial wellbeing, in turn contributing to improved mental wellbeing. It strives for a step-change by offering services that will improve our employees' livelihoods. Since inception in 2015, the programme has made great strides, moving from being an indebtedness programme to a holistic financial wellness programme that adds value to all employees, irrespective of level or title.

Although the Covid-19 pandemic affected the performance of the programme in 2020, it continued to provide this valuable service to employees in difficult times. Notable achievements in the review period included:

- Continued availability of virtual services to employees via call centre and digital online platforms
- Successful deployment of the Nkululeko programme at Mototolo complex, including the Mototolo Mine
- Programme service and support was expanded to cover employees and their extended families in the communities. This also started to address the scourge of gender-based violence and femicide
- Financial literacy seminars were held timeously and proactively to heighten awareness among employees and their families, ensuring they are empowered and informed to take sound financial decisions with their families to avoid impulse buying over the festive period and events like Black Friday and Back to School.

2020 progress update



- 1,453 employees signed up on the programme
- 100 debt-relief solutions implemented (74 signed up for debt counselling and 26 for debt rescheduling). On average, employees using these solutions are paying R5,298 (43%) less every month towards their debt commitments, largely due to reduced interest rates ranging from 24% to 2.6%
- Affordable debt – a saving of R31.8 million was achieved by reduced instalments (combined debt counselling and debt rescheduling), with average interest rates dropping from 26% to 2.4% and an average saving of 23.6%
- Total audit savings – R801,713
- Capitec rescheduled accounts – R55,454 (23 accounts)
- 26 employees attended financial wellness induction sessions
- 2,773 interactions with employees recorded – informal engagements/enquiries
- 32 provisional tax submissions administered.

2021 step-change

- Ensuring inclusivity by launching the programme to the Zimbabwean operation, Unki Mine in the first quarter of 2021.
- Reset baseline for performance via the programme strategy review and revised KPIs
- Implement debt-consolidation facility as an added offering to assist employees in their financial empowerment. Most employees can be helped to acquire secure debt for home ownership as part of our aspiration to create wealth for the workforce.

Employee relations

Anglo American Platinum has maintained a strong and constructive working relationship with all its unions. South Africa is a founding member of the International Labour Organization (ILO) and has ratified all its conventions, including those on freedom of association and the right to organise, through legislation including the South African constitution, and acts on labour relations as well as basic conditions of employment.

Accordingly, Anglo American Platinum has incorporated these principles in its policies and procedures. In addition, the company has created engagement structures like the steering committee and operational unit partnership forums in which ILO principles are communicated and shared with unions and employees to ensure they are aware of their rights to freedom of association or dissociation and their right to raise grievances or concerns without fear of victimisation.

The Covid-19 outbreak in 2020 presented new challenges in the workplace. Shift patterns were rearranged to de-densify workplaces, safety measures were implemented and meetings held virtually across the business.

New engagement structures were envisaged jointly with trade union leadership, from CEO level one-on-one virtual sessions, operational executive engagements with senior union leaders and general managers, and redesigned operational union partnership forums.

Weekly communication continued throughout 2020, focused on updating trade unions on Covid-19 statistics, implementation of safety measures and monitoring quarantine in designated areas or at home.

Most importantly, as noted, Anglo American Platinum continued to pay salaries to all employees, including vulnerable employees not at work, throughout the national lockdown.

Our culture evolution

After seven years of an organisational culture transformation journey that began in 2013, it became necessary to reflect on progress and assess what was required in the next phase of our organisational strategy.

In 2020, Anglo American Platinum instituted a leadership change by appointing a new CEO. The business also reviewed its strategy, resulting in an agreed management agenda focused on key priorities.

Culture is a key management agenda focus area. Our refreshed strategy (page 3) gives Anglo American Platinum the opportunity to enable continuous improvement and align our ways of work, by establishing a clear pathway to attain our goals.

The work of culture is foundational to this aspiration. We believe strongly that, without a conducive culture, we will not be able to effectively realise our purpose and strategy as a business.

As part of the culture evolution journey, we have adopted a systems-leadership approach to enable the appropriate culture. In defining our desired culture behaviours, we are identifying the work practices and beliefs that will demonstrate our culture in action, using systems-leadership principles. This work is under way with key stakeholders and will continue into 2021 to equip leaders across the organisation to create a unified, positive culture.

In addition, we have prioritised conversations and focus on gender-based violence, bullying, harassment and victimisation, racism, eradicating the 'good-news culture' and innovation to create a psychologically safe environment.

We expect to have a cohesive approach, leader-led and co-created by all in the business, deployed in 2021.

Employee engagement and culture – survey results

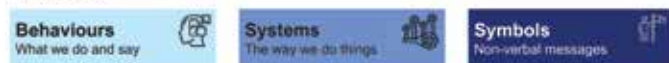
Following a global engagement survey in October 2019 in which over 19,500 of employees and contractors participated (56% of permanent employees), results were communicated in 2020 across all our sites. Action plans were then co-created with the respective teams and aligned to the Anglo American group and Anglo American Platinum business unit action plans.

Key findings from the survey for our business units included:

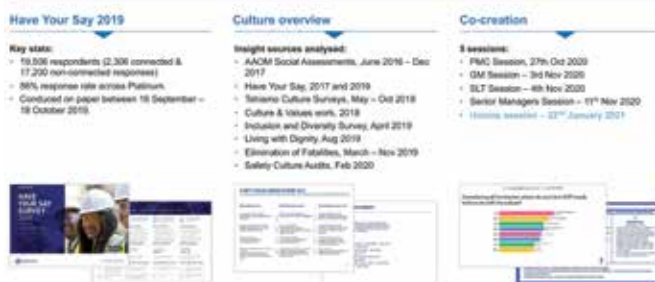
- 65% of colleagues correctly identified our purpose
- Most colleagues are aware of our values, with some values being well embedded
- There is evidence of a healthy speak-up culture and four in five say that they have the resources to work safely
- All engagement metrics are strong, with a large majority saying they are proud to work for Anglo American
- Connected colleagues are engaged and 94% say they would go the extra mile to help the company succeed
- Drivers for motivation such as development opportunities, colleague appreciation and pride in Anglo American as a workplace are areas requiring increased focus.

OUR UNION CO-CREATION SESSION AIMED TO CO-CREATE PLATINUM'S CULTURE AMBITION AND BUILD THE PATHWAY TO GET THERE

Anglo American aims to create a purpose-led, values-driven and high-performance culture. Culture is how people behave, engage and view their work, their leader, systems and the business. It is enabled by:



OUR ANALYSIS THUS FAR INCLUSIVE OF UNIONS' VOICES INTO CO-CREATION SESSION



Source: 2019 Have Your Say 2019, Culture Overview Analysis 2020, Culture co-creation session sessions 2020

OUR SESSION CONFIRMED 3 PRIORITY BEHAVIOURAL FOCUS AREAS, WHILST STRENGTHENING THE IMPORTANCE OF EQUALITY AND FAIRNESS



Employee benefits

Anglo American Platinum provides attractive benefits for employees, in line with our goal of attracting and retaining skilled people of the highest calibre. In addition to retirement funds, medical aids and company-funded assistance for any death in service, Anglo American Platinum also offers above-average and fully paid family responsibility leave (eight calendar days per annual leave cycle).

Employee share ownership plan

In the 2016-2019 wage agreement, we undertook to establish an employee share option scheme (ESOP) task team with specific terms of reference. The Anglo American Platinum ESOP applies to all permanent employees below senior management level.

As per the agreement reached in November 2018, the scheme runs over a five-year period as follows:

- Year 1: pay all qualifying employees a cash amount (2018)
- Year 2: pay all qualifying employees a combination of 50% cash and 50% shares (2019)
- Year 3: pay all qualifying employees a combination of 50% cash and 50% shares (2020)
- Year 4: vesting (2021)
- Year 5: vesting (2022).

Employment statistics as at end December 2020

Breakdown of South African workforce*

	2020	2019	2018	2017	2016	2015
Gauteng	263	259	237	255	278	330
Limpopo	16,804	16,940	16,926	22,010	21,669	23,259
North West	2,983	2,988	2,957	2,878	2,862	17,991
Mpumalanga	1,572	1,541	1,527	177	136	136
Total own employees	21,622	21,728	21,647	25,320	24,945	41,716
Contracting staff						
Non-mining embedded contractors (labour hire)	54	26	28	37	87	401
Contractors**	2,583	2,282	1,916	2,201	2,129	2,171
Total contracting staff	2,637	2,308	1,944	2,238	2,216	2,572
Employment creation in provinces***						
Gauteng	4	22	(18)	(23)	(52)	(47)
Limpopo	(136)	14	(5,084)	341	(1,590)	(1,563)
North West	(5)	31	79	16	(15,129)	(2,332)
Mpumalanga	31	14	1,350	41	–	(4)
Total own employees	(106)	81	(3,673)	375	(16,771)	(3,946)
Labour turnover % (including voluntary separation packages)						
SA operations						
Gauteng	0.08	0.10	0.11	0.25	0.15	0.20
Limpopo	3.66	3.65	4.24	4.77	5.13	4.54
North West	0.65	0.44	0.56	0.69	2.56	4.73
Mpumalanga	0.26	0.35	0.08	0.03	0.01	0.02
Zimbabwe						
Unki	0.20	0.24	0.21	0.19	0.14	0.12
Anglo American Platinum total turnover	4.86	4.77	5.20	5.93	8.00	9.60

* A further 1,258 employees and 279 contractors are employed at our Unki operations in Zimbabwe.

** Includes mining (volume) and capital contractors.

***Employment creation numbers influenced by the divestment of Rustenburg operations in Nov 2016 (-14,833 employees), Union Mine in Feb 2018 (-4,985 employees) and acquisition of Mototolo Mine on 1 Nov 2018 (+1,348 employees).

Human and social
Our people continued

Turnover per region

For comparative purposes, the table below includes Zimbabwe in our turnover calculation:

	2020 excluding VSPs		2020 including VSPs		2019 excluding VSPs		2019 including VSPs		2018 excluding VSPs		2018 including VSPs		2017 excluding VSPs		2017 including VSPs	
	Total	%	Total	%	Total	%	Total	%	Total	%	Total	%	Total	%	Total	%
Gauteng	14	0.07	17	0.08	22	0.10	22	0.10	19	0.09	23	0.11	60	0.23	65	0.25
Limpopo	578	2.69	793	3.66	763	3.48	799	3.65	747	3.47	913	4.24	1,211	4.67	1,235	4.77
Mpumalanga	52	0.24	57	0.26	76	0.35	76	0.35	17	0.08	17	0.08	8	0.03	8	0.03
North West	130	0.60	141	0.65	95	0.43	96	0.44	117	0.54	121	0.56	172	0.66	179	0.69
Zimbabwe	44	0.20	44	0.20	52	0.24	52	0.24	46	0.21	46	0.21	46	0.18	49	0.19
Grand total	818	 3.80	1,052	4.86	1,008	4.6	1,045	4.77	946	4.39	1,120	5.2	1,498	5.78	1,536	5.93

VSP – Voluntary separation packages.

Turnover by gender and age in 2020

South Africa						
%	20-30	31-40	41-50	51-60	61-72	Total
Turnover excluding VSPs						
Female	0.04	0.18	0.10	0.08	0.01	0.42
Male	0.09	0.75	0.70	1.60	0.24	3.38
Total	0.13	0.93	0.80	1.68	0.26	3.80
Turnover including VSPs						
Female	0.04	0.19	0.11	0.11	0.01	0.47
Male	0.09	0.85	0.80	2.49	0.26	4.48
Total	0.13	1.04	0.90	2.60	0.28	4.95

Unki						
%	20-30	31-40	41-50	51-60	61-72	Total
Turnover excluding VSPs						
Female	–	–	–	–	–	–
Male	0.48	1.04	0.64	1.20	0.16	3.52
Total	0.48	1.04	0.64	1.20	0.16	3.52
Turnover including VSPs						
Female	–	–	–	–	–	–
Male	0.48	1.04	0.64	1.20	0.16	3.52
Total	0.48	1.04	0.64	1.20	0.16	3.52

Training in 2020

Type of training	Black		Coloured		Asian		White		Total HDSA trained	Total trained
	Male	Female	Male	Female	Male	Female	Male	Female		
Graduates	36	21	–	–	2	2	7	1	62	69
Bursaries	24	10	1	–	2	1	–	4	42	42
Learnerships (engineering)	145	96	5	–	2	–	11	–	248	259

Average training hours in 2020 (impact of Covid-19 is evident)

Per employee	2020	2019	2018	2017
Professionally qualified and experienced specialists and mid-management	28	33	28	39
Semi-skilled and discretionary makers	29	56	50	96
Senior management	13	17	19	11
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	46	51	49	85
Unskilled and defined decision makers	91	59	108	101
Total per employee	33	53	50	90

Note: the significant drop in average training hours in 2020 is primarily due to stoppages at operations due to lockdowns and social-distancing requirements

Freedom of association

Membership of recognised unions and associations

As at 31 December 2020

	2020	2019	2018	2017	2016	2015
Association of Mineworkers and Construction Union (AMCU)	8,707	9,284	9,886	13,664	13,691	24,382
National Union of Mineworkers (NUM)	6,099	5,974	5,670	6,437	6,378	8,200
United Association of South Africa (UASA)	2,297	2,160	2,157	2,544	2,630	5,827
National Union of Metalworkers South Africa (NUMSA)	228	–	50	269	270	347
General Industrial Workers of South Africa (GIWUSA)	842	855	917	–	–	–
Total	18,173	18,273	18,680	22,914	22,969	38,756
Total workforce represented, excluding management	96.35%	94.37%	94.82%	95.74%	96.88%	96.67%

Working conditions policy

Anglo American Platinum adheres to South Africa's Basic Conditions of Employment Act and applies similar standards in Zimbabwe. This ensures that the health and safety of every employee, as well as their family responsibilities, are prioritised. As a mining company, many of our business units operate shifts around the clock. Working conditions at these mines fully consider the health and safety needs of shift workers, and specific issues are negotiated and agreed with representative labour unions.

Inclusion and diversity

In fulfilling our ambition to be an employer, partner and investment of choice, Anglo American Platinum seeks to achieve five strategic objectives:

- Promote a safe, respectful and inclusive working environment
- Ensure equality and non-discrimination in the workplace
- Promote good health and wellbeing
- Increase female participation
- Achieve gender mainstreaming (an approach that considers both women's and men's interests and concerns) in all policies and practices.

Towards the end of 2019 and early in 2020, our strategic focus was on promoting a safe, respectful and inclusive working environment. Over 100 facilitators were trained to roll out the bullying, harassment and victimisation policy, with more than 12,000 employees participating in awareness training workshops by the end of 2020.

We will continue with these workshops as well as specific talks to help change behaviours and attitudes, thereby maintaining a work environment that is free of any form of abuse. The bullying, harassment and victimisation/gender-based violence programme implemented at Amandelbult will be rolled out across all operations in 2021.

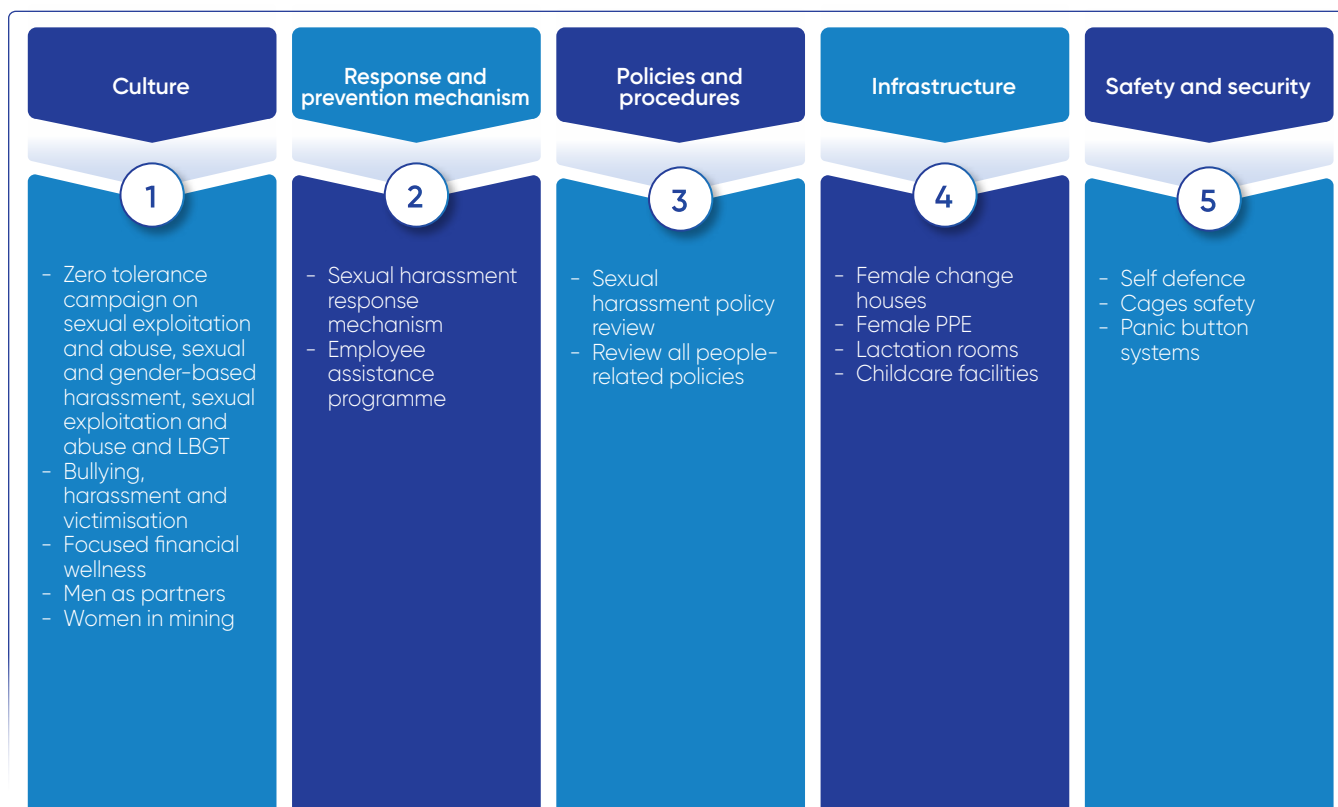
The mental health programme was initiated to build a comprehensive approach to mental wellbeing. The programme recognises that mental health is a shared responsibility for all in the workplace. As a business, we need to optimise the comprehensive set of wellness services being offered to promote mental health wellness.

Diversity indicator	Percentage achieved
Female share of total workforce	20%
Females in all management positions, including junior, middle and senior management (of total management workforce)	25%
Females in junior management positions, ie first level of management (of total junior management positions)	24%
Females in top management positions, ie maximum of two levels away from CEO or comparable positions (of total top management positions)	21%

Gender-based violence (GBV)

The Anglo American Platinum GBV action plan was approved in June 2020 and consolidated under five pillars to address this scourge.

Holistic approach – The five-pillar plan on dealing with gender-based violence



Launch of the 'Stand Up for Everyone' campaign at Amandelbult operation

We are co-ordinating with various units and functions in the broader group to ensure standardised GBV policies for the South African operations.

Despite the impact of the Covid-19 pandemic, Anglo American Platinum continued to focus on various aspects of the action plan, including:

- Culture (bullying, harassment and victimisation training, mental health first-aider training, men as partners training, focused financial wellbeing, women in mining)
- Safety and security (illumination, piloting of a panic button system)
- Infrastructure (commencement of the reconstruction of new appropriate change houses for female employees)
- Policies and procedures (review of the sexual harassment policy and related procedures)

Through the voluntary disclosure of gender-related metrics, companies reporting their data through Bloomberg's Gender Reporting Framework have provided a comprehensive look at their investment in workplace gender equality and communities in which they operate. The Bloomberg framework is an international, standardised reporting method for workplace gender data that includes 74 metrics to measure how they promote gender equality across five pillars:

- Female leadership and talent pipeline
- Equal pay and gender pay parity
- Inclusive culture
- Sexual harassment policies
- Pro-women brand.



For a second consecutive year, Anglo American Platinum has been included in the 2021 Bloomberg Gender-Equality Index, reflecting our investment in workplace gender equality and communities in which we operate.

Future of work

The world around us is undergoing accelerated change and being reshaped – from technological advancements and a step-change approach in sustainability revolutionising our industry, to shifting societal attitudes and expectations – together shaping a shift in the nature of work.

For Anglo American Platinum this means re-imaging how we work at the mine and beyond the mine – leveraging innovative and sustainable methods to drive safe, responsible production, high-performing teams and sustainable value for all our stakeholders, both now and into the future.

The Covid-19 pandemic also accelerated the need for new work models, including remote working and digital learning. Coupled with prioritising the health and safety of our employees, Anglo American

Platinum put in place the IT infrastructure needed to quickly transition to remote/home-based working in a number of cases, as activities were reduced to comply with local legislation.

Further to this, where work could not be carried out from home, we provided our employees with the appropriate PPE, and followed strict health guidelines and protocols to keep them safe.

In order to embrace the future of work and the pace at which the world is changing, it has become necessary to plan for the roles and skills that will be needed for the future, thus ensuring that we have the appropriate people and strategies in place to deliver business expectations, now and into the future. This will involve providing our people with the tools they will need to step up to roles as they evolve, and completely new ones.



Adherence to protocols at Thekganang Technical High School

Case study 20:

Anglo American Platinum schools project 2020 – during Covid-19

The socio-economic realities of the communities in which we operate mean that most households face persistent poverty, inequality and unemployment.

In 2015, Anglo American Platinum partnered with specific technical high schools close to our operations to improve learners' mathematics, science and technology skills and drive localisation of skills. We believe this targeted investment in technical education through the Anglo American Platinum schools project can do much to change these realities, improve opportunities for beneficiaries and open pathways to further study and the supply of a skilled and productive labour force.

In partnership with the Department of Basic Education (DBE) and our partner technical schools, this project is investing in practical machinery used in technical classrooms, basic infrastructure improvement to relieve classroom overcrowding, professional development of teachers to ensure relevant, quality educational outcomes, to enhance learners' success and achievements.

Importantly, the partner-school model and related initiatives provide an evidence-based, fit for purpose, scalable and replicable good-practice model while addressing individual schools' needs and the workforce requirements of the broader industry. In addition, our schools project is aligned with national imperatives and the Limpopo development objective of quality basic education.

Through the project, we have identified areas for meaningful investment and action, including:

- Ensuring well-resourced technical schools and well-qualified teachers who have potential to improve matriculation results, and increase the number of technical and engineering graduates
- Collaborating with the DBE on policies that can guide the effective implementation of technical subjects and develop required infrastructure, including computers and internet connectivity

- Enabling learners to further their technical education and provide equitable opportunities for socio-economic development
- Providing learners with skills and knowledge relevant for the 4IR economy (problem-solving, creativity, imagination, life skills, leadership).

The 2020 matriculants at our partner schools were greatly affected by the pandemic and ensuing lockdowns. The project team reacted swiftly by consulting with key stakeholders from the relevant circuits, districts and provincial directorate on technical education on how best to support learners. As a result, the academic support programme (ASP) was immediately migrated to manageable WhatsApp sessions.

The WhatsApp platform enabled learners to continue receiving lessons and engage in exercises as they would have in the classroom. They also received extra tutorial support. After critical lockdown stages were relaxed, the project collaborated with principals, parents, circuit managers and district directors on an examination-preparation programme, which helped address the challenges faced in 2020.

Support during and post-lockdown

National lockdown virtual lessons

The schools project migrated learners to WhatsApp sessions, where they were divided into manageable groups and had daily sessions with lecturers from the University of Limpopo. The WhatsApp-based classes ran from 09:00–12:00 and 14:00–16:00 every day from 30 March until the end of June 2020, enabling learners to complete the curriculum.

After level 5 and 4 lockdown

From July 2020 (post-level 4 lockdown), school-based educators covered remaining elements of the curriculum. This gave learners multiple opportunities to strengthen and deepen their understanding of curriculum content.

Lead tutors continued to support teachers and learners. In addition, examination-preparation workbooks were developed for learners. These workbooks facilitated intensive assessment and exposed learners to a variety of questions and solutions.



Education adherence to Covid-19 pandemic protocols



Social distancing of learners of Anglo American Platinum partner schools



Sanitising protocols at entrance to school

Case study 20: continued

Level 1 lockdown – exam-preparation incubation and last-push programme

After lockdown was relaxed to level 1, the project implemented an exam-preparation and last-push programme, fully compliant with Covid-19 protocols. This was instrumental in addressing the multiple challenges faced by the class of 2020:

- Loss of teaching time due to the abrupt closure of schools, as well as loss of time for ASP, which would normally be conducted over weekends and school holidays (winter school holidays were cancelled and three weeks of intensive extra classes lost).
- Continued learning – schools were repeatedly opened and closed, which interrupted the teaching calendar. Each time schools reopened, prior work should have been revised first but this was not possible as teachers needed the remaining time to

cover the syllabus, given that the curriculum was not trimmed for grade 12. This meant teaching took place without building on learners' understanding.

- Anxiety – learners were anxious about their performance in the face of interrupted teaching and learning time. The exam-preparation incubation gave the class of 2020 time to unite as they studied to give each other strength and motivation.
- Poor attendance – learners had not been able to attend school regularly since reopening for various reasons, including transport. The incubation programme improved attendance.

Despite the impact that the Covid-19 pandemic had upon the education system in South Africa in disrupting the entire 2020 school year, the Anglo American Platinum partner schools, continued to perform well above the national and provincial levels.

Conclusion

There is clear global evidence of the need for technical subjects in schools to unlock the potential of economic growth and development. However, South Africa lags in this trend, and key industry players have an important role in supporting technical and vocational education.

Our schools project is determined to address this challenge. The partnership with DBE and industry experts gives Anglo American Platinum and host community economies a workforce pool that is technically skilled, talented, driven and high-performing. Learning from the 2020 challenges, the project capitalises on untapped opportunities using ICT for teaching and learning and exploring practical ways of laying the foundations for embracing digital transformation at the early stages of growing our talent pool.

This investment, while also guaranteeing direct benefits for our mining operations, will in the long term present a scalable model to other industry partners that may be adopted more broadly in the country.



Covid-19 pandemic protocol signage at Thekganang Technical High School, one of Anglo American Platinum's partner schools

Case study 21:

Navigator +

In 2020, Anglo American introduced a single, global platform to manage employee data in a consistent, integrated way. This moved the group from a paper-based, manual environment that is time-consuming and unreliable, to automated interactions for key HR processes. This enhances our way of managing global employee data and enables improved insights at global and local level.

The five core HR processes affected by implementing Navigator+ (an SAP cloud-based system) are:

Employee data management –

updating all employee data on Navigator+ by HR administration or by the employee.

Non-paid contractor data management –

updating all non-paid contractor data HR administration

Sign-on and hire –

the process starts with recruitment via sign-on on SmartRecruiters which interfaces with Navigator+. The hire continues with HR administration updating all additional information, continued by the global shared services team to complete the payroll portion on ERP

Termination of service –

the start of the separation process of an employee whereby the service record is end dated

Payroll execution –

actual payroll run on ERP that generates accurate payslips and makes third-party payments, eg UIF, medical, SARS, pension, etc.

Benefits for our employees include:

- **Enhanced user experience** – auto-populating fields, validation around how information should be captured, and built-in alerts will improve the user experience and enable more sustainable data integrity
- **Increased simplicity** – a simplified structural hierarchy and intelligent capture of FTE will reduce the administrative burden on HR, systems analysts and payroll administrators
- **Greater standardisation** – one integrated global platform and one agreed set of standardised processes will enable us to accurately view all of our colleagues and allow people to move across the group more effectively

This supports our people in the following way:

- Better data at a global level enables better insights to support people-related decisions at local level
- Employees will be empowered to manage their own data in the near future more quickly, simply and on demand
- Spending less time on administrative tasks will allow the HR team to focus on issues that matter most to our people
- Improved quality and consistency of data and quicker

reporting will provide a single source of information about our people

- Accessible anytime, anywhere, with a user-friendly smartphone app to manage work on the go.

We used a novel approach to implementing Navigator+, within the Anglo American Platinum change management framework, to communicate and embed new processes while familiarising end-users with the system.

Training of end-users was done mostly virtually, except for Amandelbult where it was delivered in small groups, following strict social distancing and hygiene measures, due to connectivity and access challenges. In total, 99% of the target audience was trained with any outstanding users to be trained on their return to duty.

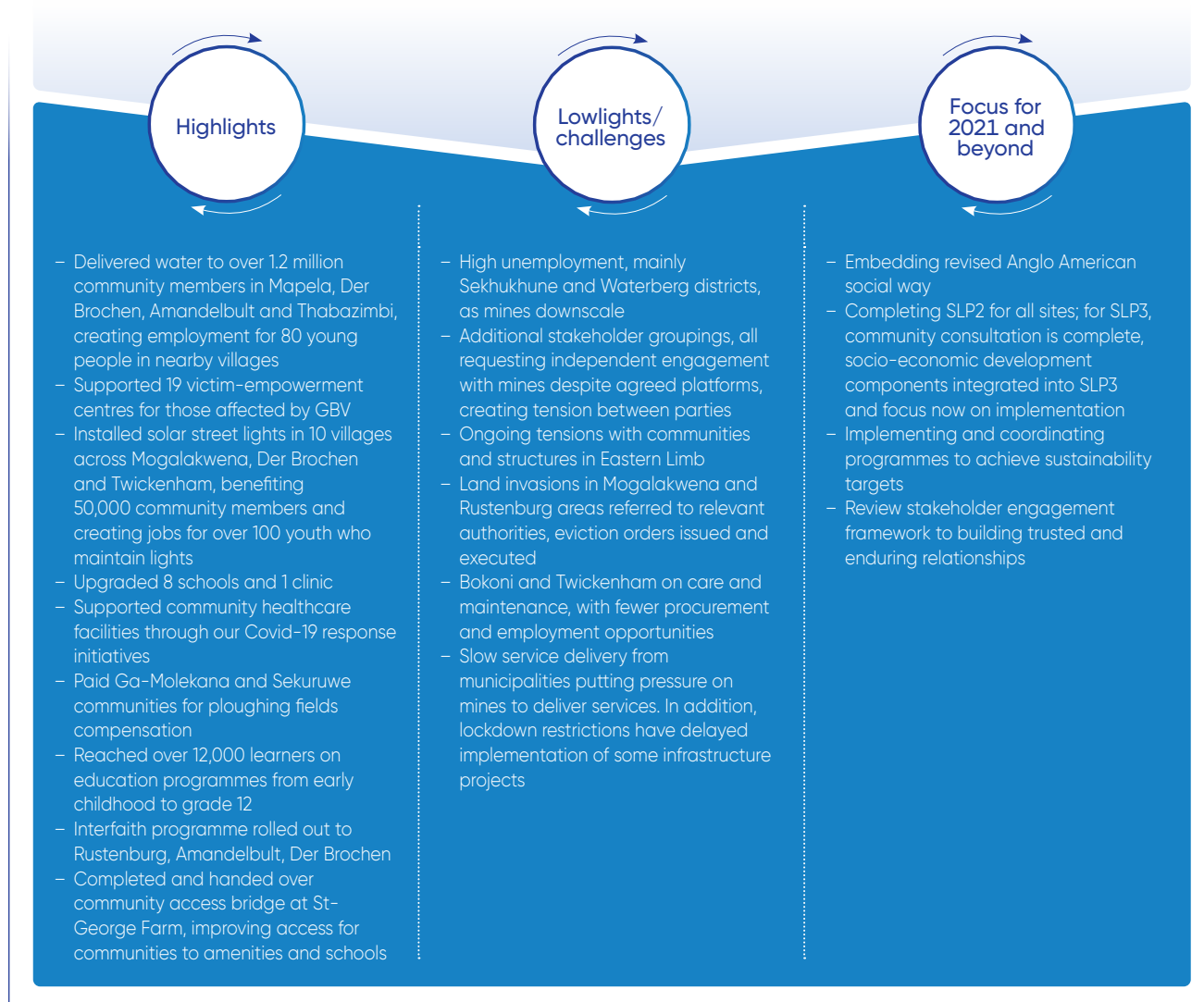
To further enhance the experience for end-users, we created a portal in the group Engage app, where all information is hosted and easily accessible. In addition, we created an augmented reality experience where help and learning can easily be obtained by end-users using their smartphones.



Capital: Social and relationship

Co-creating thriving sustainable
community benefits through a shared
value vision and meaningful
engagement

Social



Social and relationship capital

Maintaining and improving our social licence to operate depends on our ability to enhance this capital at all levels of our society. While a licence to operate is a tangible, regulated entity, the social licence to operate is a fluid concept more easily identified by its lack, rather than its presence. Social capital itself is the outcome of the investment we make in building relationships with our stakeholders.

Granting, rejecting or withdrawing a social licence to operate is a stakeholder group's response to the extent of that social capital (positive or negative), which in turn supports an organisation's legitimacy, credibility and trust.

Our business strategy focuses on embedding an approach that will improve our legitimacy and credibility by integrating our purpose and embedding the Anglo American sustainability strategy into functional strategies.

Social issues encountered at sites

Our social licence to operate remains a key focus for the long-term sustainability of our business. We recognise that Anglo American Platinum is a microcosm, functioning in a broader societal framework, and an inextricable part of the fabric of society. Our purpose to re-imagine mining to improve people's lives highlights the role Anglo American Platinum plays in shaping the life of modern society and the role society, in turn, plays in achieving this purpose for mutual benefit.

Each site operates in a unique societal context, with specific risks and opportunities. The way we manage social issues at each site influences our social capital and requires tailored and focused effort to create positive social impacts.

Key sustainability issues at Anglo American Platinum operations



Our social strategy

Our social strategy plays a significant role in supporting our business strategy and addressing key social issues at our operations. Our business strategy is enacted in a safe, values-driven and socially responsible way, underpinned by the need to build leading community and stakeholder relationships and make a lasting contribution. The social strategy therefore helps the business fulfil its societal obligations by delivering shared value – creating social value for stakeholders while generating business value.

This strategy was adapted to the changing needs of the business and to better meet the needs of our stakeholders. It clearly defines our objective to enable a sustainable business and thriving communities by enhancing our social licence to operate through engaged and empowered stakeholders.

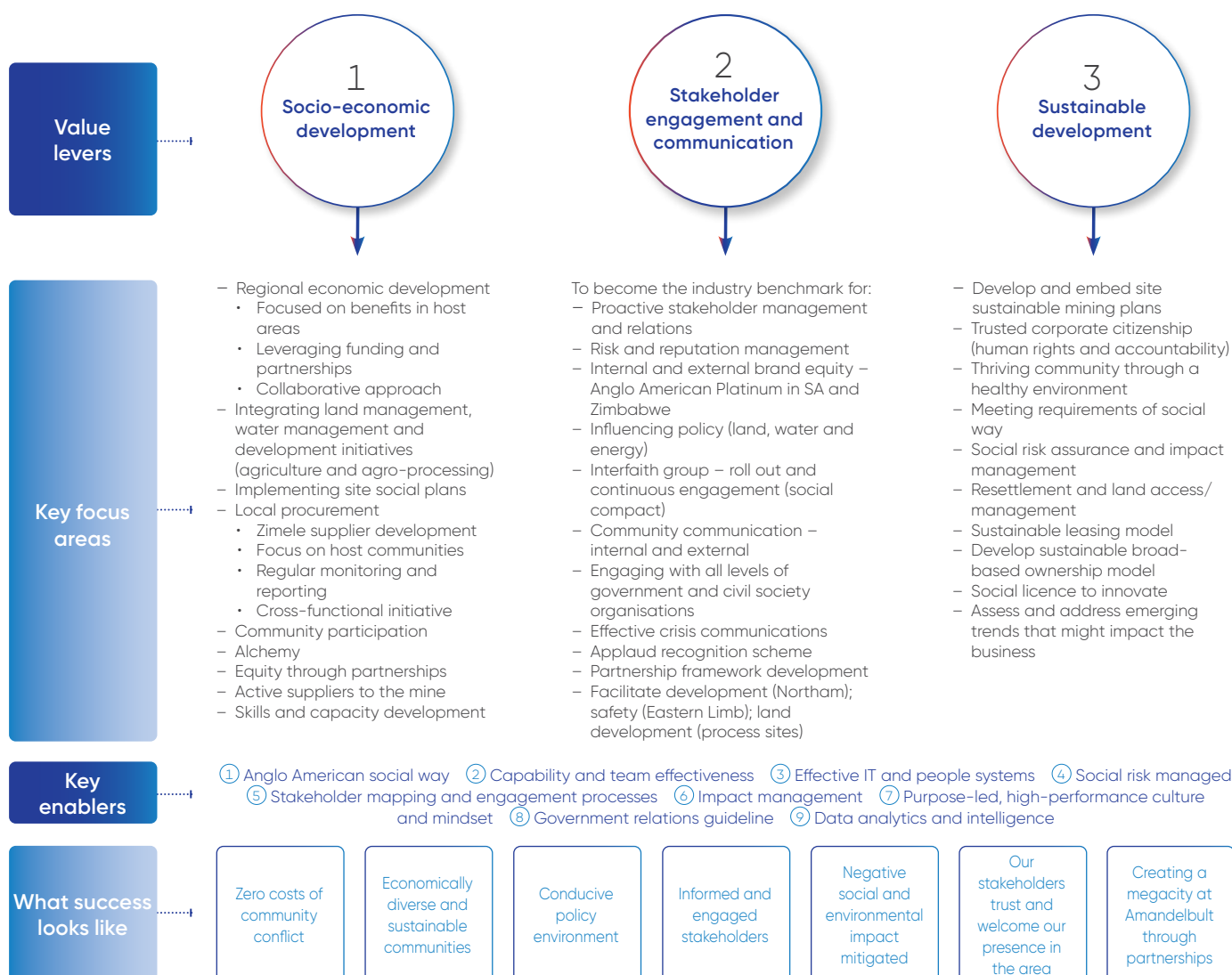
It enshrines three value levers (or pillars), shown below, with strategic focus areas that aim to deliver positive social impacts and enhance social capital.

How do we plan to integrate sustainability

Anglo American Platinum social strategy

Aspirational statement

To enable a sustainable business and thriving communities by enhancing our social licence to operate



The sustainable development pillar is aligned with the Anglo American sustainable mining plan, featuring three global sustainability pillars and associated stretch goals.

We remain focused on meeting our commitments for 2016–2020 social and labour plans (SLPs). However, due to lockdowns, we faced delays in implementing some infrastructure projects. A formal application for extension was lodged with the DMRE.

Our stakeholders are more involved in the delivery of SLPs and we monitor and evaluate the impact of each project. This is part of the broader SED strategy for all our sites, aimed at delivering lasting benefits for the communities in which we operate. In addition, we proactively developed and implemented a Covid-19 community response plan to support affected communities that included initiatives such as water supply, health education and distributing food parcels to vulnerable households.

Stakeholder engagement was again an important focus in 2020. We responded to the needs of diverse stakeholders, each presenting a unique opportunity to communicate our strategic intent to enhance stakeholder inclusivity by building stronger and more effective relationships. We built the foundations of effective engagement by setting up community forums that are now fully operational at each site and concentrated on stabilising our relationships with government and communities. We are working with interfaith groups as a trusted and credible stakeholder in the community and ensuring faith leaders have input in rebuilding communities. Although some issues such as unemployment, lack of procurement opportunities and divided structures persisted, we remained committed to effective engagement processes.

Anglo social way compliance

The Anglo American social way defines the governance framework for social performance. It specifies requirements for all group-managed sites to ensure systems are in place to: engage with affected and interested stakeholders; avoid, prevent, mitigate and, where appropriate, remediate adverse social impacts; and maximise development opportunities. These requirements reflect evolving expectations and international best practice including: the updated International Finance Corporation (IFC) performance standards (2012); UN guiding principles on business and human rights; and the voluntary principles on security and human rights (a collaborative global effort by governments, major multinational extractive companies and NGOs).

Social-way requirements apply to the life cycle of our activities: from exploration through project development (concept, prefeasibility and feasibility stages), construction, commissioning, operation, closure and post-closure.

Our social performance principles include:

- Deliver a lasting positive contribution to communities
- Manage risks and impacts
- Respect human rights
- Engage with affected and interested stakeholders
- Empower vulnerable and marginalised groups
- Integrate social performance within relevant operational processes.

Social reporting – quantitative data

KPI	Target	Actual performance
Anglo American social way compliance, monitored through annual audit	Each site sets targets as part of the social way transition phase	97% of targets achieved

Tswelopele – our social performance management system

Anglo American Platinum launched Tswelopele (Isometrix) at the end of 2017. The system was the first in the business that enabled us to capture as a pilot, interpret and manage social performance information across our operations in line with the Anglo social way 2.0. With the launch of the third version (3.0) in January 2020, Anglo American's group social performance team began investigations to find a system that could be used across all business units. Isometrix was selected as the system to be rolled out across the business units, partly motivated by the progress made by Anglo American Platinum on the system. The project has two phases: phase 1 (2020)

focused on developing core modules to support delivery of Anglo social way 3.0, which included review and planning, stakeholder management, incident and grievance management, as well as social and human rights risk and impact assessment.

The full system will be deployed in 2021, and a standard roll-out plan across all business units developed. The Rustenburg process operations were selected as the pilot site at Anglo American Platinum. In 2021, phase 2 will be implemented, focusing on the relevant aspects of governance under version 3.0, as well as SED, land access, displacement and resettlement, and community health and safety.

Our communities

The future of our business is linked with the future of communities in our operating areas. To support the sustainability of our business, we invest in our communities by creating social and economic benefits that meet explicit needs during and beyond the life of a mine.

Group-wide strategy

Anglo American social way compliance

In 2020, we transitioned from version 2 to 3. Each site was expected to develop transition plans and set site-specific targets to reach full compliance in 2022. Anglo American Platinum achieved 97% of targets.

Our approach to creating sustained economic and social benefit

Stakeholder inclusivity underpins our approach to value creation and is integral to securing our social licence to operate. We intensified our stakeholder engagements in 2020 to build relationships. We recognise more needs to be done to manage and build relationships if we are to maintain the trust and acceptance of our stakeholders.

Real-time insight into community perceptions

In striving for better stakeholder engagement, four years ago we participated in a pilot project that provides real-time insight into community perceptions on our Mogalakwena Mine. The project used SMS technology for community perception surveys and was developed with Australia's Commonwealth and Scientific Industrial Research Organisation, a pioneer in measuring social licence to operate.

During the project, over 1,800 community members across the four sites completed a baseline survey and then, using SMS, updated their views on each mine's progress against the key drivers of our social licence to operate. This provided valuable insight into our strengths and weaknesses and supported the development of a strategic approach to maintaining and enhancing our social licence to operate.

Many of our programmes run in partnership with NGOs, communities and local governments. Our approach is informed by regulatory requirements such as the South African mining charter and our social and labour plans (SLPs). It is implemented through a comprehensive set of social performance requirements detailed in the Anglo American social way.

Our social performance department works closely with our sustainability, supply chain and local procurement departments to promote socio-economic upliftment in communities close to our operations and areas from which we draw our labour.

We also aim to align our social and infrastructural investment projects with municipal, provincial and national development plans. All our operations have functioning community engagement forums, leadership forums or task teams (at Mogalakwena), nominated and elected by the communities and meeting at least quarterly.

In addition, the different communities have established business forums in their areas, which engage with the mines on business issues and opportunities. We continually monitor the quality of our engagement and the structures and communication channels in place, especially at community level, to ensure these are effective.

Our commitment to social development in Zimbabwe parallels our commitment in South Africa. At Unki Platinum Mine, our corporate social investment initiatives include sports, arts and culture, health and food security, and supporting vulnerable groups.

Fines or directives

No social compliance fines or non-compliance directives were received in 2020.

Distributing economic value

Our licence to operate depends on our ability to ensure our stakeholders participate in the economic benefits we generate, and that our activities leave our host governments and communities with a firm foundation for a sustainable future.

The fact that we are a major mining company raises particular expectations.

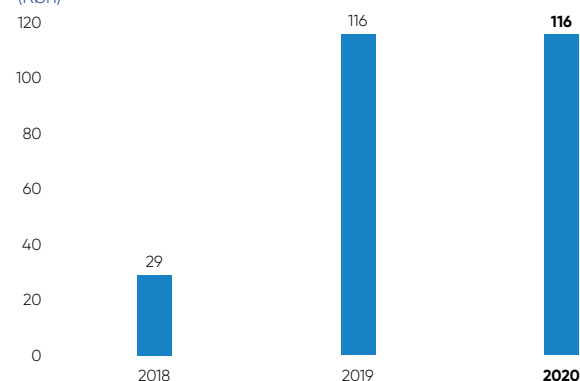
Through our core activities – which require Anglo American Platinum to employ people, pay taxes to governments and procure from host communities – we make our most significant contribution to the South African and Zimbabwean economies.

In addition to our other social investments (page 126 ) , the total value of dividends disbursed directly by Anglo American Platinum in 2020 was R326 million (2019: R116 million). The net amount – excluding the waived rights in terms of the subscription agreement amounts to finance the notional loan – was R130 million (R46 million in 2019).

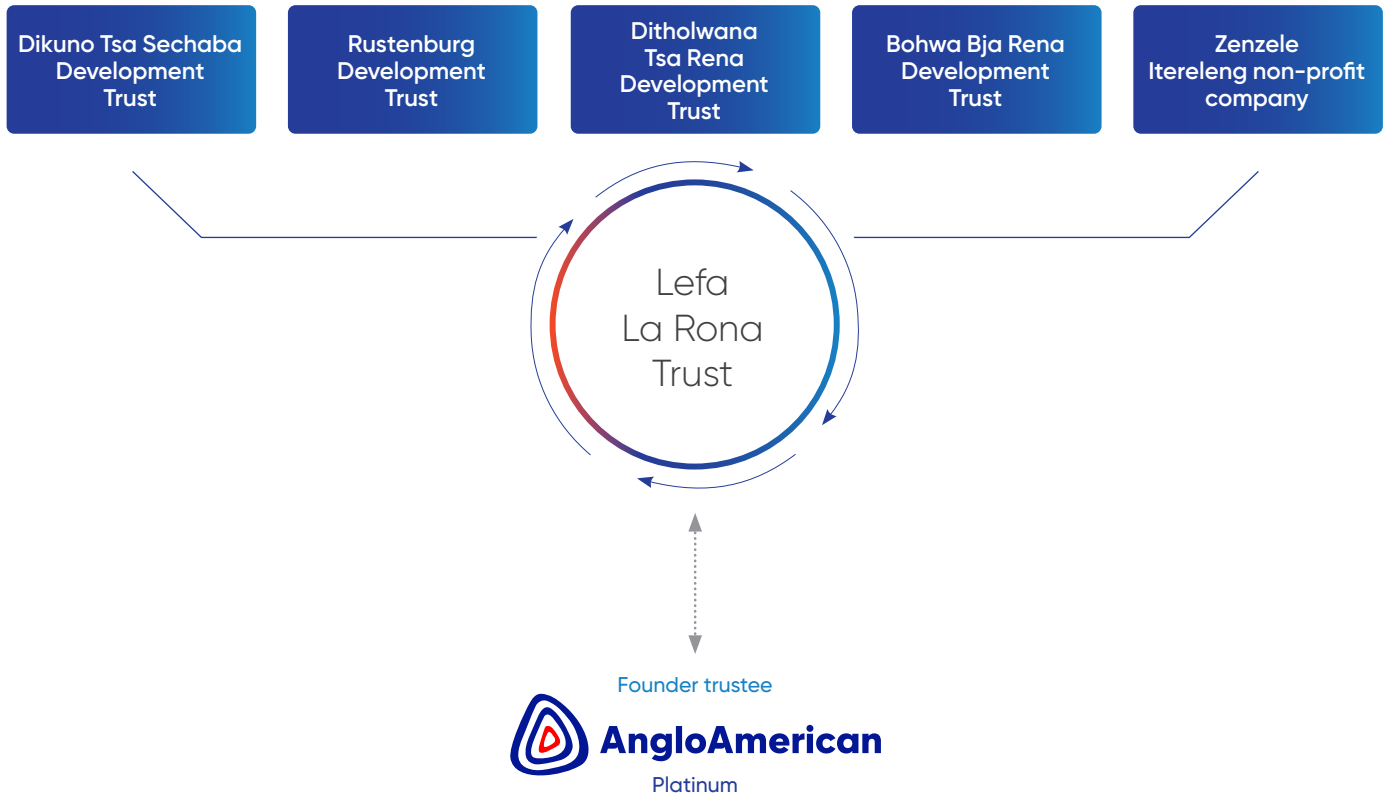
Through the multiplier effect, the positive economic contribution of our operations extends significantly further.

A number of empowerment transactions and joint ventures support our transformation goals. As an example, project Alchemy (discussed below) enables local communities to participate directly in Anglo American Platinum, with progress summarised below.

Funding community empowerment via dividends to Alchemy (Rbn)



Human and social
Social and relationship continued



Alchemy – community empowerment and development

The Anglo American Platinum community empowerment and development programme (known as Alchemy) was launched in 2011. This pioneering programme promotes thriving communities and sustained local, inclusive community development through and beyond mining, leveraging communities' shareholding in our company. The Alchemy development structures are tools for empowered communities and development partners to participate in creating a sustainable future.

All five trusts and the non-profit company (NPC) have been established as agents for multi-stakeholder local development, with communities having a direct say in their destiny. The trusts and NPC are actively consulting with the communities they serve within a 15-50km radius of Mogalakwena, Amandelbult, Rustenburg and Twickenham, as well as the labour-sending areas of Taung in North West province, OR Tambo district in the Eastern Cape, Lesotho and Mozambique.

Highlights and priorities

All the representative structures are registered, certified as public-benefit organisations, and audited. They are headed by senior operations managers as well as project development and implementation units and are actively engaging with stakeholders in implementing development projects, toward the Alchemy vision of sustainable and thriving communities, through and beyond mining.

The trusts and NPO are led by experienced, independent trustees. Rustenburg Development Trust and Dikuno Tsa Sechaba Development Trust appointed community trustees in 2018 and 2019 to enhance local relevance and impact. Ditholwana Tsa Rena Development Trust and Bohwa Bja Rena Development Trust will appoint community trustees in 2021. In the consolidation phase, community trustees will have the majority voice in these structures, ensuring full alignment with the development visions of local communities.

Alchemy development structures are set up to drive local impact in a four-phased approach.

Phase	Foundation	3-10 years Consolidation	11-30 years Operational	30 years+ Full
Description	Critical period ensuring effective start-up	First phase of fully capacitated trust structure, including community trustees on board	Second phase of fully consolidated trust structure	Potentially post-mining phase of self-sufficient trust operation

The Dikuno Tsa Sechaba Trust, Rustenburg Community Development Trust and Zenzele Itereleng NPC have already transitioned to the operational phase. The other trusts will achieve the same status in 2021, after electing community trustees. Weekly and monthly consultative and progress update meetings with various stakeholders take place, ensuring local relevance, improved impact and alignment with communities.

Community development project funding

With Anglo American Platinum paying dividends, the advantage of shareholding/ownership is highlighted with communities participating directly and experiencing the benefit of a profitable organisation in their midst.

On 27 July 2020, the predetermined trigger event occurred. Anglo American Platinum therefore repurchased 4.8 million shares from Lefa La Rona Trust on 22 September 2020, resulting in the successful settlement of the notional vendor funding loan by Alchemy. Lefa La Rona, which is the umbrella trust on behalf of the five development trusts and NPC shown above, will hold the remaining unencumbered 1.4 million shares in Anglo American Platinum until December 2021, when 40% of the shares will be distributed to the development trusts/NPC. Settling the loan and transferring value to communities happened one year prior to the maturity of the Alchemy scheme period (December 2011 to December 2021), due to Anglo American Platinum's strong share price performance.

On a practical level, the process of engaging and prioritising community transformative principles by the trustees has matured commendably in recent years.

The 2020 corporate social investment (CSI) plan included extensive local stakeholder and community consultation to maximise local beneficiation. While responding to immediate community challenges, including food security, access to drinking water and dignified livelihoods, the trusts and NPC are entering into strategic partnerships to plan and implement medium to long-term strengthening of systems, and asset-based community development programmes to respond to complex local challenges. Focus areas include:

- Strengthening education and health systems, and infrastructure
- Integrating fourth industrial revolution skills for meaningful employment
- Entrepreneurship and small, medium and micro-enterprise (SMME) development
- Mitigating the negative impact of Covid-19 on health, education, livelihoods and nutrition
- Supplier development
- Diversifying the local economy beyond mining, particularly agriculture in rural and peri-urban communities (facilitating agricultural capacity-building and offtake agreements)
- Digital enablement of local businesses, community-based organisations and development initiatives.

When the global pandemic reached South Africa early in 2020, all the Alchemy trusts/NPC had to reprioritise their funding and respond to impending risks to our communities.

To date, the trusts have received R640 million in funding through the dividend/safety net; CSI; SHE KPI programme; and interest.

Significant projects

The pandemic poses a significant risk to communities supported by the Alchemy trusts/NPC as a large percentage of community members can be classified as vulnerable (using the multi-dimensional definition of poverty plus the demographics and health profiles of these communities). This includes, on average, over 75% youth unemployment before the pandemic. To date, the Alchemy trusts/NPC have collectively spent/approved R22.3 million for Covid-19-related assistance and support in our communities. This includes food and hygiene packages, PPE, food and water

security as well as education recovery programmes, while maintaining the long-term trajectory towards sustainable and thriving communities.

Based on the strategy reviews and revisions across the trusts/NPC from 2018, they started the journey from grants managers (solely dependent on distributing funding for public-benefit activities) to the broader role of development integrators (including resource mobilisation, focused on long-term, transformative positive impact). This necessitated seminal work in 2019 to benchmark Alchemy globally and embed into their operating models the 'impact by design' framework in January 2020, before the pandemic reached South Africa. This important work continues in 2021 by developing active community profiles to guide the trusts/NPC towards highest possible impact.

In March 2020, the Alchemy trusts/NPC – as development integrators – started devising a Covid-19 rapid response plan and related impact framework, guiding and aligned with their strategies and mission.

This plan includes:

- Rapid assessment and modelling of the most vulnerable households in our communities
- Reaching out to a range of strategic partners and stakeholders (internal and external) for technical guidance and to understand the most effective role the trusts/NPC could play to protect and strengthen our communities against the pandemic, while maintaining these on a trajectory towards sustainability as thriving communities
- Leveraging community assets from previous Alchemy social investments
- Identifying urgent gaps.

The following Alchemy Covid-19 campaigns were soon launched across all the trusts/NPC:

- Based on information from the Department of Health (DoH) in March 2020, the Alchemy Covid-19 health advisory was developed with support from the Anglo American Platinum communications team. In collaboration with DoH, UNICEF and the Centre for Disease Control, this advisory campaign was uploaded onto all the trusts/NPC portals, capitalising on the new Alchemy wi-fi development platforms in all our communities. The same campaign was replicated in all community newsletters at Anglo American Platinum operations.
- Leveraging the human-centred design thinking framework as part of the impact-by-design methodology embedded across the trusts/NPC, we realised that many community members did not have access to running water to wash their hands during the pandemic. Days later, the Alchemy Covid-19 DIY UNICEF Tappy Tip campaign was added to all portals and submitted for publication across all community newsletters.
- Following the announcement on school closures mid-March, we launched the Alchemy Keep Learning at Home campaign across all portals and community newsletters, in collaboration with Vodacom Foundation, as an example of the Alchemy resource mobilisation strategy. The campaign targets all learners, teachers and parents in our communities to support learning continuity, again using community wi-fi development platforms as well as the zero-data cost and free Vodacom education resources from grade R to grade 12 (in which Vodacom invested over R1 billion).
- This was followed by the Teach Your Child While You Play campaign focused specifically on early childhood development during lockdown, using UNICEF resources. It was uploaded on all portals and published in community newsletters.
- Recognising the health risks posed by living conditions in our communities where residents may struggle to ensure social distancing, we launched the How to Make Your Own Masks campaign across all the trusts/NPC. This tapped into the

resourcefulness of our communities to craft their own masks simply from accessible material.

- The next Covid-19 humanitarian food and hygiene campaign was spearheaded by Ditholwana and Bohwa trusts as well as Zenzele Itereleng NPC. Thousands of parcels were distributed to vulnerable households by the trusts/NPC, working closely with Anglo American Platinum's social performance team. Zenzele Itereleng used an innovative voucher system for rapid distribution and collection of food hampers in Gaza province, Mozambique, from the nearest Kawena distributor/shop, reaching 500 households.
- The back-to-school issue is complex, given the expected increase in Covid-19 transmissions. All the trusts/NPC, in collaboration with Department of Education district offices, Anglo American South Africa education programme, social performance team and other stakeholders, are participating in various forums to support our communities. The community wi-fi development platform, in partnership with Vodacom Foundation, supports multi-modal learning (face-to-face, teacher-facilitated remote learning, remote access to subject specialists and self-paced supplementary learning). Since lockdown levels began easing, many of the trusts/NPC are expanding the reach of their wi-fi platform infrastructure beyond the first phase (10–18km), as originally planned. The pandemic has highlighted the underlying inequality in access to basic resources, as well as the potential to leverage this pioneering digital community asset during and beyond the pandemic.

Social return on innovation for positive, transformative impact

On the journey to maturity and considering the needs of the trusts and their benefit communities, all trusts/NPC are leveraging additional development vehicles, including scalable innovative social investment (projects/programmes with greater social return on investment and innovation), resource mobilisation, lobbying and advocacy in support of positive impact in benefit communities. Training workshops on design thinking, theory of change and social return on investment were conducted in 2019 with all the trusts/NPC, and these frameworks embedded into their operating models and practice to ensure impact-by-design. The active community profiles being developed in 2021 will deepen and expand on the impact-by-design methodology.

Fulfilling their role as facilitators in realising the Alchemy vision, the trusts are participating actively in pioneering integrated, site-based development implementation plans in collaboration with teams from Anglo American Platinum (sustainability, social performance, supply chain, community regional development, Zimele, mining operations and more), Anglo American's South African education initiative, corporate partners like Tiger Brands, Vodacom, Microsoft and IBM, aligned with national, provincial and local/traditional government initiatives. This collaborative development approach will continue in 2021 and beyond to ensure integrated, efficient and greater positive impact in communities.

The trusts/NPC are leveraging these strategic partnerships to pioneer access to a range of development services, including over 10,000 units of free courseware to all local SMMEs, entrepreneurs and youth via their community wi-fi platforms (detailed above).

The IBM Digital-Nation Africa fourth industrial revolution courses, together with Microsoft's Virtual Academy and massive open online courses, provide free ubiquitous access to benefit communities to increase the miniscule 5% of youth participating in post-schooling studies, and enhance their livelihood prospects. The aim is to help reduce the high unemployment rate (possibly more than 80% since the pandemic) in these mostly rural and peri-urban communities by aligning with the skills requirements of the future global economy while matching existing skill sets to available job opportunities via the development platforms.

Community development programmes

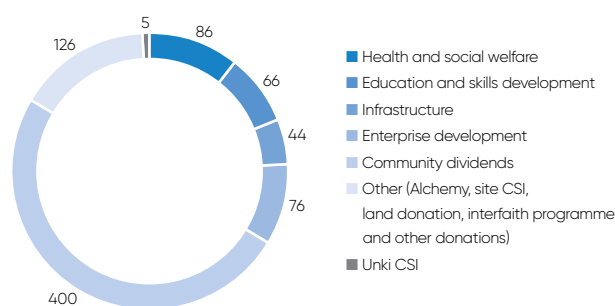
In 2020, the total social investment spend was R803 million, which included SLP and CSI spend in South Africa of R236 million (2019: R231 million) in line with mining charter requirements, and in Zimbabwe R5.5 million (2019: R9.3 million).

Since 2010, we have initiated 114 projects through our SLPs. By the end of 2019, we had completed 113 with the final project due for completion in 2021. The remaining project is the road being built in partnership with Road Agency Limpopo in Twickenham and we continue to report progress to the DMRE as required. There were delays in finalising this project and we are continuously engaging with the Road Agency Limpopo and relevant government departments to deal with these issues. Most completed projects have been handed over to the relevant beneficiaries.

After submitting new SLPs in 2015, we began implementation in 2016. We committed to deliver 74 projects and, to date, 44 have been completed. The other 30 are in different stages of implementation.

Mine community development expenditure in 2020 was allocated to the following projects:

Total social investment spend in 2020
(Rm)



	2020 Rm
Total social investment	803
CSI spend*	241.5

* Including Unki, excluding overhead costs.

Note: Figures presented above are reported as whole numbers, aligned with financial reporting in the integrated annual report.

Case study 22:

WeCare – our Covid-19 response programme

Community development initiatives intensified during the pandemic



➤ Donation of medical equipment as part of the WeCare programme

When Covid-19 was classified as a global pandemic in March 2020, Anglo American Platinum responded rapidly, expanding existing community development projects and introducing initiatives in collaboration with other Anglo American business units. The resulting Covid-19 community response plan, branded WeCare – driven by Anglo American and implemented by its business units globally – was closely aligned with our sustainable mining plan and purpose of re-imagining mining to improve people's lives.

Under the WeCare programme, we repurposed and expanded some existing programmes and rolled out new ones. The aim was to guide group business units across the world on initiatives to support their host communities. WeCare included an employee campaign aimed at looking after the physical and mental health of over 90,000 employees and full-time contractors around the world. The Covid-19 awareness and support delivered by the internal campaign was also spread into many host communities by group employees who reside there.

Safeguarding lives and livelihoods

The geographical spread of Anglo American Platinum's operations includes mining and processing operations in the North West and Limpopo provinces, as well as the Zimbabwe Midlands. Host communities comprise villages and municipalities within a 50km radius of those operations. The pandemic called for an urgent response to safeguard the lives and livelihoods of these communities. Many communities feature high unemployment levels, poor housing and service delivery, and elderly and child-headed households. These factors increased the risk of spreading the virus.

Anglo American Platinum began by engaging with its host communities, government agencies and other stakeholders to establish the communities' most urgent pandemic-related needs, including:

- Food insecurity
- Lack of water supply

- Clinics and hospitals being ill-equipped for the pandemic
- Schools, crèches and early childhood development facilities also ill-equipped
- Lack of community awareness and education.

When Covid-19 struck, our host community development work was focused on several health, education and infrastructure-related projects already detailed in our social and labour plans (SLPs) and corporate social investment strategy. Guided by Anglo American's WeCare programme, we adjusted and expanded some projects and rolled out new ones.

Creating awareness

It was vital to ensure that employees and communities were aware of Covid-19 protocols and knew how to apply them. Mining-related operations were allowed to continue under strict conditions during lockdown level 5 in South Africa. We not only had to ensure that everything possible was done to keep our employees safe, we also had to reassure host communities that Anglo American Platinum would not contribute to the spread of the virus by restarting operations. At the operations, Covid-19 measures were immediately incorporated into our comprehensive safety protocols.

A new mobile app gave employees up-to-date information on Covid-19 and enabled those suspecting they might have been infected to alert clinical associates, who tested the employees and their family members, and provided initial medical support.

Anglo American also used radio stations to create Covid-19 awareness in South Africa and southern African countries where it has operations. A series of WeCare advertisements was aired on national, regional and community radio stations from July to September. Advertisements with similar messages were placed on external media's digital and print platforms. In the same period, weekly paid-for interviews featured business unit representatives from head office and operations discussing Anglo American's response to the pandemic and how it was assisting its employees and host community members.

Equipping healthcare

In an extension of our community-orientated primary-care healthcare programme, which we piloted in Mogalakwena in Limpopo to establish a good baseline for the community health status, community health workers were trained to address the challenges of Covid-19. They were trained virtually to integrate Covid-19 protocols into existing company health policies and implement non-contact screening at pop-up screening stations or health posts in communities. They used a mobile app to assist with clinical referrals when someone tested positive.

Anglo American Platinum also donated PPE and infrared thermometers to clinics near its operations. Testing stations were set up at clinics where community members could be screened for Covid-19 symptoms and co-morbidities. We also brought in 25 high-flow nasal cannulas (non-invasive ventilators) for 10 hospitals in North West province and 15 in Limpopo.

Our WeCare programme was comprehensively dedicated to caring for employees' physical and mental health. Covid-19-positive employees in isolation received healthcare products

Case study 22: continued



⤵ Donation of food parcels during the Covid-19 pandemic

and services – including food parcels, vitamins and daily nursing support.

Partnerships and collaboration were critical while implementing this initiative. Through our Alchemy programme (page 124 ) , additional communities received assistance with food parcels.

We also partnered with Sasol to provide 25-litre bottles of hand sanitiser to hospitals, clinics and schools in our host communities. In Zimbabwe, Unki donated a newly equipped ten-bed intensive care unit (ICU) to nearby Gweru provincial hospital. The donation included ventilators, ICU beds, oxygen equipment and installation, PPE, multi-parameter monitors and other medical equipment. Unki had previously constructed and equipped a casualty ward at this hospital and refurbished the laundry room and children's ward. The establishment of the ICU formed part of Unki's USD2 million investment to date in Covid-19 measures. The mine's polymerase chain reaction testing laboratory, which was licensed to do Covid-19 tests, was used to test samples from employees, contractors and the Shurugwi district hospital. In addition, Unki provided food support to vulnerable groups and drilled and equipped 17 boreholes to improve access to water in the Shurugwi district.

Helping to alleviate food insecurity

Prior to the pandemic, food insecurity was rife in some communities. This situation worsened with lockdown as people lost their jobs and livelihoods, and small businesses closed. As part of our response, we consulted with the Department of Social Development (DSD) to identify who most needed assistance and committed to providing food parcels to 1,000 households a month per operation. Initially, this was to be for three months, but was later extended to February 2021.

We provided food for vulnerable community members in eight of our operations in Limpopo, as well as areas in North West and Mpumalanga. The programme was expanded to Gweru and Shurugwi in Zimbabwe. The primary goal was to ensure that vulnerable households received nutrition.

Around 24,000 food parcels were distributed in these areas between May and July. Each 35kg parcel contained basic food items, valued at around R400. Anglo American appointed



⤵ Assistance to victim-empowerment centres as part of addressing GBV in communities

disaster-relief non-profit Gift of the Givers to assist with implementation, given its vast experience in crisis situations.

Although food parcels were initially available at a central point, subject to Covid-19 safety protocols, door-to-door distribution would prevent people from congregating and risk spreading the virus. It was then decided that food vouchers could more readily guarantee the safety and dignity of beneficiaries.

Ensuring the provision of potable water

We had already been providing water to some communities through an initiative that would ultimately see the communities and their municipalities owning and running this service. With the pandemic, we expanded the number of communities that would benefit from water provision, particularly as potable water is key to maintaining good health and hygiene.

With funding allocated by Anglo American Foundation, Anglo American Platinum and partner Hall Core Water set out to provide potable water to vulnerable communities in 24 villages in four water-scarce locations around its operations, including Mogalakwena, Twickenham, Mototolo and Der Brochen in Limpopo, and Amandelbult in North West.

The goal for the project, which started in April, was to provide 50 litres of potable water per person a day (more than 2.5 kilolitres a day), and over 50,000 people benefited. In total, the borehole water project, which was rolled out in 21 villages around our operations, reached some 80,000 people.

The project involved drilling new boreholes, resuscitating a few old or vandalised boreholes drilled more than a decade ago, electrifying and connecting them to the grid, installing monitoring implements to measure yield, sampling water quality, installing water stations, and connecting taps to water resources. This initiative helped prevent Covid-19 transmission and brought jobs to the region.

Gender-based violence initiatives

Anglo American's living with dignity programme highlights the scourges of gender-based violence (GBV), discrimination and harassment. During the pandemic, it instituted a GBV programme in response to the reported increase in GBV under lockdown. It also intensified its efforts to curb this menace by working with faith leaders and traditional healers, who are often

the first line of counselling and health support for women in host communities. In Mogalakwena, Anglo American Platinum started actively training individuals to counsel women on GBV – an initiative that began prior to the pandemic, but was intensified as the number of GBV cases began to rise.

We worked closely with the DSD, South African Police Service and National Prosecuting Authority to assist women, and additionally identified 19 victim-empowerment centres at which we could make a difference. These centres are linked to police stations and are generally rudimentary, so we wanted to improve conditions for the women and often children who are offered refuge there. We provided PPE, food parcels and hand sanitiser for the centres, and addressed structural issues, donating some mobile homes that we furnished with new beds, cooking and dining facilities, and a lounge in which to relax (equipped with books and magazines) and provided running water. In addition, some company-owned houses in Rustenburg in North West and Polokwane in Limpopo have been donated to these empowerment centres. Additional initiatives include starting small vegetable gardens on the premises so that the women can cook the harvested produce. The women will also receive training to become economically independent.

Assisting the education sector

The Anglo American South African education programme strives to help eliminate poverty, inequality, and unemployment, in line with the goals of the national development plan 2030. As such, education is a core focus for the group, which set out to assist children in host communities with schooling.

We also helped the Department of Basic Education to cleanse and sanitise schools in our communities once they reopened, and distributed masks, sanitisers and thermometers. A new module was developed to assist school principals and management teams on returning to school. These included a Covid-19 school safety management plan, an educator workload matrix, and a

communication plan for the interim phase of their return. In addition, a strategy to prepare learners for preliminary examinations was implemented, focusing on key topics every day. The company also supported several schools with masks, hand sanitiser and infrared thermometers.

Looking beyond the pandemic

Community development has long been a focus area for Anglo American Platinum, with funds set aside for education, health, infrastructure, agriculture and enterprise development. The company's five-year plan was well on track when the pandemic hit but, unlike many companies, it increased rather than cut its social investment budget. The relevant teams were given additional funds to respond and develop our community response plan. With this plan nearing its end, the post-pandemic recovery phase will begin, accelerating some of the projects rolled out before the pandemic struck. These include agricultural projects to promote food security and manufacturing projects to drive job creation.

Our sustainable mining plan focuses on building sustainable livelihoods in our host communities. Post Covid-19, we will continue with this work, helping to stimulate economic recovery and making communities more resilient in the face of disaster.

We need to strengthen the health system, as well as the education system, and address infrastructure needs. We need to make sure that wi-fi is available to learners, and children are prepared for a digital future. We also need to strengthen governance systems, which we can do if we work closely with partners. One of the key lessons emerging from the pandemic is the importance of collaboration. Greater collaboration in the mining sector and across sectors would have allowed the company to extend its initiatives.



Assistance to communities by donating much-needed food parcels



Water provision to communities during the Covid-19 pandemic

Some of our community development focus areas:

Focus area	Progress	Estimated beneficiaries
Health and welfare Investment in healthcare fully reflects our WeCare principles to meet the immediate needs of our communities.	Limpopo province Currently finalising the refurbishment of primary healthcare facilities at Maboela Clinic in Mogalakwena. Sekuruwe and Naledi clinics were completed in partnership with the provincial department of health and handed over to the department. Health and hygiene programme for learners at six Mapela high schools in Mogalakwena expanded to Amandelbult complex. North West province Upgrade of Linchwe Clinic, including the demolition of an old asbestos building, and construction of a new one in Mokgalwana village almost complete. In addition, we initiated a health baseline study around our operations in both provinces to establish the current status and guide interventions in our 2020 planning with the Department of Health.	
Education and training We invest in education to contribute to poverty-alleviation strategies and to achieve our sustainable mining plan objectives by 2030.	The education programme has three initiatives to achieve our vision of thriving communities and for all children in host communities to have access to excellent education and training. In 2020, we continued with our leadership and character-building programme, early childhood development and learner support for our schools, and to build capacity for our youth. By end-2020, there were 13 schools (over 3,000 learners) benefiting from the leadership and character-building programme implemented with Anglo American's Lighting Tomorrow. Our learner support programme (maths and science) reached 44 schools in Rustenburg, Der Brochen, Twickenham and Polokwane. The Anglo American group education programme is progressing well on learner and teacher development and initiated the infrastructure pilot and early childhood development (ECD) support for Anglo American Platinum ECD centres. Schools infrastructure Mogalakwena Mine is constructing additional blocks of classrooms and administration facilities at Maleya, Kgwahlele and Mphunye schools. In Amandelbult, good progress was made in 2020 with constructing Kgoshi Manotshe School, Thekganang and Kwena Tlase administration blocks as well as Lephanye and Tekanang in Twickenham. In Mogalakwena, we continue to renovate sanitation facilities at Jan Malebane, Mphunye, Kgwathele, Hans Masebe Primary School, Matedu School, Matsibe School, and Mantutule Secondary School. Construction of administration blocks and renovations were completed at John Pedro Secondary School and Langalibalele Secondary, which included an office block, science laboratory and two ablution facilities. The mine's contribution of R12.7 million to the Limpopo Education Trust to construct the new Seritarita school is a clear commitment to education.	More than 4,000 learners Over 140 educators Learners at 10 schools
Enterprise development Enterprise development is driven through the Zimele programme in conjunction with our supply chain team. Zimele is the Anglo American-wide catalyst for emerging black businesses in South Africa, supporting commercially viable small and medium enterprises by providing skills training and funding.	In response to the Covid-19 outbreak and lockdown, Zimele has adapted to use digital platforms to deliver its training, mentorship and access-to-market services to beneficiaries. In addition, the advisory and mentorship service in the hubs has been adapted to deal with the immediate challenges faced by the businesses by developing and providing a business-survival toolkit. This addresses areas such as cash preservation, fast-tracking business digitisation, digital marketing, support required with paying outstanding invoices, and support with human resources challenges due to cash shortfalls amid the restrictions implemented by the government in South Africa. Zimele assisted SMMEs in host communities to apply for external support grants and loan packages launched by government as well as the private sector. In the aftermath of the first lockdown in South Africa, a loan-payment holiday was implemented from April to June 2020 to shield SMMEs on the Zimele loan-funding programme from the effects of restrictions on their businesses. In addition, Zimele finalised partnerships for youth development focused on digital upskilling and vocational training as part of the existing workforce readiness programme in our host communities. This was made possible through online mobile learning platforms with data cards and smart devices for beneficiaries, sponsored by Anglo American Platinum. Overall, Zimele programmes have worked with 1,068 beneficiaries who were in turn supporting 3,044 jobs by end-December 2020. Zimele has disbursed loans totalling R23.1 million to SMMEs from our host communities in 2020.	1,068 beneficiaries in SMMEs supporting 3,044 jobs

Focus area	Progress	Estimated beneficiaries
Infrastructure (roads, housing, water and sanitation) The SLP programme is our commitment to developing infrastructure that supports socio-economic development in our communities. We implement our SLP programme in line with the integrated development plans (IDPs) of respective municipalities.	Because our mining operations are in areas that are underdeveloped, remote and have limited access to sustainable water resources, the pandemic presented arguably greater health challenges for our communities. The roll-out of our Covid-19 response plan included significant investments in water infrastructure in these communities. As water became critical in the fight against pandemic, our Covid-19 water programme ensured access for over 53,000 households within seven months. Infrastructure from this programme is being incorporated and linked to existing water networks to address water demands in municipalities and traditional authorities' areas. In 2020, we completed construction of a 10Ml potable-water reservoir in Regorogile township in Thabazimbi, near Amandelbult complex. Mogalakwena complex, in partnership with the municipality and Mapela traditional authority, continues to supply potable water to over 70,000 members in 42 villages of the Mapela community. The agreement is for communities to take 30% ownership. We are finalising trust registrations and approving bank accounts to transfer dividends to the community trust in 2021.	53,000 households 70,000 members in 42 villages
Community trusts (including Alchemy) Alchemy is our R3.5 billion BBBEE ownership programme. It is designed to promote long-term sustainable development in host communities and key labour-sending areas that do not benefit from our other BEE programmes.	Our community equity participation scheme is a vehicle that ensures community members are able to participate and receive economic benefits from their investments. Community trusts are an important means to support community development initiatives. At the same time, efficient governance of these trusts is key in distributing benefits to community members. Out of eight community development trusts, we have transferred funds to three trusts, Ga-Puka, Ga-Pila and Ga-Sekhaolelo. In 2020, Wits Enterprise conducted a study on these trusts to understand their challenges and opportunities. The study has been concluded and key findings were shared with trustees in the first quarter of 2021.	

Indigenous rights policy

The Anglo American social way guides our social performance compliance in engaging with indigenous people. In South Africa and Zimbabwe, no community groups have been categorised as indigenous people.

Active community engagement

In line with the requirements of the social way, all our operations have developed plans to map key stakeholders and detail methods of engaging with them. All operations have community engagement forums, with monthly discussions on progress as well as feedback on key social initiatives and issues.

The fieldworkers' programme enlists previously unemployed youth from our host communities to engage with and provide feedback directly to communities in their own homes.

Our community newspapers, recognised as 'best publication with a limited budget' in the South African Publication Forum corporate awards, have far-reaching impact by consistently providing feedback to our communities. The interfaith group programme, which includes church leaders and other traditional healers to ensure inclusivity, now encompasses over 500 leaders and forms part of the Courageous Conversation Movement to foster engagement between the mining industry and churches to address issues that affect our host communities.

Community consultation framework and implementation

Our community engagement methodology covers:

- Identifying affected communities and the range of stakeholders
- Implementing a stakeholder engagement plan, which is in place for each of our operating sites
- Providing affected communities with access to information through relevant structures, such as community engagement forums, community newspapers and community radio stations
- Enabling affected communities to express their views on operational and project risks through grievance and engagement mechanisms
- Incorporating the views of affected communities into operational and project decision-making
- Reporting to affected communities and other stakeholders.

Responding to community concerns and impacts

We believe our first duty is to behave in a way that respects the human rights of employees, host communities and business partners. Beyond initiatives to benefit our host communities, we aim to respond promptly to any negative impacts we may cause.

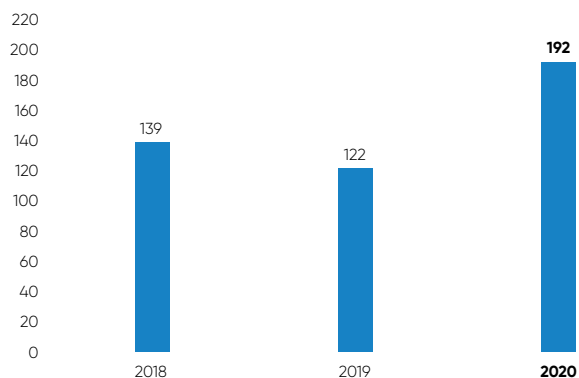
Where there has been physical resettlement of people or heritage sites, such as relocating graves, we continue to ensure the impact is minimal.

Community complaints and incidents

Responding effectively to community complaints and expectations underpins good relations. Community expectations and the lack of development as well as rife unemployment in some of our neighbouring communities pose challenges for those operations, as demands on the mines to provide basic services and employment spiral.

In 2020, 192 level 1 (insignificant) to level 5 (major) community complaints were submitted through formal procedures at our operations (2019: 122), mostly on local employment, procurement opportunities, SLP community consultations and environmental impacts. All were assessed and complainants kept informed throughout the grievance and complaints process. The engagement process to resolve complaints was complicated by the level 5-3 lockdowns in South Africa that restricted movement and gatherings. In addition to existing risk and impact management controls, several Anglo American Platinum internal task teams were established to improve on managing risks associated with community protests and inclusive procurement.

Community complaints



There were 33 level 3-5 social incidents reported in 2020 compared to 21 in 2019. Encouragingly, we recorded a reduction in level 4 (high) incidents from six in 2019 to three in 2020.

Resettlements and improving access

In the development phase of our mines, we plan projects to avoid or minimise resettlement. Our standards align with Anglo American and stipulate that all resettlements must at least meet the IFC performance standard number 5 on land acquisition and involuntary resettlement and must demonstrably improve the livelihoods of resettled people. In line with the IFC standard, each resettlement must also be planned and implemented in a participatory manner.

Corporate approach to resettlement

In line with the IFC performance standards 1 and 5, an environmental and social impact assessment must be conducted prior to resettlement. This assessment stipulates that a social management plan is designed to mitigate risks, deal with issues and restore communities. A remediation action plan and livelihood restoration plan are designed to guide implementation, monitoring and provide evidence of improvement. The overall approach is to conduct resettlement as a last resort and, if it cannot be avoided, to adopt like-for-like replacement that protects the community structure.



↗ Creche and community hall construction at Mokopane Ext. 14

Update on Motlhotlo resettlement

To expand Mogalakwena Mine, we needed to acquire land previously occupied by the community of Motlhotlo to dump waste rock. Motlhotlo is north-west of the mining pit and resettling the remaining households is strategically important for the continuity of our flagship operation to:

- Eliminate health and safety risks for households in the mining area
- Give Anglo American Platinum full access to the approved leased mining rights area and reduce reputational risks caused by unauthorised access by the public
- Fully use dump space and reduce operational costs.

The Motlhotlo resettlement was initiated in 2005 and all 956 households agreed to relocate. Subsequently, 64 households retracted their decision, electing to remain on the property. The number of households at Motlhotlo grew from 64 to 156 by 2012.

Following negotiations, a relocation agreement was signed with the community in mid-2012, and we appointed external experts to develop a resettlement action plan. The primary objectives of this plan were to:

- Consolidate and build on existing resettlement planning
- Include all negotiated agreements and conflict-resolution activities (which have characterised the Motlhotlo resettlement process)
- Document and finalise the relocation agreement between Anglo American Platinum and the remaining households.

The plan was developed in line with the policies, legal and institutional framework of South Africa, as well as the demographic and socio-economic characteristics of the affected community. In addition, it was informed by the internationally accepted good-practice guidance in the IFC's performance standard 5 on land acquisition and involuntary resettlement.

The 2012 agreements set out three resettlement options for the Motlhotlo households owners to move to:

- **Option 1:** an agricultural farm (Klipfontein and Tobias Zyn Loop farm) at Mookgophong
- **Option 2:** the new villages at Armoede and Rooibokfontein
- **Option 3:** a location of their choice within a 50km radius of Mogalakwena Mine.

Of the 156 households, 92 have relocated to option 2, three have selected option 3, and the 61 households remaining at Motlhotlo have selected option 1. After two households indicated that members would remain on the land, a separate charter was issued to formalise the relocation project for the remaining 61 households.

The main challenge was to identify suitable land for relocating the households. The land needed to comply with the Spatial Planning and Land Use Management Act 16 of 2013 and be accepted by the community. A portion of land in ext 14 of Mokopane was identified. The community and their lawyers selected ext 14A where the land is fully serviced and roads were being tarred. The community also liked show houses built for employee housing. After presenting the land options to the Community Property Association (CPA) for initial approval, the land was then shown to the community. The majority (47/61) of eligible households selected the option.

Subsequently, entitlements outlined in the 2012 agreement were re-evaluated to compensate for the challenges of urban living. The entitlements and required support were formulated into a relocation action plan and a livelihood restoration plan, with an appropriate budget approved by the Anglo American Platinum executive committee (exco).

An addendum to the 2012 agreement was drafted and approved by 31 households in August 2018. House construction began in November and implementation of the livelihood restoration plan in January 2019. The first activities were house construction and providing transport to schools and the construction site. The children of consenting households also started 2019 in their new schools.

The mediation process outlined in the 2012 agreement is being followed with the remaining households. The objective is to find a suitable alternative relocation site as per option 3 of the agreement for these households. The mediation process with these households, via their legal representative, has resulted in them opting to relocate to the adjacent Ga-Sekaolelo village on a temporary and, ultimately, permanent basis.



Mr Michael Ramatsea (independent social worker) and Mr Kgaotsang Ngoepe (Mogalakwena stakeholder engagement manager)

Independent resettlement review

In 2015, our sustainability department initiated an independent review on four resettlements: Mogalakwena (Ga-Pila, Ga-Puka and Ga-Sekhaolelo) and Twickenham (Makobakoba). The aim was to ascertain the status of resettled communities in line with the IFC's resettlement performance standard 5, as well as Anglo American social way requirements.

Due to setbacks (including unavailability of key documentation, community's reluctance to participate and community conflict), the review process was suspended in 2016.

At the beginning of 2018, consulting firms were re-engaged to complete the review, and present to Anglo American Platinum an assessment of the status of resettled communities and recommendations to address identified risks. The review for Mogalakwena was completed in September, with findings and recommendations presented to the executive committee (exco).

Based on this review, exco determined that remediation was required to address the risks and gaps identified. The focus will be on implementing rapid-impact projects in the resettled communities. An integrated remediation monitoring and evaluation schedule and budgets have been developed against the recommendations of the forum review report.

The next steps include implementing an extensive engagement and communications plan to disseminate the findings, recommendations and remediation plan emanating from the review and structural assessments. The initial step included planned engagement with the Mapela traditional authority in January 2021. This will be followed by further development of the integrated remediation plan in partnership with the affected communities. After that, the remediation plan will be implemented and progress closely monitored. Meeting with Mapela TA postponed due to Covid-19 restrictions.

Case study 23:

Community development

Interfaith programme

Stakeholder engagement and communication enables our company to drive community agendas in full collaboration with our stakeholders. Effective stakeholder engagement is a key pillar in our strategy and the Anglo American social way.

As part of our shared value, we continually promote transparent and rigorous engagements to co-create social strategies and agree on joint roles. Our aim is to find better and more effective means to reach and interact with our communities.

Our lengthy experience in community engagement has highlighted the critical role played by church leaders and traditional healers in our societies. The interfaith programme gives us an alternative community-based structure and systems to facilitate dialogue on community development while maintaining good and credible relations. In essence, it enhances our ability to co-create effective collaborations with our communities and co-design lasting solutions to societal challenges.

Through our interfaith initiative, we began to address the cultural shift of taking time to understand what 'meaningful existence' means to communities. This is a moral-regeneration intervention that promotes engaging with faith leaders and community representatives to clarify where Anglo American Platinum could support sustainable livelihoods.

The interfaith programme allows us to adapt and refine our approach to community development and improve stakeholder participation in decision-making and co-creation of future solutions and programmes.

In 2020, as part of our SLP3 engagements, the interfaith groups were among the key stakeholders who participated in shaping the SLP3 program. Their participation proved that interfaith leaders can be the so-called nucleus of development and galvanising force for cohesion.

Under this programme, we are implementing several key initiatives: an interfaith response to gender-based violence, Covid-19 interfaith response and leadership, mediation and conflict resolution.

To date, the programme's outcomes and impact include:

- Social cohesion: different faith groups under one roof, mixed gender, age groups and the recognition of giving the voiceless an opportunity
- Nucleus for development: for education and moral regeneration, 12 projects have been identified and are being executed, some with partners and funders
- Response to gender-based violence: a GBV needs assessment, interfaith awareness of GBV, awareness campaigns, training and Covid-19 response for victims of GBV
- Interfaith response to the pandemic: training and developing capacity of 1,217 interfaith leaders and 300 community members, distributing 8,000 masks and sanitisers (4,200 litres) and distributing 9,000 food parcels
- Training and capacity development: skills development, leadership and character building, moral and purposeful leadership, financial skills and first aid
- Education and conflict resolution: early childhood development, education and moral regeneration, conflict resolution
- Networks and stakeholder mobilisation: part of the CEO courageous conversations initiative; hosted the Anglo American CEO and senior executives from the group and Anglo American Platinum; hosted senior leadership from Anglo Coal South Africa, Exxaro, Sibanye-Stillwater, Glencore, Implats, community leaders and Anglican Church in England.

The interfaith programme has now been successfully rolled out to all six operating sites in Anglo American Platinum. We have almost 1,300 interfaith leaders (61% traditional healers and 39% church leaders) across our host communities, staffed by 30 social workers and psychology graduates.

Status of interfaith programme at Anglo American Platinum sites

Operating site	Condition	Number of interfaith leaders		
		Traditional healers	Church leaders	Total
1 Mogalakwena	Operational	308	173	481
2 Twickenham	Care and maintenance	127	66	193
3 Der Brochen/Mototolo	Development	68	84	152
4 Polokwane smelter	Operational	102	52	154
5 Rustenburg	Operational	98	35	133
6 Amandelbult	Operational	57	47	104
Total		760	457	1,217

Case study 24:

Zimele – helping entrepreneurs stand on their own feet

Anglo American Zimele has undergone a major realignment in the past year – from funder of small and micro-enterprises (SMEs) to enabler of growth for these enterprises, in line with the group's purpose to re-imagine mining to improve people's lives.

Having been identified as an agent of this change, Zimele is embarking on a new drive to create sustainable livelihoods and empower communities by creating sustainability in business and strengthening relationships to create synergies between the group, its business units, SMEs in its host communities and partners that Zimele works with.

This realignment required adjusting Zimele's operating strategy to focus on coaching and mentoring entrepreneurs (with a special focus on the development of youth, suppliers, and local enterprises). To create sustainable enterprises and livelihoods, market linkages would also be created for participants in these programmes while continuing to provide access to finance beyond the coaching and mentoring programme.

The strategy is being implemented through three pillars. A major part of its implementation is conducted via a partnership with Technoserve. The actual work is carried out in hubs set up through sponsorship by the four Anglo American business units:

- Supplier development – leveraging the group's procurement spend across business units and developing small-scale suppliers to access other markets
- Enterprise development – increasing the scale of SME development to meet regulation effectively and drive transformational change in our host communities
- Youth development – providing adequate economic opportunities for youth in host communities.

Access to funding is then provided ideally to SMEs participating in the programmes with the potential to scale up and create jobs. This is done through Absa, our loan-funding partner. Identifying and selecting participants is done in collaboration with supply chain, social performance and the collaborative regional development teams.

Zimele (isiZulu for stand on your own two feet) was established in 1989 to develop emerging black businesses, empower entrepreneurs and facilitate job creation. Since then, it has played a pioneering role in accelerating the pace of change in South Africa's SME market. The revised model of entrepreneurial development – through sustainable local procurement activity – will have a lasting impact on communities across the country through skills development, job creation and thriving businesses.

Progress update

In response to the effect of the Covid-19 outbreak and lockdown, Zimele has adapted its service offering to use digital platforms to deliver training, mentorship and access to market services to programme beneficiaries. Additionally, the advisory and mentorship service provided in the hubs has also been adapted to deal with immediate challenges faced by the businesses. Topics of interest included: cash preservation, fast-tracking business digitisation, digital marketing, support required with paying outstanding invoices, and support with human resources challenges due to cash shortfalls caused by

lockdown. Zimele also assisted SMEs in host communities to apply for the external support grants and loan packages that have been launched by government and the private sector.

In the aftermath of the initial lockdown, a loan-payment holiday was implemented from April to June to give relief to SMEs on the Zimele loan programme from the effects of the lockdown on their businesses.

BluWater Technologies (Pty) Ltd – a 100% black female-owned company specialising in innovative water-treatment solutions in the mining, industrial, food and beverage sectors as well as municipal operations. BluWater is a beneficiary of the Zimele supplier development programme in Mogalakwena.

The company supplies potable water, cooling-water treatment and monitoring, process-water filtration and treatment, and heat-exchanger condition monitoring to the operations in Mogalakwena. Under its current business model, it also offers purified water packets and water purification systems to the public.



⚡ Blu Water Technology is a 100% black female-owned company that specialises in innovative water treatment and supply solutions

Letona Holdings is another beneficiary of the Zimele supplier development programme. Based at Mogalakwena, Letona currently has a R16-million contract with Anglo American to maintain flotation cells and employs 37 people. The 60% woman-owned enterprise specialises in engineering and plant maintenance and its areas of work include iron and steelmaking plants, smelters and acid plants, and mining and concentrators. It has potential to grow further, especially after participating in the Zimele programme.

Thuso Projects is a beneficiary of Zimele's supplier development programme in Rustenburg. In June 2019, it was awarded a three-year contract to supply building material to the value of R5 million at Rustenburg and Mogalakwena. Thuso had successfully concluded a three-year, R10.8-million railway maintenance project at another mining company, and shortly after was awarded a once-off R575,000 tender for road and bridge repair over seven days. The projects created 20 permanent jobs, while the tender employed 29 people for its duration.

Our stakeholders

Key issues

Refer to map on page 120  for key issues, and detailed discussion in the integrated annual report.

Our approach to meaningful engagement

We are committed to working with our stakeholders to understand their legitimate needs and concerns and integrate these into our business to create an organisation that is sustainable and shares the value generated. This means we need to stay abreast of ever-changing relationships in our diverse group of stakeholders.

We believe building quality relationships rests on recognising key factors:

- A relationship is only sustainable if it provides benefits to both parties (sharing value)
- Clear, consistent communication is the operating framework in building and maintaining quality relationships.

Our business relies on diverse stakeholders and they rely on us to meet certain needs. We engage with these stakeholders in numerous ways to understand their legitimate needs and communicate our goals, creating relationships of mutual benefit.

In 2016, we mapped our stakeholders in a comprehensive process to ensure we were aware of organisations and individuals with an interest in our operations. This insight has enabled us to improve future engagements.

A summary of key stakeholder engagements in 2020 is shown below and detailed in our integrated annual report.

 Strong  Cordial  Weak

Government

Quality of relationship	How we engage	Why we engage
	We engage constructively at all levels, directly and through industry bodies such as the Minerals Council. Key issues include: – Financial state of platinum sector – Compliance with mining licence and related requirements – Labour relations and safety – Contribution to national developmental priorities (job creation, skills development, public health, and economic and socio-political transformation) – BBBEE legislation – Taxation policy, including royalties and carbon taxes – Company developments, including strategy – Social licence to operate. In Zimbabwe, we face uncertainty on indigenisation. We maintain regular contact with government officials, ensure full legal and regulatory compliance in a changing environment, and invest in community and social development initiatives.	Engaging effectively and openly with government at all levels is essential to unlocking value. We have a responsibility to understand the expectations of government and to be clear about what we, as a company, need to do to succeed. We also believe that, in turn, governments have a responsibility to listen to aspects affecting our business, engage with us and create an environment in which our industry can make a positive long-term difference to those countries. Many of our social projects can only succeed if we engage with government and align our projects to broader goals for the country. The way companies are run determines more than just their financial performance. If run well, they contribute to the prosperity of the country and their host communities. We engage with government, host municipalities and the regulator on aligning appropriate projects for host communities.

● Strong ● Cordial ○ Weak

Entrenching compliance

Quality of relationship	How we engage	Why we engage
●	Regulatory uncertainty is an ongoing risk that we address through active engagement, both as a member of the Anglo American group and through the Minerals Council. Regulatory matters on a specific material issue are discussed in the relevant section of this report or cross-referenced to our integrated annual report.	We believe pursuing the highest levels of compliance is an opportunity for Anglo American Platinum: by adhering to regulation, legislation, voluntary codes and social compacts, we ensure our business practices are conducted responsibly, which in turn benefits the areas in which we operate. While we strive to meet legal compliance obligations, we aim to go beyond mere box-ticking to make a substantive difference. In South Africa, companies are governed by a broad range of legislation and regulation, some generic to the business world and some specific to mining. Mining and exploration permits are issued under the MPRDA that governs technical and socio-economic issues. In addition to complying with all applicable legislation, we also comply with voluntary codes and guidelines (page 143 PDF) to manage the social and environmental risks of mining.

Partnering to align goals

●	We aim to work with government stakeholders to ensure regulatory and legislative developments are balanced and promote long-term investment and industry competitiveness in the international marketplace.	South Africa is a well-developed mining jurisdiction, with comprehensive legislation. We continue to partner with government in contributing to the goals of the national development plan (NDP) as well as the UN SDGs, in collaboration with the office of the deputy president. We work with government's integrated development plans at provincial and local level. Given the challenge of aligning our projects to maximise benefits for intended recipients, we focus on working across departments internally and aligning projects across multiple government departments.
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Suppliers

●	Engagement with a large mining supplier included quarterly meetings on key sustainability matters.	Anglo American Platinum makes a valuable contribution to South Africa's transformation, economic growth and empowering local businesses through inclusive procurement and supplier development as well as industry-wide enterprise development. Refer pages 139 and 140 PDF for detailed discussion.
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We support the principles of the Extractive Industries Transparency Initiative on disclosing payments. In 2020, R9.7 billion was paid to the South African government as taxes and royalties (2019: R5.2 billion); and R450.1 million (USD equivalent) to the Zimbabwean government (2019: R199.2 million).

We do not support any political party and make no political donations.

Supply chain – beyond compliance

Anglo American Platinum has in recent years made a significant contribution to our country's transformation and economic growth by empowering local businesses through inclusive procurement and supplier development, as well as industry-wide enterprise development.

FY20 was a challenging year for all because of Covid-19, and subsequent lockdowns to mitigate associated risks. The communities around our operations had to implement mitigation measures rapidly to protect the frail and create a safe educational environment at schools. The Anglo American Platinum supply chain teams, working with the social performance function, initiated the vendor partnership programme in May 2020 to collaborate with some key suppliers to support our communities in their efforts to prepare for the steadily rising rate of infections in South Africa. In total, 55 vendors participated in helping us roll out support to our communities valued at R1.93 million. In addition, we sourced cloth masks manufactured by host communities valued at R546,000 and distributed these to local schools.

Through our concerted focus and inclusive procurement initiatives, we performed very well against the requirements of MCIII:

- Mining goods*:
 - 47% Historically Disadvantaged Persons (HDP) procurement owned (>51% black owned), target is 21%
 - 66% BEE-compliant procurement (>25% black owned), BEE target is 44%
 - 10% women and youth-owned procurement, target is 5%

* Mining goods figures exclude SABS verification of local content

- Services

- 94% BEE-compliant procurement, (>25% black owned), target is 10%
- 69% HDP-owned procurement (>51% black owned), target is 50%
- 13% women-owned procurement, target is 15%
- 5% youth-owned procurement, target is 5%.

We always consider the impact of our operations on immediate communities. Given our focus on empowering these communities, we are pleased to report total procurement of R3.8 billion with our host-community suppliers, which includes R2.3 billion spent with our doorstep suppliers in 2020.

In promoting empowerment initiatives, we concentrate on black-owned, women-owned and youth-owned entities, host communities as well as promoting in-country manufacturing and assembly of goods.

Offering greater business and development opportunities to these suppliers supports our vision of helping more people access diverse opportunities, even after our operations have ceased.

Key focus areas going forward include:

- Higher visibility and medium-term window on procurement pipeline, relating to preparation of host communities for procurement opportunities
- Digitalisation – online platforms for inclusive procurement (IP)
- Growing technical enablement support for host-community suppliers
- Extending our supplier development programme into Polokwane and Far Eastern Limb (Modikwa and Mototolo)
- Implement a solution for local-content verification for mining goods.

Case study 25:

Local supplier and Mogalakwena build mutually beneficial relationship

In the year since Kele Engineering and Construction (KEC) began its three-year R37.7-million contract with Mogalakwena complex, both parties have improved operations through a mutually beneficial relationship.

When KEC was awarded the contract to maintain and repair air-conditioning systems in mobile equipment, it set out to improve the availability of the operation's vehicle air-conditioning systems, reducing breakdowns and downtime.

Based in Mahwelereng (one of Mogalakwena's host communities), KEC is a level 1 BEE, woman-owned business that prides itself on service delivery, and the continuous development of its employees. Its 18-strong Mogalakwena crew all hail from host communities and within the first year of this contract, KEC promoted two of its technicians to foreman and site manager.

The company is led by Kgaugelo Mogapi, managing director and majority shareholder, and director Nkosinathi Tshuma. Mogapi, who is from Mahwelereng, founded KEC in 2018. A dynamic woman with a master's degree in human resources management from the University of Johannesburg, she has 20 years' experience in leading and growing organisations in the mining and engineering industries. Tshuma is a professional mechanical engineer with 18 years' experience in the mining industry.

KEC's vehicle air-conditioning contract was one of our inclusive procurement opportunities ring-fenced for Mogalakwena's host communities. This service was previously performed by a non-host community supplier.

Mogapi is passionate about people development, especially when it comes to local talent. With her strong human development acumen, Mogapi continuously identifies individuals for development and says KEC will continue to ensure professional growth for the host community members it employs.

Meanwhile, Tshuma, applies his engineering knowledge and experience to providing technical guidance to the KEC team to enable them to develop their technical skills and excel in their service delivery to Mogalakwena.

The directors work to motivate the crew by working with them to carry out analysis of breakdowns and to develop actions plans to mitigate them.

Monthly review meetings see the KEC and mining engineering teams reviewing performance and setting objectives to continuously improve quality. These objectives are implemented monthly and tracked to ensure efficiency and effectiveness of the service provided by KEC.

Highlights of KEC's Mogalakwena success story

- Efficient transition: KEC ensured the change-over would not affect Mogalakwena's operational objectives, or the safety and health of its employees. KEC worked closely with the previous contractor and employed some of its crew to mitigate job losses in host communities and ensure continuous service
- Clean safety record: no reportable SHE incidents. The team performed well in all internal and external audits on SHE compliance
- Smooth transition between cold and hot seasons. To mitigate significant fleet stoppages due to seasonal changes, KEC reviewed past challenges and developed plans to resolve these, such as enhancing preventive maintenance, operator engagement and spares preparedness
- Ensuring crew availability by investing in transport for the commute between their villages and the complex.

Looking ahead

- KEC is developing an employee incentive scheme that includes quarterly bonuses, to further motivate employees to work safely and effectively
- It is finalising a technical skills development programme – each employee will have a customised development plan that includes training
- Over the last two years of its contract, KEC plans to establish a training academy to develop up to six young people, from Mogalakwena's host communities, into air-conditioning technicians. Academy participants will also benefit from practical work exposure at the complex.

Enterprise and supplier development (Anglo American Zimele)

We support host-community suppliers through our specialised Anglo American Zimele project (refer page 130 ). Zimele provides mentorship support to SMEs in our host communities to improve their capacity to supply quality goods and services (supplier development) and help others to develop businesses not linked to our wider group (enterprise development). The Zimele model focuses on delivering four key services: mentorship and advisory; enabling access to markets; SME loan funding; and hub management. Through this, we were able to:

- Provide funding to 15 enterprises (through 18 transactions) valued at R23.1 million in 2020
- Supported 3,044 jobs through the mentorship programme.

Responsible sourcing

We remain committed to building a culture that respects and values the human rights of employees, communities and people who contribute to our supply chains. Our initiatives in building responsible

supply chains are driven by our values and supported by our code of conduct – because it is the right thing to do, not solely for the sake of compliance.

Globally, there are growing expectations for businesses to be more transparent when procuring goods and services, while managing sustainability risks. These range from modern slavery, child labour, workplace conditions to poor environmental management. Sustainability or ESG is central to our strategy, and we have made several commitments to ethical value chains under the trusted corporate leader pillar of our sustainable mining plan.

Our responsible sourcing programme prioritises ethical decisions when purchasing goods and services. We are committed to working with suppliers that comply with applicable laws, while striving for zero harm to people, society and our environment. This commitment ensures we work with suppliers that share these values, supporting them in identifying and addressing sustainability issues in their own supply networks.

We have several policies and standards that support our commitment to conducting business with integrity, combatting modern slavery both in our business and across our supply chain and working towards zero harm. The policies are available on the Anglo American website:

- Code of Conduct
- Human rights policy
- Business integrity policy
- Responsible sourcing standard for suppliers
- Anglo American Social Way
- The SHE way policy.

Responsible sourcing standard for suppliers

Our responsible sourcing standard for suppliers details our expectations of existing or prospective suppliers.

Available in English, Chinese, Spanish and Portuguese, the standard provides guidance on:

- Protecting safety and health
- Protecting the environment
- Respecting labour and human rights (including modern slavery)
- Contributing thriving communities
- Conducting business fairly and with integrity.

Through a combination of self-assessments, third-party audits and bespoke capacity-building programmes, we support suppliers to flag potential risks and improve their management controls. Where risks are flagged, corrective actions are agreed and monitored. In some cases, additional guidance and bespoke capacity development programmes are provided to reduce risk.

Responsible sourcing

	2020	2019	2018
Self-assessment questionnaires completed	28	109	72
Suppliers audited (third party)*	3	22	28
SMMs trained on responsible sourcing risk**	162	76	49

* Due to movement restrictions and quarantine measures during Covid-19, we reduced the targeted number of self-assessments and on-site supplier assessments, deferring these until risk and infection levels decrease.

** Delivered through virtual sessions, see supplier capacity building below.

Identifying risk in the supply chain

We have updated our supplier onboarding process to include mandatory acknowledgement of responsible sourcing requirements and additional checks for our suppliers. While the nature of these checks varies between regions, they typically include legal and compliance-related checks, security-related checks and third-party 'adverse media' screenings.

We continue to review and update supplier contract templates and other legal instruments to include core requirements, consistent with our standard.

Using a risk heatmap

Recognising the need for proactive supplier engagement, and to focus on suppliers with higher potential for sustainability risk, in 2018 we established a responsible sourcing heatmap that integrates categories of supply with heightened risk potential (such as human rights violations), country of origin, the degree of regulation in certain industries, and the extent to which goods or services rely on manual labour.

Through tools like the heat map, we are able to classify suppliers by degree of potential risk. Our due-diligence work then focuses on suppliers with high and medium-high risk potential.

Nominating risk suppliers

While the heat map provides a view of potential supplier risk, sometimes suppliers who pose potential for risk may be de-prioritised when supplier-specific filters are applied strictly (for example, suppliers located in low-risk territories or with low levels of expenditure). Our internal awareness programmes are designed to help colleagues within Supply Chain to identify and flag potential sustainability-related risks posed by suppliers.

Sustainability risk assessment scope and targets

Transparency of responsible sourcing materials

We have posted several resources on the group website, including: the responsible sourcing standard for suppliers; summary video for suppliers; downloadable version of the self-assessment questionnaire; and a frequently asked questions document that details procedures and requirements. Our third-party assessment

approach has been designed to recognise and integrate a series of existing audit protocols. These resources can be accessed by any third party, including prospective and current suppliers, to better understand our minimum legal and responsible-sourcing requirements.

Self-assessment questionnaires

Following the Covid-19 outbreak, the targeted number of self-assessment questionnaires required by suppliers were reduced as we acknowledge that supplier businesses may have been disrupted.

Suppliers identified as potential risk were requested to complete self-assessment questionnaires. The outcomes gave both suppliers and Anglo American Platinum insights on workplace practices, supported the identification of potential risk and provided guidance on legal requirements and our standard.

As in prior years, the 2020 sample included multinational suppliers, on-site contractors, security service providers and host community suppliers. This supports our aim of a balanced view of risk over a diverse supplier base.

These self-assessments confirmed that most large-spend suppliers understand responsible-sourcing risk areas and have typically established practices to manage key risks, including those related to human rights and modern slavery. Contractors based on group sites, including security-services providers, demonstrated compliance with relevant legal and site requirements. Smaller suppliers, including host community-based entities, often have difficulty in demonstrating procedures and practices linked to core legal requirements. To address this, we have intensified our focus on supplier capacity building.

Independent third-party on-site assessments

Where we identify a higher likelihood of risk through self-assessments, we request suppliers to undergo on-site assessments by independent third parties. Acknowledging the cost implication of on-site assessments, especially for our host-community suppliers, we subsidise related costs. To supplement this risk-based approach, we also nominate some suppliers on a sample basis for on-site assessments.

Executive and board committee engagement

Increasingly, large-value contracts that were taken to the Anglo American Platinum leadership and board for approval required numerous information points, assurances and recommendations for suppliers based on potential for sustainability-related risk. In Anglo American Platinum, eight large contracts required firm positions and responsible-sourcing targets – these contracts included transportation, contract mining and mining equipment supply.

Supporting our suppliers

Providing guidance on emerging modern slavery and sustainability risk

At the onset of Covid-19, we communicated key messages to suppliers on the heightened likelihood of modern slavery risk in their supply bases, including the types of indicators that needed to be observed. This was used as a best-practice case study by Minerals Council Australia in its report, *Guidance on modern slavery risk during Covid-19*, published on 26 October 2020.

Virtual supplier capacity development

Due to increased likelihood of Covid-19 infections, we were unable to continue with our current model, which was piloted and rolled out in Anglo American Platinum from 2017.

To continue our learning programmes with suppliers, we developed and hosted 36 virtual training events between September and November 2020, with 162 suppliers to Anglo American Platinum registering for these sessions.

These sessions were delivered by a third party to provide structure. We developed 12 custom modules, three of which were focused on human rights and modern slavery. The balance included legal compliance requirements covering working hours, compensation, employee contracting and grievance management.

Risk management measures

Remediation and corrective action plan management

In cases where self-assessment or on-site assessment identifies areas of risk, we expect suppliers to develop realistic corrective plans, then communicate details to Anglo American Platinum. Where high-risk issues are identified, including any related to modern slavery, we engage directly with affected suppliers to monitor the close-out of issues. This may entail several additional follow-up third-party assessments.

We are continually enhancing our ability and the speed at which we can detect and respond to potential responsible-sourcing incidents. This includes raising our internal awareness of related risk, faster mobilisation of third-party on-site assessment and response teams to conduct investigations and reviewing our supplier engagement and escalation processes. Refining this process is a focus for 2020.

Whistleblowing

Our independently managed YourVoice facility is a confidential and secure means for our employees, contractors, suppliers, business partners and other external stakeholders around the world to report concerns about conduct that is contrary to our values or legal requirements. Complaints can be submitted anonymously and are handled by an independent third party. We do not tolerate any form of retaliation against individuals raising concerns in good faith.

Integrating ESG in our supply chain management strategy and internal engagement

Our vision is to be part of a value chain that reinforces positive human rights – a critical element of our sustainable mining plan. Our supply chain function has therefore initiated a process to ‘innovate supply, responsibly’ through defined outcomes focused on safety, people, sustainability, value delivery and digitisation.

Underpinning these desired outcomes are our supplier partnerships. Responsible-sourcing targets and measures form a key part of that commitment. These are tracked and presented regularly to our head of supply chain and the Anglo American supply chain leadership team.

In partnership with our group international and government relations team, we delivered nine virtual sessions to the supply chain team on human rights and forced labour. Nearly 600 colleagues across Anglo American attended these sessions between November and December 2020.

To raise the internal profile of our responsible sourcing programme and build cross-functional partnerships, work was presented at numerous forums including: the ethics, transparency and accountability working group, our marketing function and the human rights working group.

Advocacy

A collaborative approach is critical in tackling sustainability issues. To meet the ethical value-chain goals in our sustainable mining plan, we have participated in several global forums, such as the responsible sourcing working group and other ICMM initiatives. Our work with these bodies involves benchmarking activities in peer mining and extractive companies; engaging with stakeholders including community activist groups; and learning from examples of other industries, such as electronics and apparel, where common industry standards have already been established.

In South Africa, we presented modern slavery and responsible sourcing at the Minerals Council human rights framework event in July 2020.

We recognise this process as a positive initiative that will enable us to solicit feedback and learn from others’ good-practice innovations. Equally, collaborative efforts with our partners and suppliers will improve transparency, due diligence and promote collective global activities against modern slavery and trafficking.

Respecting human rights

Human rights describe rights inherent to all human beings and to which everyone is equally entitled without discrimination on ethnicity, religion, language, gender, colour or any other basis. We are a signatory to the United Nations Global Compact.

Anglo American Platinum has a zero-tolerance approach to child labour or forced labour.

Respect for human rights is a non-negotiable value enshrined in Anglo American’s core values, human rights policy and the Anglo social way policy. These were drafted in line with the UN guiding principles on business and human rights (UN guiding principles). They guide behaviour at our operations in South Africa and Zimbabwe in a way that respects the human rights of our employees, host communities and business partners.

To ensure compliance with the UN guiding principles and the Anglo social way, external training on human rights and due-diligence assessments are conducted annually.

In addition, in-depth due-diligence assessments were conducted at all sites in 2017 by external human rights experts to capacitate sites on managing related issues. This identified specific impacts, evaluated the effectiveness of existing management measures and identified additional measures where required.

Human rights – policy

Anglo American Platinum has a comprehensive policy on human rights and related framework, with identified risks, vulnerabilities and commitments monitored internally. The latest version of the Anglo social way (3.0), launched in January 2020, now integrates human rights across the entire social performance management system at Anglo American Platinum. Of particular interest is the shift in focus beyond business risk to include impacts of the business and its operations on communities.

Human rights – due-diligence process

All owned and JV operations undergo an intensive due-diligence process as part of the Anglo social way assessment. All operations are expected to carry out internal due-diligence reviews every quarter and undergo external reviews twice a year. The human rights requirement is tested on the identification and management of human rights issues. All sites are expected to demonstrate evidence, which is reviewed by external auditors.

Human rights – assessment

The Anglo social way assessment is conducted by an external independent auditor and it audits potential human rights violations to determine if our business units are continually identifying related risks and vulnerabilities as operational issues change.

Human rights training

Human rights training is embedded in our operations and joint ventures. Training has been conducted by external service providers and includes all operational teams and contractors. This topic is also embedded in the annual code of conduct training and safety induction process that all employees and contractors undergo before given access to operational sites.

Human rights – disclosure

Anglo American Platinum publicly discloses its human rights commitment as a signatory to the United Nations Global Compact (see page 143 [\[PDF\]](#)). Disclosures align with the group core values and Anglo social way, in turn aligned with the UN guiding principles. Each site has undertaken the human rights due-diligence process to identify and manage associated risks.

Monitoring and auditing

The identification, monitoring and overall management of human rights issues are part of the Anglo social way, with compliance audited annually for all Anglo American Platinum sites.

Grievance remedies

Anglo American Platinum operations have site-specific grievance mechanisms to report social incidents and grievances. The reporting and management of social incidents and grievances are assessed annually through the social way audits.

Security and human rights

As a corporate participant, Anglo American Platinum has long committed to upholding the UN voluntary principles on security and human rights.

A due-diligence process was conducted in 2017 to identify and manage the most critical issues that may have human rights impacts from a security perspective. This was followed by training in late-2018 on the UN voluntary principles, a global collaboration by governments, major multinational extractive companies and NGOs to provide guidance to companies on tangible steps to minimise the risk of human rights abuses in communities near extraction sites. Security personnel attended training on these principles in 2019 to enhance their skills in conflict analysis and management. Onsite training was conducted during the course of 2020.

We continue to focus on security-related human rights issues in South Africa and Zimbabwe by managing potential risks at our operations and in the broader communities where we operate.

Voluntary codes to which Anglo American Platinum is committed

- **International Council on Mining and Metals (ICMM)** maximises the contribution of mining, minerals and metals to sustainable development. Anglo American is a founding member and Anglo American Platinum has adopted and complies with the ICMM's 10 principles for sustainable development
- **We support the UN guiding principles on business and human rights aspects.** These are incorporated into our policies and management systems, but we need to enhance implementation and continue to integrate the principles into our operations
- Anglo American is a member company of the **UN Global Compact** and Anglo American Platinum therefore complies with the compact's principles
- Anglo American is a member company of the **voluntary principles on business and human rights (VPSHR)** and Anglo American Platinum complies accordingly. These principles guide companies in maintaining the safety and security of their operations in an operating framework that encourages respect for human rights
- The **Extractive Industries Transparency Initiative (EITI)** is a global standard promoting the transparent and accountable management of natural resources. Anglo American Platinum, as a member of the Anglo American group, is a supporting company and complies with the principles of the initiative.

Mining charter III

In September 2018, the minister of mineral resources published the final version of the revised broad-based black economic empowerment charter for the South African mining and minerals industry (MCIII). The new charter came into effect immediately and is purportedly published under section 100(2) of MPRDA.

This long-awaited announcement was welcomed by the Minerals Council, Anglo American and other industry stakeholders for providing much-needed regulatory certainty for the sector. The South African mining and natural resources sector has been widely recognised as a significant contributor and potential further contributor to growth and transformation in South Africa for the benefit of all citizens.

MCIII contains far-reaching changes and introduces more onerous compliance obligations than those stipulated in previous versions. It continues to emphasise the need for increased participation of black people HDP at ownership, board and managerial levels of businesses, with more focus on including procurement opportunities for businesses owned by women and youth. MCIII also focuses strongly on creating South African manufacturing capability by including local-content requirements in the procurement scorecard.

The broad-based socio-economic empowerment charter, which is a requirement of the MPRDA, serves as a legislative guideline on how and what the business is required to do to accelerate representation of HDPs at different occupational levels and HDP participation in the mainstream economy.

Anglo American Platinum submits mining charter progress reports to the DMRE as required by the MPRDA. Each mining rights holder and permit licence holder is required to submit an annual report detailing the extent of compliance with the provisions of section 28(2)(c) of the charter contemplated in section 100 of the social and labour plan.

The next round of reports will be submitted to DMRE on 31 March 2021.

Leadership and governance

Our board



Independent non-executive

Nombulelo Moholi (61)

Chair remuneration and social, ethics and transformation committees

Seven years on the board

Core skills: strategic planning, industrial sector experience, senior corporate leadership experience, domestic affairs, strategic thinking and analysis, building and leveraging relationships, openness of communication, learning agility.

Committee memberships

R SD S G



John Vice (68)

Chair audit and risk committee

Eight years on the board

Core skills: strategic planning, financial and commercial experience, strategic thinking and analysis, building and leveraging relationships, openness of communication.

Committee memberships

A G SD



Peter Mageza (66)

Lead independent director, chair governance committee

Seven years on the board

Core skills: strategic planning, global perspective, financial and commercial experience, senior corporate experience, domestic affairs, strategic thinking and analysis, problem-solving, building and leveraging relationships, openness of communication, learning agility.

Committee memberships

A G N



Dhanasagree Naidoo (48)

Independent non-executive director

Seven years on the board

Core skills: strategic planning, financial and commercial experience, senior corporate leadership experience, domestic affairs, strategic thinking and analysis, problem-solving, building and leveraging relationships, openness of communication, learning agility.

Committee memberships

A G R



Thabi Leoka (41)

Independent non-executive director

Joined July 2020

Core skills: strategic thinking and analysis, problem-solving, building and leveraging relations, openness of communication, people development, learning agility, strategic planning, global perspective, financial and commercial experience.

Committee memberships

G R S



Roger Dixon (70)

Independent non-executive director

Joined July 2020

Core skills: strategic thinking and analysis, problem-solving, building and leveraging relationships, openness of communication, people development, learning agility, strategic planning, mining, mining technology, global perspective.

Committee memberships

G SD

* Definitions of directors core skills are contained on page 154

Board committees on page 155.



Non-executive

Norman Mbazima (62)

Chairman

Two years on the board

Core skills: strategic planning, global perspective, financial and commercial experience, senior corporate leadership experience, strategic thinking and analysis, problem-solving, building and leveraging relationships, openness of communication, people development, learning agility.

Committee memberships

N R SD S



Mark Cutifani (62)

Non-executive director

Seven years on the board

Core skills: strategic planning, mining, mining technology, global perspective, senior corporate leadership experience, strategic thinking and analysis, building and leveraging relationships.

Committee memberships

N



Stephen Pearce (57)

Non-executive director

Three years on the board

Core skills: strategic planning, global perspective, financial and commercial experience, senior corporate leadership experience, problem-solving.



Tony O'Neill (63)

Non-executive director

Seven years on the board

Core skills: strategic planning, mining, mining technology, industrial sector experience, global perspective, strategic thinking and analysis, problem-solving.



Executive

Natascha Viljoen (50)

Chief executive officer

Joined 16 April 2020

Core skills: strategic planning, mining, mining technology, senior corporate leadership experience, strategic thinking and analysis, problem-solving, sales and marketing, sustainability, global perspective.

Committee memberships

SD



Craig Miller (47)

Finance director

Two years on the board

Core skills: strategic planning, financial and commercial experience, sales and marketing, sustainability, global perspective, strategic thinking and analysis, problem-solving, people development.

Board committee membership

- A Audit and risk committee
- G Governance committee
- N Nomination committee
- R Remuneration committee
- SD Safety and sustainable development committee
- S Social, ethics and transformation committee
- Chair of committee

Chris Griffith will step down as CEO and is succeeded by Natascha Viljoen with effect from 16 April 2020.

Creating sustainable value through good governance

Philosophy and approach

Our governance framework ensures that all aspects of our business are managed to achieve our desired governance outcomes. This framework informs our governance universe (application of relevant King IV principles are noted in each governance pillar as IV 10, etc).

Capitals

IV

Our governance philosophy

The board is committed to the highest standards of corporate governance and has applied King IV throughout its structures. It exercises effective and ethical leadership to give effect to its strategy and ensures accountability for the company's performance.

We believe good governance promotes our required outcomes of ethical culture, good performance, effective control and legitimacy.

The board is the focal point for and custodian of the company's governance framework. Our governance universe (overleaf) illustrates how the pillars of value are governed via four governance segments – board, finance, risk, social and sustainable – in support of our strategy and purpose. The elements in each segment are governed by appropriate processes, systems and resources to ensure we achieve our governance outcomes.



Financial



Human



Natural



Social and
relationship



Manufactured



Intellectual



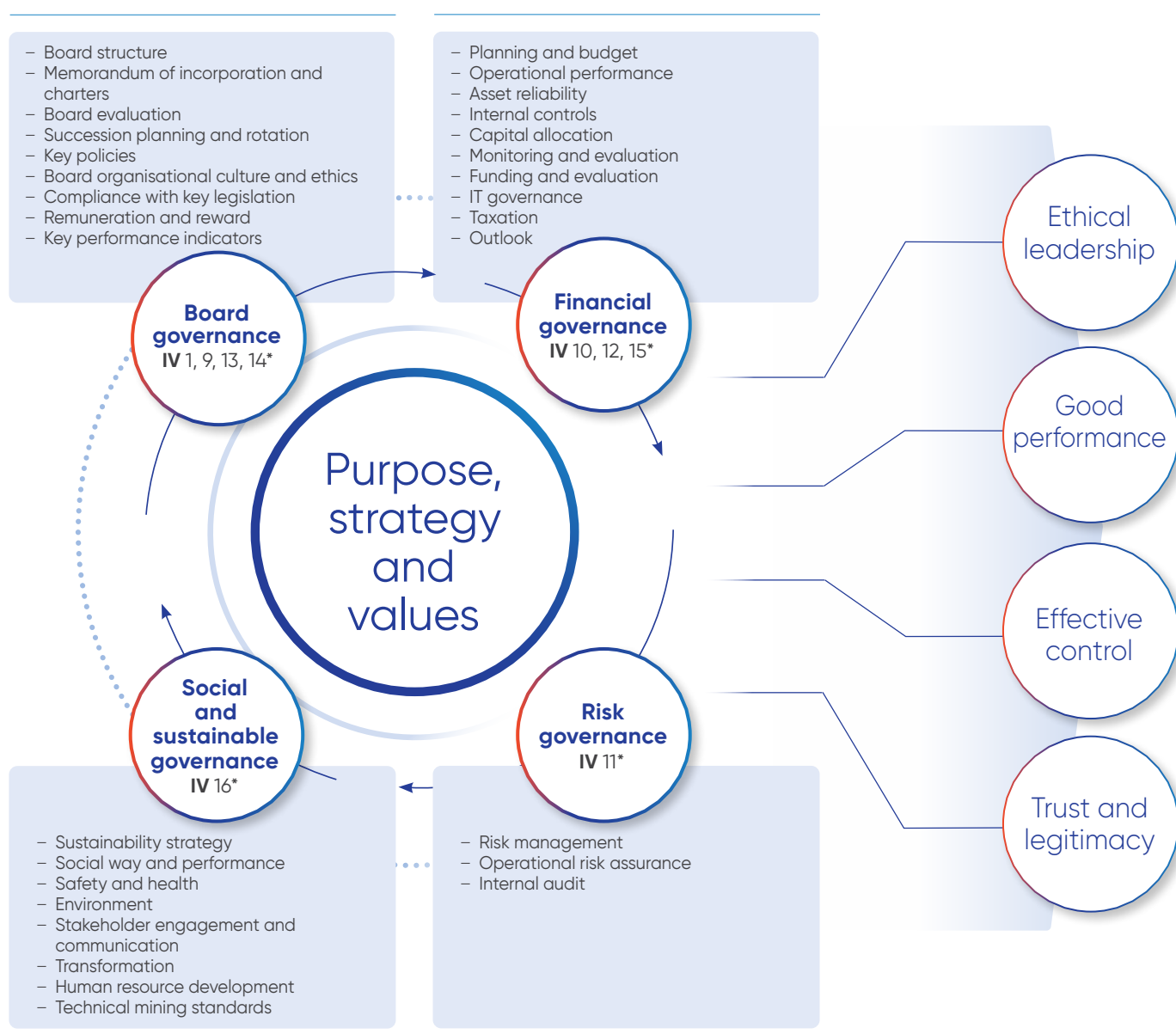
Board committees are shown on page 155

Governance elements of the business model and value-creation process

Our capitals are fundamental to how we manage all aspects of our business to achieve our purpose and strategy

Governance universe

Governance outcomes



* King IV principles applied.

The board and platinum management committee (PMC) focus on creating shared value by living up to our purpose and ensuring our business model remains relevant and sustainable. We do so by monitoring our external environment, the availability/quantum of capital inputs and stakeholder needs, which all feed into our strategy. Underpinned by good governance – fully aligned to King IV – each strategic initiative (pages 2 to 3 ) enables Anglo American Platinum to focus on conducting operations safely and responsibly while achieving our financial targets.

Leadership, ethics and corporate citizenship

Leadership

Principle 1: The board leads ethically and effectively

Anglo American Platinum is committed to a policy of fair dealing and integrity in conducting its business. This commitment, actively endorsed by the board, is based on a fundamental belief that business should be conducted honestly, fairly, legally and responsibly. The board expects all employees to share its

commitment to high moral, ethical and legal standards and sound business principles.

The primary role of the board is to display effective leadership by retaining full and effective control of the company and its governance responsibilities. This includes providing strategic direction and giving effect to strategy by approving policy, plans, frameworks and structures to create sustainable value for the benefit of all stakeholders, overseeing implementation and demonstrating accountability and transparency through disclosure. In fulfilling its primary role, the board discharges the following responsibilities:

- Ethical leadership and corporate governance
- Approving strategy, overseeing implementation and performance
- Information technology governance
- Financial performance
- Risk governance
- Compliance
- Stakeholder relationships.

Organisational ethics

Principle 2: The board oversees the ethics of the organisation in a way that supports the establishment of an ethical culture

The board has adopted a number of key policies that provide guidelines on how ethics should be approached by Anglo American Platinum and its stakeholders:

Our values

Fundamental to its oversight role, the board ensures Anglo American Platinum abides by its values, as well as the letter and spirit of King IV:

Safety

All injuries are preventable; by working together, we can make safety a way of life

Care and respect

We always treat people with respect, dignity and common courtesy – regardless of their background, lifestyle or position. And we're building trust through open, two-way communication every single day

Integrity

Taking an honest, fair, ethical and transparent approach in everything we do

Accountability

We take ownership of our decisions, our actions and our results. We deliver on our promises and acknowledge our mistakes. Above all, we never pass blame

Collaboration

We are one company with a joint ambition – all working together to make decisions and get things done more effectively

Innovation

Challenging the way things have always been done is a key priority for us. By actively developing new solutions, encouraging new ways of thinking and finding new ways of working, we are dramatically improving the business

Code of conduct and business integrity

During the year, our code of conduct was refreshed to ensure its content was up to date and fit for purpose, in line with the group's refreshed values introduced last year. The code represents our values in action and defines us as a company by bringing our ethical policies and principles together in one place. It defines what we expect from leadership and our employees through every level of the organisation. It sets the standard for how we should deal with third parties, understanding that any gap between what we say and what we do has the potential to damage our reputation and our social licence to operate.

Mandatory code-of-conduct training took place in Q4 2020. Mandatory business integrity training was also provided to people in roles exposed to higher business integrity risks, particularly interactions with government/public officials, use of intermediaries and developing new business.

The internal business integrity committee has been reconstituted as the compliance and ethics committee. Its purpose is to assist the board in fulfilling its oversight responsibilities in all areas of compliance and ethics. The committee ensures that the company's policies and approach to compliance and ethics are adequate and effective. It is chaired by the finance director and attended by executives and senior managers, convening quarterly to review the following responsibilities:

- Progress of compliance programmes
- Progress of awareness/training initiatives
- Discuss relevant breaches of conduct involving preventive work and Your Voice investigations (only when necessary)
- Governance updates (policies, standards, procedures)
- Projects/group initiatives
- Ad-hoc compliance and ethical issues.

Declarations and conflicts of interest and related-party transactions

Each quarter, the company obtains details from directors on external shareholdings and directorships that may create conflicts of interest while serving as Anglo American Platinum directors. The declarations are closely scrutinised by the chairman and company secretary and tabled at each quarterly board meeting. Where a conflict arises, directors must recuse themselves from discussions. As far as possible, the company requires directors to avoid potential conflicts of interest.

Anglo American Platinum's majority shareholder is Anglo American plc, which owns 78% of our issued share capital. Anglo American plc provides technical and sustainability advisory and support services that are critical to Anglo American Platinum being able to operate sustainably. These services are provided under a master services agreement and the governance committee oversees and monitors the relationship with our major shareholder.

In particular, the committee considers and advises on:

- Related-party transactions and funding arrangements with the major shareholder
- Any unresolved disputes under master services agreement between Anglo American Platinum and major shareholder
- Issues involving a conflict of interest.

The committee comprises solely independent non-executive directors, led by Peter Mageza, lead independent non-executive director. It meets at least twice a year or more often as required.

Responsible corporate citizenship

Principle 3: The board ensures that the company is seen to be a responsible corporate citizen

The concept of responsible corporate citizenship is integrated into our company strategy, and its principles underpin all key aspects of our business. Given the broad scope of our social strategy and initiatives, oversight vests with two board committees: social, ethics and transformation; and safety and sustainable development. For more information on the activities of these committees, refer to page 164  and page 170 .

We continually engage with shareholders on ESG and strategic matters, contributing to the multiple factors that inform our strategy and the way in which we manage the company. Key issues raised in 2020:

- Safety performance
- Decarbonisation strategy
- Transformation and diversity.

Anglo American Platinum again demonstrated leading ESG performance in 2020, with global rankings by leading agencies confirming our strong management of environmental, social and governance issues. These are summarised as follows:

- ISS – Anglo American Platinum was ranked as Prime, indicating it meets the demanding ESG requirements stipulated by ISS for sustainability performance in the sector.
- Sustainalytics noted an overall improvement due to the company's strong management of ESG risks.
- FTSE Russell – Anglo American Platinum was again ranked as the ESG leader among the top five sub-sector peers at December 2020. It received the highest overall ESG rating of 4.8, the highest environmental score (4.7), the highest social score (4.7) and highest governance score (5.0). Anglo American Platinum has remained a constituent of the FTSE/JSE Responsible Investment Top 30 Index.
- Post year end, Anglo American Platinum maintained its inclusion in the Bloomberg Gender-Equality Index for 2021, reflecting our progress on creating gender equality in the workplace.
- The company has implemented Anglo American's sustainability codes, associated technical frameworks and guidelines to address social and environmental risks inherent in the mining

sector. These policies and measures are considered to be industry-leading and comprehensively address almost all material issues in the company.

Strategy, performance and reporting

Strategy and performance

Principle 4: The board appreciates that the company's core purpose, risks and opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value-creation process

In 2020, we amended our strategy process to ensure increased board engagement on strategy topics enabling us to better capitalise on the collective expertise of the board and to ensure our strategy fully considers the risks to which the company is exposed and the opportunities amid a rapidly changing external environment. There is a dual benefit to this approach. Firstly, we have entrenched the board's role in a strategic direction, setting to align with best governance standards and, secondly to obtain prior agreement on the management agenda for urgent and important work that enables robust monitoring. In 2020, we amended our strategy process to ensure increased board engagement on strategy topics enabling us to better capitalise on the collective expertise of the board and to ensure our strategy fully considers the risks to which the company is exposed and the opportunities amid a rapidly changing external environment. There is a dual benefit to this approach. Firstly, we have entrenched the board's role in strategic direction setting to align with best governance standards and, secondly to obtain prior agreement on the management agenda for urgent and important work enables robust monitoring.

With a reshaped strategy-development process in place, we have defined our strategic priorities and are now ready to deliver the next phase of value creation – a strategy that is guided by our purpose, driven by our values and will create value for all our stakeholders.

Our strategic priorities are:

- Stimulate new demand and leverage new capabilities
- Embed anti-fragility across the business
- Maximise value from our core
- Be a leader in ESG

Strategy development process



 For more information on our strategy, see page 3.

Governance

Leadership and governance continued

Reporting

Principle 5: The board ensures that reports issued by the company enable stakeholders to make informed assessments on Anglo American Platinum's performance and its short, medium and long-term prospects

In developing our integrated reporting, we are guided by the framework of the International Integrated Reporting Council. In the integrated annual report, we strive to report on linkages and interdependencies between factors that enable Anglo American Platinum to create value. The report includes details on our business model and strategy; how we respond to our external environment; risks and opportunities; how we identify and respond to the legitimate needs and interests of key stakeholders; activities and performance; as well as the outlook in the medium to long term.

The content of our suite of reports is based on a materiality assessment. This includes a review of topics raised internally, issues raised by the JSE-listed metals and mining sector companies, scan of media articles and targeted external stakeholder interviews to determine the material issues categories.

In 2020, the following reports were prepared in accordance:



The International Integrated Reporting <IR> Framework

Companies Act 71 of 2008, as amended

JSE Limited Listing Requirements

King IV Report on Corporate Governance

International Financial Reporting Standards

SAICA Financial Reporting Guides

Financial Reporting Pronouncements issued by the Financial Reporting Standards Council

GRI Standards

SAMREC Code guidelines and definitions (2016)

The audit and risk committee is responsible for the integrated annual report and recommending approval of the annual financial statements.

Primary role and responsibilities of the board

Principle 6: The board serves as a focal point and custodian of corporate governance in the company

Key board discussions

In 2020, the board deliberated on several key issues:

Key board decisions in 2020

		Aligned to strategic priority
Board succession	Appointment of Natascha Viljoen as CEO. Appointment of independent non-executive directors, Thabi Leoka and Roger Dixon.	1, 2, 3, 4
ACP – phase A and B stoppages, repair and declaration of force majeure	Due to the potentially catastrophic safety implications, the board approved the temporary shutdown of ACP and the requirement to declare force majeure to customers, suppliers of third-party purchase-of-concentrate and tolling material, given the inability to complete processing material during the converter repair. Periodic updates were provided to the board on repair and rebuild work.	2, 3
Covid-19	Monitored the impact of Covid-19 across the business. Accordingly, the board considered: – The impact of Covid-19 on the risk register; the risk profile of the business was updated accordingly. Reviewed and considered Covid-19 scenarios and signposts. – Management's Covid-19 response plan and received fortnightly communication on statistics and management actions to curb the pandemic. A Platinum Business Continuity Forum was formed, which included executive management, general managers and key senior management, to manage the company's response to Covid-19 and provided the board with these updates. – Remuneration policies for employees not working during lockdown and for vulnerable employees unable to return to work – The interim dividend, taking into account lower production due to the lockdown period and ACP stoppages.	2
Corporate transactions	Received updates on corporate transactions aimed at continued value creation in our assets (see chairman's letter, CEO's review and financial review).	2
Asset integrity and infrastructure review	Reviewed the asset integrity and reliability strategy as a key enabler to ensure safe, predictable and sustainable operations.	2
Approval of slag-cleaning furnace	Approved a redesign and rebuild of the slag-cleaning furnace at Waterval smelter.	3
Budget and business plan approval 2021-2025	Approved the 2021 budget and five-year business plan, considering macro-economic assumptions and commodity price forecasts.	1, 2, 3, 4
Risk and strategic review	– Risk review and adjustment to ratings and tolerance levels – A context of long-term megatrends, disruptions and scenarios considered – To increase the odds of success in a turbulent environment, a revised process to strategy development was adopted – Approved the four strategic priorities to achieve Anglo American Platinum's purpose and create value for all its stakeholders	1, 2, 3, 4
Supplier contract approvals	Approved supplier contracts as required within its authority. These contracts are expected to yield significant commercial value and ensure technical innovation.	2, 3
Annual financial statements and integrated reporting	– Ensure that the appropriate financial procedures are in place and operating – Approved the interim and final dividends having considered the solvency and liquidity status of the company as required.	2, 3

Board charter and committee terms of reference

The board serves as the focal point and custodian of corporate governance in the company. Its scope of authority, responsibility, composition and functioning are set out in a formal charter, which is reviewed annually. The chairman, together with the company secretary, develops and applies a work plan to ensure that it attends to all its responsibilities. The charter sets out the roles of the chairman and chief executive to ensure a balance of power and authority and preclude any one director from exercising unfettered powers of decision-making. The board is satisfied that it has fulfilled its responsibilities in line with its charter.

Access to information, management and professional advice

All directors have unrestricted access to executive management and company information. They are entitled to seek independent professional advice on the affairs of Anglo American Platinum at the company's expense, if they believe that course of action would be in the best interests of the company.

Meeting attendance

Director	Special board meeting	Board meetings	Strategy session	Risk workshop
Norman Mbazima (chairman)	2/2	4/4	1/1	1/1
Natascha Viljoen (chief executive officer)	2/2	2/2	1/1	1/1
Chris Griffith (outgoing chief executive officer)	0/0	2/2	0/0	0/0
Craig Miller (finance director)	2/2	4/4	1/1	1/1
Mark Cutifani	2/2	4/4	1/1	1/1
Roger Dixon	0/0	2/2	1/1	1/1
Richard Dunne*	1/1	2/2	0/0	0/0
Thabi Leoka	0/0	2/2	1/1	1/1
Peter Mageza	2/2	4/4	1/1	1/1
Nombulelo Moholi	2/2	4/4	1/1	1/1
Daisy Naidoo	2/2	4/4	1/1	1/1
Tony O'Neill	2/2	4/4	1/1	1/1
Stephen Pearce	2/2	4/4	1/1	1/1
John Vice	2/2	4/4	1/1	1/1

Composition of the board

Principle 7: The board comprises the appropriate balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively

Changes to board composition in 2020

After serving for over seven years as CEO and executive director, Chris Griffith stepped down from the board on 16 April 2020 to pursue other career opportunities. Natascha Viljoen was appointed as CEO and executive director of Anglo American Platinum with effect from 16 April 2020. Richard Dunne retired after serving on the board for 14 years. Two additional independent non-executive board members were appointed, Roger Dixon and Thabi Leoka, on 27 June 2020.

Current board

Independence

IV

During the year, the board was rebalanced by appointing two additional independent board members, Thabi Leoka and Roger Dixon. As a result independence increased to 50% from 45% in the prior year. Norman Mbazima is the chairman of the board and not considered independent as he served as deputy chairman of Anglo American South Africa in 2019. He will be considered independent in 2022. Aligned to King IV, Peter Mageza, who has served on the board for seven years, is lead independent director.

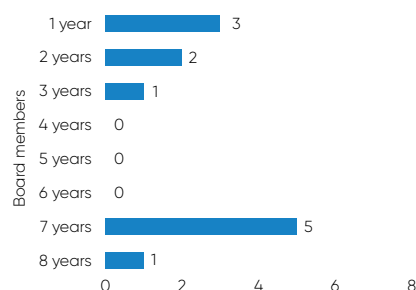
The nomination committee assesses the independence of directors annually and considers, inter alia, the independence criteria proposed by King IV, the Companies Act and from the perspective of a reasonable and informed third party. The board believes independent directors exercise objective and unfettered judgement.

Tenure

IV

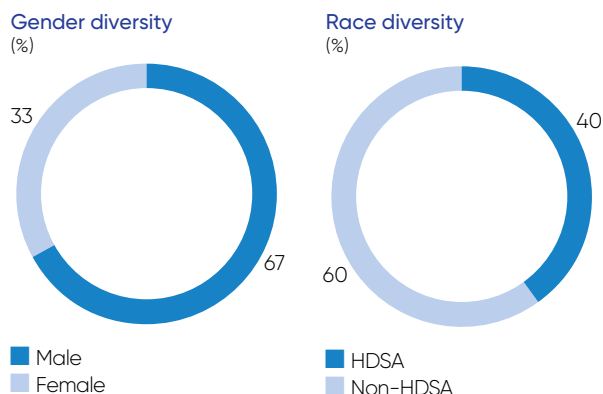
Our average board tenure is 4.5 years and the average age of directors is 57.

Board tenure



Diversity

Female representation is 33%, exceeding the target as per our gender and race diversity policy. We met our target of aligning to the mining charter in 2020, with 42% HDSA board representation.



Balance of knowledge and skills

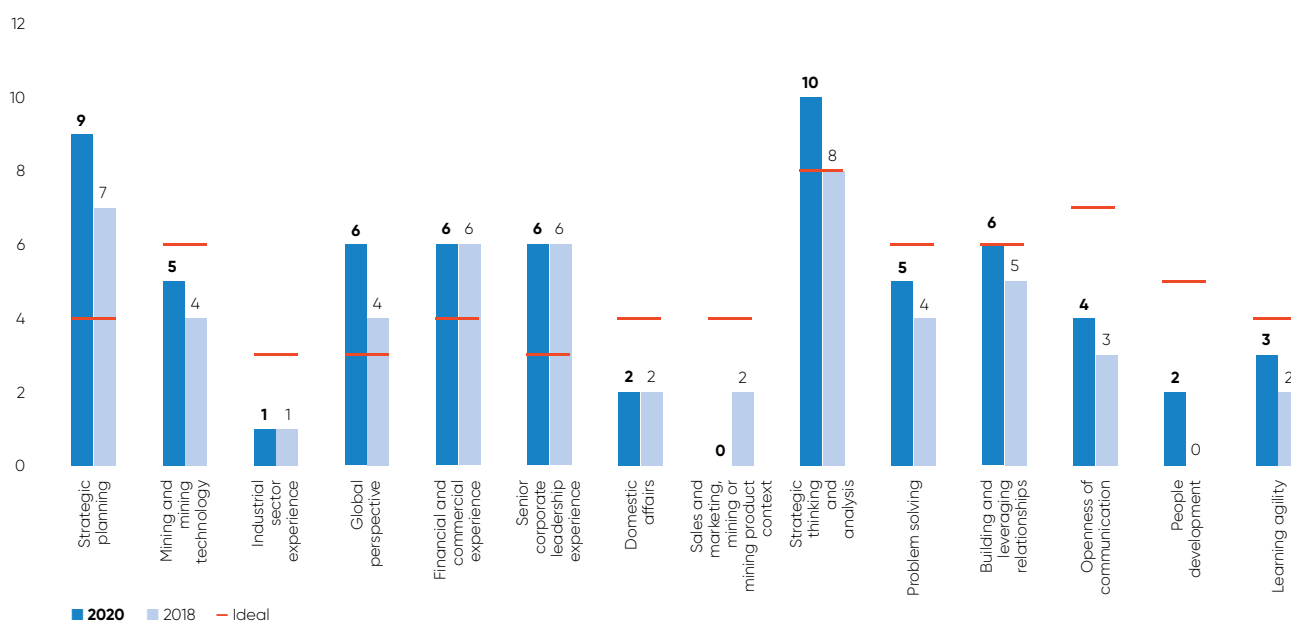
Anglo American Platinum is a diverse company, with impact demands from areas such as industrial processes, markets, products and applications. We have done significant work to deepen technical competence on the board and introduce non-financial skills that are becoming increasingly important at this level – innovation, problem-solving, strategic thinking and relationship building. Thabi Leoka and Roger Dixon joined the board in July 2020, in line with our succession blueprint of current and future critical skills. This will ensure a strategic, long-term and orderly succession of directors and maintain an appropriate

balance of knowledge, skills, experience, diversity and independence on the board.

To equip the board to discharge its governance responsibilities objectively and effectively, we continue to focus on securing specific skills over the next five years to achieve an ideal balance that supports our strategy:

- Sales and marketing in mining
- People development
- Mining technology/modernisation/mechanisation
- Industrial sector experience
- Futurist/innovation.

Progression of current skills versus ideal



This will equip the board to discharge its governance role and responsibilities objectively and effectively into the future.

Skills legend

Leadership skills

Strategic thinking and analysis	Can analyse critical factors and variables that will influence the long-term success of the business
Problem-solving	Ability to solve problems by identifying and defining the problem, generating alternative solutions, evaluating and selecting the best alternative, and implementing this solution
Building and leveraging relationships	Cultivate and maintain meaningful relationships
Openness of communication	Can communicate effectively and includes a willingness to listen openly and react honestly to the messages of others
People development	Focused on the development of people, has an understanding of their needs, behaviour patterns, values, careers and skills required for the business to achieve success through people
Learning agility	Ability and willingness to learn from all kinds of experience and use those lessons to perform effectively in new and different situations

Competence

Strategic planning	Recognised expert in strategic planning, acting as a lead adviser in significant, high-profile deals involving international public companies
Mining, mining technology	Senior adviser on emerging mining industry technologies (eg opencast, harsh environments, oil sands) including expertise in tomorrow's mine
Industrial sector experience	Extensive senior experience in the industrial sector; a specialist with deep grasp of the value drivers and operational challenges facing industrials
Global perspective	Bulk of career working in international locations outside country of origin and has developed extensive global network across multiple sectors
Financial and commercial experience	Financial or commercial director of one or more listed companies, with an excellent network of contacts in financial services institutions
Senior corporate leadership experience	CEO of very large multinational company with multiple divisions
Domestic affairs	Senior role as an elected official or appointed as a minister in the national government. Has led representation of national interests in a global context
Sales and marketing in mining/mining product context	Extensive experience in a large (~USD5 billion) organisation for major part of career, heading up sales and marketing, or at least heading the sales and marketing of a division of a global company for five years or more. Seen as expert in the field, may have contributed to publications/conferences

Board training and performance

Ongoing training and development are important contributors to an effective board. The first two hours of the quarterly board meetings are dedicated to training in areas pertinent to the company, industry or society at large.

Appointment and succession

The board follows a formal and transparent process in appointing new directors. Any appointments are considered by the full board, on the recommendations of the nomination committee. This committee evaluates the skills, knowledge and experience required to implement group strategy, which are assessed against defined competencies in the skills matrix to address any gaps, together with race and gender-diversity targets.

Rotation and re-election of directors

In terms of the company's memorandum of incorporation (Mol), a third of directors retire by rotation each year and are eligible for re-election by shareholders at the AGM and offer themselves for re-election. In addition, any director who has served for more than nine years is obliged to retire at each AGM and is eligible for re-election by shareholders at the AGM each year. There is no set retirement age for non-executive directors and the period in office is reviewed individually by the board on the recommendation of the nomination committee. Executive directors retire at 60.

Committees of the board

Principle 8: The board ensures that its arrangements for delegation within its own structures promote independent judgement and assist with the balance of power and effective discharge of duties

The board has established a number of committees to enable it to properly discharge its duties and make effective decisions. Each committee acts against written terms of reference under which specific functions of the board are delegated with defined purposes, membership requirements, duties and reporting procedures. The activities of the committees are reported separately on pages 159 to 194 [\[PDF\]](#). The chairmen of these committees report on their activities at each quarterly board meeting. The respective terms of reference and board charter are reviewed annually.

The committees are interrelated and provide feedback to each other on salient matters as these apply to their remits.

Board committees

Social, ethics and transformation	Audit and risk	Remuneration	Nomination	Safety and sustainable development (S&SD)	Governance
Monitors and oversees establishment of an ethical culture and good corporate citizenship Reviews transformation initiatives Reports to shareholders on developments and progress	Monitors adequacy of financial controls and reporting Reviews audit plans and adherence by external and internal auditors Ascertains reliability of the audit Ensures financial reporting complies with International Financial Reporting Standards and Companies Act Reviews and makes recommendations on all financial matters Nominates auditors for appointment Monitors the company's appetite for risk, and concomitant controls Governance of risk and IT	Establishes principles of remuneration and determines remuneration of executive directors and executive heads; considers, reviews and approves group policy on executive remuneration and communicates this to stakeholders in the integrated annual report	Makes recommendations on appointment to the board, composition and succession planning	Develops frameworks, policies and guidelines for S&SD management and ensures implementation Monitors safety and health of employees and impact of company operations on the environment from a SHE perspective	Monitors the status of governance in the company, in particular: – Related-party transactions and funding arrangements with the major shareholder – Any unresolved disputes under master services agreement between Anglo American Platinum and major shareholder – Issues involving a conflict of interest. The committee comprises solely independent non-executive directors, led by Peter Mageza, lead independent non-executive director. It meets at least twice a year or more often as required.

Evaluating the performance of the board

Principle 9: The board ensures that the evaluation of its own performance and that of its committees, its chair and its individual members supports continued improvement in its performance and effectiveness

There was no board evaluation in 2020. This decision enabled us to complete the strategic board-renewal process and allow new directors to settle in and contribute fully.

Through our board-renewal process, the board completed an assessment of its composition, diversity and skills. It further focused on its practices in terms of strategy engagement as part of our agile strategy process.

In 2021, we will focus on board dynamics as part of our board-effectiveness process and will include an assessment of our board culture to clearly define and align it to organisational culture.

Ongoing training and development are important contributors to an effective board. As noted, the first two hours of quarterly board meetings are focused on training in areas pertinent to the company, industry or society at large.

Appointment and delegation of management

Principle 10: The board ensures that the appointment of, and delegation to management contributes to role clarity and the effective exercise of authority and responsibilities.

CEO appointment and role

Responsibilities of the CEO	Performance measures	Governance
Natascha Viljoen was appointed to the board in the current year. Her CEO responsibilities are clearly defined in the board charter: – Running the operations of the company to ensure these are efficient and effective in line with the strategic decisions of the board – Developing and recommending the strategy and purpose of the company – Annual business plans and budgets that support the company's long-term view – Achieving performance goals, objectives and targets – Maintaining an effective management team and structures – Ensuring effective internal organisation and governance measures are deployed	The board has evaluated her performance against the agreed performance measures: Key performance indicators are listed on pages 182 to 183 .	The CEO is not a member of the remuneration, audit or nomination committees, but is invited to those meetings to contribute pertinent insights and information. The board has a policy on external directorships where members of the PMC, including the CEO, are allowed to take up one external directorship with the approval of the remuneration committee. The CEO holds no external directorships at this time.

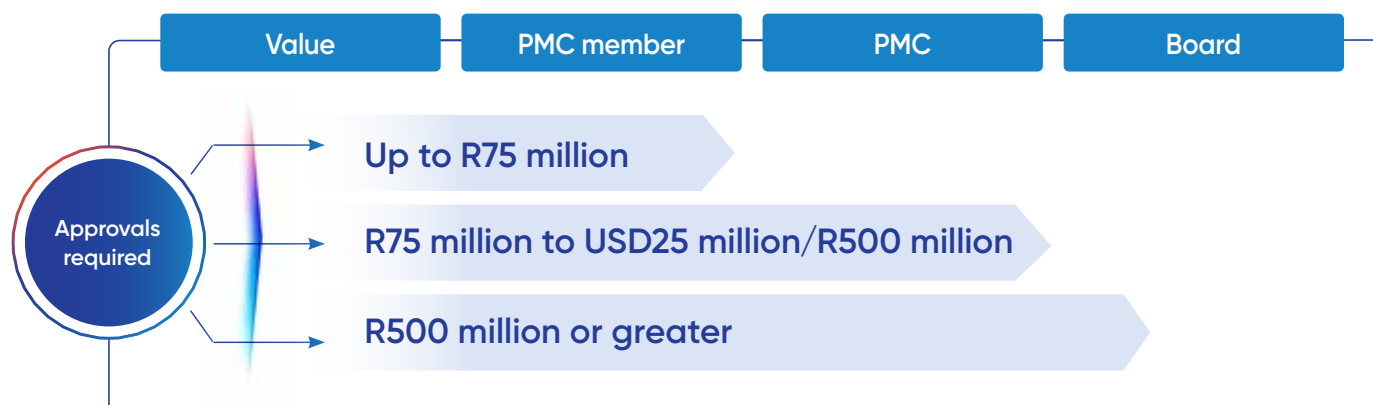
Delegation of authority

The board delegates contractual and transactional authority to key committees/management to execute day-to-day transactions of the company.

A 'RAIDE' matrix forms the basis of the delegation by defining each person's involvement in the approval process:

Recommend	Primarily responsible for making a proposal
Agree/support	Fulfilling legal or similar duties and sign-off
Input	Consulted on the decision
Decide	Decide
Execute	Execute

The RAIDE matrix and associated approvals in the policy are based on the core principle that formal and final decisions (the D in RAIDE) on any transaction that is committing and legally binding for Anglo American Platinum will always rest with the Anglo American Platinum board, PMC, senior management and employees granted specific authority in terms of this Delegation of Authority Framework (DAF). Certain transactions require the support or agreement of the Anglo American plc board (or a duly authorised committee), as the majority-shareholder.



General approval levels for the board and PMC:

Company secretary

In compliance with paragraph 3.84(j) of the JSE Listings Requirements, the nomination committee annually evaluates the company secretary on behalf of the board. The results of the evaluation confirmed that the company secretary demonstrates the requisite level of knowledge and experience to execute her duties. The board is also comfortable that she maintains an arm's-length relationship with the individual directors and confirms that she is neither a director nor public officer of the company or any of its subsidiaries.

Governance function areas

Risk governance

Principle 11: The board governs risk in a way that supports the company in setting and achieving its strategic objectives

Our risk management process is an integral part of setting the strategy. An annual board workshop considers the risk process, our top risks against external views on risks facing the business, risk appetite and tolerance status for the top risks, which includes catastrophic and principal risks (summary from page 74 of the

integrated annual report [PDF](#)). This year, risks were assessed against global and local Covid-19 themes. Due to the pandemic and disruption caused by the ACP repair and rebuild, new principal risks were added to the risk register:

- Global health pandemic
- Dependency on single converter at ACP
- Covid-19 loss of livelihood and social unrest.

For opportunities identified, it was agreed that employees had embraced Anglo American Platinum's new ways of working through digitisation and innovation that promoted organisational effectiveness. Please refer to pages 74 to 83 [PDF](#) of the integrated annual report for more information on risk management.

Information and technology governance

Principle 12: The board governs technology and information in a way that supports the company setting and achieving its strategic objectives

The company has adopted the methodology of the IT Governance Institute and control objectives for information and related technology (COBIT) framework to meet King IV requirements. The board has formally delegated responsibility for governing information and technology to the audit and risk committee, with related activities reported separately on page 162 [PDF](#).

Compliance governance

Principle 13: The board governs compliance with applicable laws, and adopted non-binding rules, codes and standard in a way that supports the company being ethical and a good corporate citizen

Compliance with the Companies Act, JSE Listings Requirements, legislation for the mining industry and the company's governance policies are monitored and tracked through internal monitoring and reporting systems, reviewed by internal and external audits.

The board, through the governance committee, has approved the following framework to assess the level of compliance in the group.

Regulatory compliance	Business integrity	Policy governance
– Framework – Regulation universe – Monitoring – Reporting – Training	– Plan – Monitoring – Training – Reporting	– Tracking and monitoring review of governance documents – Regulatory compliance audit – Reviewed the risk rating of the regulatory universe using risk methodology.

The compliance function is supported by the compliance and ethics committee and reports to the governance committee annually on its activities and monitoring plan. A compliance and ethics committee was constituted by PMC to assist the board in fulfilling its oversight responsibilities in all areas of compliance and ethics. Formal terms of reference have been approved to ensure that the company's policies and approach to compliance and ethics are adequate and effective.

Key focus areas during the year:

- Mandatory code of conduct, business integrity and data privacy training

Remuneration governance

Principle 14: The board ensures the company remunerates fairly, responsibly and transparently to promote the achievement of strategic objectives and positive outcomes in the short, medium and long term

The remuneration report detailing the remuneration policy and its implementation appears on pages 176 to 194 [PDF](#).

Assurance

Principle 15: The board ensures that assurance services and functions enable an effective control environment, and that these support the integrity of information for internal decision making and of the company's external reports.

Combined assurance	Internal audit
The risk appetite of executive management, the audit and risk committee and the board will determine areas of strategic and business focus, which in turn determines the level of assurance considered appropriate for identified business risk and exposures. To plan and co-ordinate assurance, the company has designed and implemented a combined assurance framework, incorporating a number of assurance services, to adequately cover its significant risks and material matters so that these enable an effective control environment, support the integrity of information used as well as the integrity of the group's external reports. Each assurance activity in this framework links to our value drivers and is determined by risks identified through the integrated risk management process, business processes, controls and mitigating strategies. Each assurance provider has been categorised into different lines of defence in the organisation: – Management – line functions that own and manage own risks – Internal assurance providers from specialist functions including safety, health and environmental compliance – Regulatory auditors – The internal audit functions – Independent assurance providers	Internal audit is an independent appraisal function that examines and evaluates the activities and appropriateness of our systems of internal control, risk management and governance. Internal audit services are provided by Anglo American Business Assurance Services. Audit plans are presented in advance to the audit and risk committee and based on an assessment of areas of risk involving an independent review of the group's own risk assessments. The internal audit team attends and presents its findings to the audit and risk committee. The close-out and remediation of overdue weak and significant findings are monitored by the compliance function and reported to the audit and risk committee. For an overview of the activities during the year, refer to the audit and risk committee report on page 159 PDF. The audit and risk committee has satisfied itself that internal audit has met its responsibilities, is independent and the company had an effective system of internal control and risk management.

Stakeholders

Principle 16: In the execution of its governance role and responsibilities, the board adopts a stakeholder-inclusive approach that balances the needs, interests and expectations of material stakeholders in the best interest of the company over time.

The board considers the legitimate interests of stakeholders in its decisions. For an overview of our stakeholder engagement practices, refer to pages 137 and 138 [PDF](#).

Reports on various stakeholder engagement are monitored by various committees.

Social, ethics and transformation committee	Safety and sustainable development committee	Board
Community	NGOs	Investors
Government relations	Regulators	Media
Employees		Customers
Unions		Suppliers

Audit and risk committee report



The committee's main objective is to assist the board in discharging its duties. It makes recommendations to the board on safeguarding assets, operating adequate financial and related systems, internal control and reporting processes, and preparing accurate reporting and financial statements in compliance with all applicable legal and regulatory requirements and accounting standards.

John Vice
Chairman

We are pleased to present the audit and risk committee report for the year ended 31 December 2020. This report has been prepared in line with the requirements of the South African Companies Act 71 2008, as amended (the Act), King Code of Governance for South Africa (King IV), JSE Listings Requirements and other applicable regulatory requirements.

Governance

Audit and risk committee report continued

Composition and governance

This is a statutory committee, duly constituted under section 94 of the Act. Its members satisfy the requirements to serve in terms of the Act and King IV and have the knowledge and experience to carry out their duties. All members are independent non-executive directors. Membership and attendance are set out below:

Members	Committee member	Board status	Meeting attendance
Richard Dunne	to 25 June 2020	Committee chairman (outgoing)	1/1
JM Vice	since 30 November 2012	Independent non-executive director (committee chairman incoming)	3/3
PN Mageza	since 1 July 2013	Independent non-executive director	3/3
D Naidoo	since 1 July 2013	Independent non-executive director	3/3

Richard Dunne retired by rotation as director and therefore as chairman of the committee at the AGM on 25 June 2020. He was succeeded by John Vice who has been a member of the committee for eight years. The chairman of the board, chief executive officer, finance director, company secretarial, head: risk and assurance, finance controller, senior manager: financial reporting and external auditors attend by invitation to provide a coordinated approach to all assurance activities. The internal and external auditors have unrestricted access to the committee and meet with committee members without management being present.

The performance of the committee is reviewed as part of the board and committee evaluation process. Its terms of reference are reviewed annually by the board. It executes its duties and responsibilities in line with these terms of reference for the company's accounting, financial reporting practices and finance function, external audit, internal audit and internal control, integrated reporting, risk management and information and technology (IT) governance.

Key audit matter

The committee notes the key audit matter set out in the independent auditors report (page 6  of the annual financial statements), namely:

- Quantities and measurement of metal inventory

The committee addressed the matter by receiving reports from the chairman of the stocktake verification group, head of metal accounting, confirming the 2020 physical stocktake values to be used in the theoretical stock calculation and to understand whether in-situ inventory levels were in line with primary theoretical levels. It further approved the implementation of quarterly oversight of in-situ stock determinations by the stocktake verification group, comprising corporate technical experts, during the period of abnormal stock levels due to the ACP shutdown.

Activities of the committee

During the year, the committee fulfilled the following duties:

Adding value in 2020	2021 and beyond
Annual financial statements (AFS)/interim and integrated reporting process The committee is responsible for reviewing all published financial reports and information, including the integrated annual report, prior to submission and approval by the board. – Ensured appropriate financial reporting procedures are established and operating – Reviewed and discussed the AFS and interim report and related disclosures, considered the accounting treatment, significant or unusual transactions, and accounting estimates and judgements; confirmed the AFS had been prepared on a going-concern basis and recommended the AFS and interim report to the board for approval – Considered and noted the general proactive monitoring report issued by the JSE in February 2020 as well as the combined findings of the JSE proactive monitoring of financial statements done in 2011 to 2018, and the thematic review for compliance to IFRS 9 and 15 issued at the end of 2019. The committee is satisfied that all such findings and focus areas are adequately addressed in the annual financial statements – Considered the integrated annual report and assessed its consistency with operational, financial and other information known to committee members, and for consistency with the AFS. The committee is satisfied that the integrated annual report is materially accurate, complete and reliable and consistent with the AFS. At its meeting on 17 February 2021, it recommended the integrated annual report for the year ended 31 December 2020 for approval by the board – Approved the mineral resource and reserve report. In its assessment, the committee considered assurance procedures on estimate quality, compliance to reporting requirements and reconciliation of resource and reserve estimates. – Considered solvency and liquidity tests as and when required by the Act, to provide financial assistance to subsidiaries and/or proposals to pay interim and final dividends. – Reviewed implementation of the CEO and CFO attestation process to provide assurance on the effectiveness of internal financial controls, systems and processes	– Ongoing focus on ensuring that the group's financial systems, processes and controls are operating effectively, is consistent with the group's complexity and are responsive to changes in the environment and industry – Monitoring developments on changes in disclosure – Monitoring the implementation of the amended JSE Listings Requirements, including the effectiveness of internal financial controls, systems and processes in the group in support of the CEO and CFO attestation
External audit The committee is responsible for the appointment, remuneration and oversight of the external auditors. – Monitored the transition and onboarding of the new audit firm PricewaterhouseCoopers Inc., as well as finalisation of the 2019 year-end with the previous auditors Deloitte & Touche to ensure a continued high-quality audit – Ensured that the appointment of the external auditors complied with the Act and all other regulatory and legal requirements. Prior to making its nomination, the committee considered all information in terms of the JSE Listings Requirements in assessing the auditor and designated auditor's suitability for appointment, and the approval of its audit fees for the review period. This is aligned to the Independent Regulatory Board for Auditors (IRBA) and Anglo American plc requirements for mandatory audit-firm rotation – Considered and recommended to shareholders the appointment of PricewaterhouseCoopers Inc. for the 2021 financial year – Approved the auditor's annual plan and scope of work, monitored the effectiveness of external auditors for audit quality, expertise and independence – Considered the key audit matter noted in the integrated annual report – Determined the nature and extent of all non-audit services provided by the external auditor and pre-approved these – Received necessary representations from the auditors confirming their independence.	– Continue support for the new external auditors to ensure minimal disruptions to the 2021 year-end audit process

Governance

Audit and risk committee report continued

Adding value in 2020	2021 and beyond
Internal audit and control The committee is responsible for monitoring the effectiveness of internal audit, ensuring that the roles and functions of external audit and internal audit are sufficiently clarified and coordinated to provide an objective overview of the operational effectiveness of the group's systems of internal control and reporting. Internal audit services are currently provided by the Anglo business assurance services department (ABAS) of Anglo Corporate Services South Africa (Pty) Ltd. – Ensured that internal audit performed an independent assurance function. Monitored the effectiveness of the internal audit function in terms of its assurance scope, plan execution, independence and overall performance of the function and its head – Approved the assurance plan, budget and assurance scope for the ensuing year – Assessed the group's systems of internal control including financial controls, business risk management and maintaining effective internal control systems – Monitored audit findings, risk areas and, where appropriate, challenged management on its actions – Based on the above, concluded there were no material breakdowns in internal control, including financial controls, business risk management and maintaining effective material control systems.	– Implement an updated data analytics strategy – Embed a holistic governance, risk and compliance technology system to support the delivery of comprehensive risk and assurance activities – Further enhance the link between risk and assurance by implementing a holistic risk and assurance governance policy and end-to-end framework aligned to the updated IIA three-lines model (released July 2020)
IT governance The board has formally delegated responsibility for IT governance to this committee. Anglo American Platinum has adopted the methodology of the IT Governance Institute and the control objectives for information and related technology (COBIT) framework to meet King IV requirements for IT governance. Reports following this framework are submitted to the committee biannually. – Received reports of the effective information management control environment to manage programmes and projects – Reviewed IT risks and control environment – Received management reports on results of disaster-recovery tests and security management – Considered the impact of cybercrime and reviewed information security capability in the organisation – Reviewed reports on the effectiveness of IT risk management as part of group risk management – Reviewed digital transformation initiatives aligned to the group's strategic priorities.	– Review internal control environment for information management – Review multiyear strategic projects, benefit realisation and impairment of obsolete technology
Risk management The board has delegated the function of risk management to this committee, which regularly reviews significant risks and mitigating strategies. It reports to the board on material changes in the group's risk profile and an annual board risk workshop is held. The risk management process is facilitated by ABAS, but overall accountability and responsibility for risk management rests with the Anglo American Platinum board, platinum management committee and other officers. – Held a board workshop to review and consider principal, material and emerging risks facing the company – The impact of Covid-19 was considered on existing risks as well as new risks raised by the pandemic which were included in the executive risk report. – In addition to the risks currently considered, opportunities were also considered and presented to the board. – Received a written assessment of the effectiveness of the company's system of internal controls and risk management from ABAS.	– Continued enhancements to risk reporting to align risk management to strategy – Continue to monitor the impact of Covid-19 on Anglo American Platinum, particularly impacts on existing and new risks – Further automation of aspects in the risk-reporting process is being explored
Sustainability The committee is responsible for reviewing the material issues reported to shareholders and other stakeholders and considers the scope and conclusion of independent assurance providers for those reports. – Considered IBIS Consulting assurance scope and schedule of key material issues for the 2020 integrated annual report – Received necessary assurances through this process that material disclosures are reliable and do not conflict with financial information.	– Consider the identification of material issues – Determine audit scope for material issues
Marketing The committee receives updates and approves the marketing division's mandate on the sale, purchase and trading of metals to ensure appropriate risk management processes are in place – Received an update on trading performance and noted planned activities in the areas of governance, risk and compliance. – Approved amendments to the marketing mandate to actively manage price risk for base metals and option trading for all PGMs in cleared markets. – Approve amendment to the marketing amendments.	– Continue to monitor trading performance within value-at-risk limits

Adding value in 2020	2021 and beyond
Legal All material legal matters are brought to the committee's attention to evaluate the legal risk or any reputational exposure. – Reviewed, with management, legal matters that could have a reputational or material financial impact on the group.	– Monitor developments from changes in legislation and progress of legal activities that may impact the annual financial statements
Combined assurance The committee oversees that a combined assurance model is applied to provide a coordinated approach to all assurance activities. – Reviewed the combined assurance framework that categorises each provider of assurance into different lines of defence in the organisation: management, internal and external assurance providers – Reviewed the level of assurance provided by the combined assurance framework and concluded this was appropriate for identified business risks and exposures – Reviewed plans and work outputs of external and internal auditors and concluded these were adequate to address all significant financial risks facing the business. – Reviewed external audit reports from external providers	– Continued alignment of internal and external assurance providers to ensure the combined assurance framework is effective – Further enhancements through the implementation of a holistic risk and assurance governance policy and end to end framework aligned to the updated IIA three lines model (released July 2020)

Finance director and finance function

The committee has reviewed an internal assessment of the skills, expertise and experience of Craig Miller, the finance director, and is satisfied he has the appropriate expertise and experience to meet his responsibilities. The evaluation also considered the appropriateness of the expertise, continuous improvement and adequacy of resources of the finance function.

Conclusion

The audit and risk committee is satisfied that it has considered and discharged its responsibilities in line with its terms of reference in the review period.



John Vice
Chairman

Johannesburg

15 March 2021

Social, ethics and transformation committee report

The committee's main purpose is to assist the board in discharging its duties and to make recommendations to the board on sustainability and stakeholder management, good corporate citizenship and community development, ethics management, labour and employment, and managing broad-based black economic empowerment. The committee also reports to shareholders at the annual general meeting.

Nombulelo Moholi
Chairperson



We are pleased to present the social, ethics and transformation (SET) committee report for the year ended 31 December 2020. This report has been prepared in terms of the requirements of section 72(8) of the Companies Act 71 2008 (the Act), and its associated regulations.

Membership and attendance are set out below:

Members	Committee member since	Board status	Meeting attendance
NT Moholi	25 October 2013	Chairman of the committee	3/3
RMW Dunne	to 25 June 2020	Independent non-executive director	1/1
DTG Emmett	23 April 2012	Chairman of safety and sustainable development committee	3/3
L Mogaki	24 April 2013	Executive head: human resources	3/3
S Mkhabela	to 31 March 2020	Executive head: corporate affairs	1/1
NB Mbazima	15 April 2019	Non-executive director	3/3
Y Mfolo	23 October 2020	Executive head: corporate affairs	2/2

Richard Dunne retired by rotation at the AGM on 25 June 2020 and Seara Mkhabela resigned on 31 March 2020 to take up a new role in Anglo American South Africa Proprietary Limited. Yvonne Mfolo and Thabi Leoka were appointed on 23 October 2020. The chief executive officer, representative from group legal, head of social performance, head of transformation and head of sustainability attend meetings to update the committee on the social and business activities of the company.

The terms of reference are reviewed annually by the committee and board. The committee continues to monitor the company's performance on social and ethical matters, considering relevant legislation and prevailing codes of best practice. It also ensures the company adheres to good corporate citizenship standards. The coronavirus disease (Covid-19) plunged the world into crisis and continues to pose a significant health and psycho-social economic risk. The key focus remains the Covid-19 response plan to assist and support our workforce and communities.

Activities of the committee

Adding value in 2020	2021 and beyond
Sustainability and stakeholder management The committee is responsible for providing assurance to the board on the integrity of sustainability information and stakeholder management. - Received regular reports from the safety and sustainable development (S&SD) committee for assurance on progress towards board-approved objectives for SHE and sustainability matters, including the sustainable mining plan and community response plan to Covid-19 - Reviewed material issues identified for 2020, disclosing information on matters that substantively affect the organisation's ability to create value over the short, medium and long term - Approved the assurance audit schedule and key performance indicators assessed in the 2020 assurance audit.	- Continue to receive feedback from the S&SD committee for assurance on progress towards board and strategy objectives on SHE matters, including updates on the Covid-19 response plan - Continue to oversee the materiality assessment by reviewing and guiding the process of identifying material issues. Approve the selection of assurance audit service providers; approve key performance indicators to be assessed in the annual assurance audit and monitor audit results - Maintain oversight on progress in implementing the sustainable mining plan - Monitor engagements with all key stakeholders on sustainability-related matters.
Good corporate citizenship and community development The committee is responsible for monitoring delivery of commitments to communities around the company's mining operations and in labour-sending areas. In addition, it reviews ongoing engagements and challenges with different stakeholders as well as progress towards commitments set out in the Anglo American Platinum strategy. - Monitored progress in implementing the Anglo social way transition plans towards full compliance by 2022, specifically: - Received feedback on progress towards commitments made to communities around mining operations. These included the schools support programmes, the interfaith programme, Covid-19 response plan and WeCare programme, as well as sustainable mine plan implementation - Received updates on key stakeholder engagement and communication initiatives on the third round of social and labour plans (SLP3), and the Lighting Tomorrow education programme.	- Continuously monitoring delivery against second-round social and labour plans (SLP2), due for completion in 2021 - Monitor progress in implementing the Anglo social way transition plan - Provide oversight on SLP3 development and implementation - Receive updates on progress in implementing identified projects under the collaborative regional development initiative - Receive feedback on key engagements with stakeholders, issues raised and mitigating actions.

Adding value in 2020	2021 and beyond
Ethics management Ensure that the potential impact of business decisions is fully considered against the company's values, ethics and reputation – Received an overview of all material legal matters, identified risks and recommended mitigation steps relevant to the committee's terms of reference – Received an update on the UN and OECD principles as required by regulation 43 of the Act – Reviewed the business infringements report highlighting current crime trends and patterns, including PGM and base metal-related incidents; cases investigated and criminal arrests made; fraud, corruption and dishonesty-related incidents; incidents of sexual misconduct; illegal mining; vendor screening; community unrest, marches and disruptions to operations; technical surveillance countermeasures.	– Continue to monitor progress with material legal matters affecting the company as these relate to the mandate of the committee – Regularly review business infringements relating to PGM and base metal incidents as well as unethical practices – Annually review the company's ethical policies and processes and consider their effectiveness.
Labour and employment The committee is responsible for reviewing strategic people issues, including progress on transformation and major employee relations issues; performance on human resource development (HRD) and retention against internal transformation targets, critical skills and legislative imperatives: – Reviewed and supported the human resource response plan in line with the evolving Covid-19 pandemic to mitigate business disruption and ensure the wellbeing of employees – Reviewed progress with the five-year plan to fully comply with the workforce requirements of the mining charter 2018 – Reviewed the Anglo American Platinum culture work, building on the organisational cultural transformation to the new approach which is underpinned by systems leadership and the Anglo American operating model – Received an introduction to the organisational effectiveness programme and plan to reduce complexity through well-defined and structured work that will unlock innovation as part of the company's ambition – Supported management's zero-tolerance approach to gender-based violence and five-pillar plan to deal with this scourge.	– Continually review and align HRD responses to the company strategy, as well as broader trends in the people and employment fields – Ongoing review of all transformational imperatives and monitor progress against internal transformational targets – Monitor implementation of the five-year compliance plan against mining charter targets – Monitor implementation of the new approach to Anglo American Platinum culture work and organisational effectiveness plan.
Managing broad-based black economic empowerment Review and monitor the company's BBBEE status and mining charter compliance. – Reviewed the five-year implementation plan for the new mining charter, specifically how it integrates with the business strategy and value creation for all stakeholders – Reviewed progress towards targets in the mining charter 2018 – Reviewed the company's BBBEE status – Monitored correct balance in transformation activities in terms of providing adequate skills and maintaining stability in the company – Considered material external developments in the field of transformation and, where appropriate, provided assessment and strategic guidance.	– Reviewing and aligning the five-year implementation plan with requirements of the mining charter and the Anglo American Platinum strategy – Ongoing review and alignment of all transformational imperatives in line with the business strategy and external transformational environment – Providing strategic guidance on maintaining the correct balance between achieving the company's transformational objectives, external transformational requirements mix and maintaining stability in the company.

Cross-referencing table

As some of the committee's responsibilities and deliberations overlap with other committees, detailed policy and performance information appear in other sections of the integrated and ESG reports.

SET committee priorities	Activities monitored by the committee	Page reference integrated annual report (IAR) environmental, social and governance report (ESG)
Social and economic development	Performance against UN Global Compact principles	ESG page 143 
	Human rights	ESG pages 142 – 143 
	Labour	ESG pages 100 – 117 
	Environment	ESG pages 23 – 71 
	Anti-corruption	ESG pages 142 – 143 
	Employment equity performance	ESG pages 104 – 105 
	Broad-based black economic empowerment	ESG page 103 
Good corporate citizenship and community development	Business integrity policy	ESG page 141  and IAR page 26 
	Community development policy, strategy and performance	ESG pages 119 – 136 
Safety, health and environment	Safety policy, strategy and performance	ESG pages 79 – 87 
	Health policy, strategy and performance	ESG pages 88 – 98 
	Environmental policy, strategy and performance	ESG pages 23 – 71 
Stakeholder management	Addressing stakeholder expectations and maximising community benefit	ESG pages 137 – 138  and IAR pages 64 – 68 
Labour and employment	Employment and labour practices, policy and performance	ESG pages 100 – 117 

Conclusion

The committee is satisfied it has discharged its responsibilities for the financial year in line with its terms of reference, King IV and the Act.

On behalf of the committee



Nombulelo Moholi

Chairperson

Johannesburg

15 March 2021

Nomination committee report

The committee is pleased to present its report for the year ended 31 December 2020. We continue to focus on the strategic board-renewal process and succession planning that will ensure the appropriate balance of knowledge, skills, experience, diversity and independence on the board.

Norman Mbazima
Chairman



Composition and governance

Members	Committee member	Board status	Meeting attendance
N Mbazima (chairman)	since 1 April 2019	Non-executive director	2/2
Peter Mageza	since 18 October 2019	Lead independent director	2/2
Mark Cutifani	since 26 April 2013	Non-executive director	2/2
RMW Dunne	to 25 June 2020	Independent non-executive director	1/1

The committee executes its duties and responsibilities in line with terms of reference reviewed annually by the board, and summarised below:

- Evaluating the structure, size and composition (including skills, knowledge, experience, race and diversity) of the board
- Considering succession planning for directors and senior executives, taking into account challenges and opportunities facing the company, and the skills and expertise needed on the board in future
- Identifying and nominating candidates for the approval of the board to fill board vacancies as they arise
- Recommending to the board the continued service or retirement of any director who has reached the age of 70
- Considering the performance of directors and taking steps to remove those who do not make an appropriate contribution.

Adding value

During the year, the committee fulfilled the following duties:

Adding value in 2020	2021 and beyond
Retirement by rotation In terms of the company's memorandum of incorporation, a third of directors retire by rotation each year and are eligible for re-election by shareholders at the AGM and offer themselves for re-election. Considered directors proposed to retire at the AGM and concluded on their eligibility for re-election in terms of their independence, performance and contribution to the company and board. Also considered the impact of directors indicating they will not make themselves available for re-election.	Considered directors proposed to retire at the AGM and concluded on their eligibility for re-election in terms of their independence, performance and contribution to the company and board. Also consider the impact of directors not making themselves available for re-election.
Board structure, size and composition The committee regularly reviews the board structure, size and composition and makes recommendations to the board on any adjustments deemed necessary. – Recommended the appointment of John Vice as chairman of the audit and risk committee following the retirement of Richard Dunne – Recommended the appointment of Thabi Lekoa and Roger Dixon as independent non-executive directors – Considered board committee structure and representation on the respective committees and recommended the appointment of Thabi Lekoa as a member of the remuneration committee, social, ethics and transformation committee and governance committee, and Roger Dixon as a member of the safety and sustainable development committee and governance committee – Considered the board's succession blueprint and transition plan in light of appointing two independent non-executive directors and their impact on board composition – Considered board succession holistically – Assessed the suitability of the company secretary in line with JSE Listings Requirements.	– Consider the board committee structure and composition in line with the future board profile to support the company's strategic priorities – Assess the suitability of the company secretary.
Performance review The committee assumes responsibility for evaluating the board and its committees and determines how this should be approached and conducted. There was no board evaluation in 2020. This decision enabled us to complete the strategic board renewal process and allow new directors to settle in and contribute fully. The committee focused on its composition, diversity and skills.	In 2021, the committee will focus on board dynamics as part of our board effectiveness process and include an assessment of our board culture to clearly define and align this to organisation culture.
Succession The committee is responsible for establishing a succession plan that includes the identification, mentorship and development of future candidates. – Appointed two independent non-executive directors in terms of the board's succession blueprint.	Continue strategic board-renewal work to ensure the board comprises the appropriate balance of knowledge, skills, experience, diversity and independence to meet the company's strategic objectives, including its governance role and responsibilities, objectively and effectively.

Conclusion

The nomination committee is satisfied it has considered and discharged its responsibilities in line with its terms of reference in the review period.

On behalf of the committee



Chairman

15 March 2021

Johannesburg

Safety and sustainable development committee report

The committee's key role is to monitor the safety and health of the company's employees and the impact of its operations on the environment from a SHE management perspective.

Dorian Emmett
Chairman



Driving a culture of zero harm

We are pleased to present the safety and sustainable development (S&SD) committee report for the year ended 31 December 2020. The committee's key objective is to ensure that Anglo American Platinum operates responsibly and drives leadership in safety, health and environmental stewardship.

Composition and governance

The committee comprises the chairman, four independent non-executive directors, the chief executive officer and executive head: SHE.

Collectively, committee members have the necessary expertise and knowledge to enable it to perform its functions effectively.

Committee members are shown below, with the following changes during the year: Chris Griffith resigned on 16 April 2020 and

Richard Dunne retired from the committee on 25 June 2020. Natascha Viljoen, Prakashim Moodliar, Riaan Blignaut and Roger Dixon were appointed on 23 October 2020.

The committee has several permanent invitees at meetings to provide feedback on the group's SHE activities and performance:

- Senior manager: SHE reporting and business support
- Executive heads: corporate affairs, human resources, process
- Executive head: operational and technical excellence.

Membership and attendance at meetings:

Members	Committee member	Board status	Meeting attendance
DTG Emmett	since 21 July 2006	Chairman of the committee	3/3
RMW Dunne	to 25 June 2020	Independent non-executive director	1/1
CI Griffith	to 16 April 2020	Chief executive officer	1/1
N Viljoen	since 23 October 2020	Chief executive officer	2/2
NB Mbazima	since 15 April 2019	Non-executive director	3/3
NT Moholi	since 30 October 2013	Independent non-executive director	3/3
JM Vice	since 10 February 2017	Independent non-executive director	3/3
R Blignaut	since 23 October 2020	Executive head: safety, health and asset reliability	4/4
P Moodliar	since 23 October 2020	Executive head: projects and environment	1/1

The committee's terms of reference are reviewed annually by the board. It continues to perform its duties and responsibilities in terms of the provisions of the Anglo American Platinum memorandum of incorporation and any other applicable law or regulatory requirement, as well as any other function that may be requested by the board.

The committee reports quarterly to the SET and audit and risk committees on salient matters in their terms of reference, and directly to the board, to provide assurance on progress towards board and strategy objectives.

Its performance is reviewed annually as part of the board and committee-evaluation process.

The committee has an annual work plan, developed against its terms of reference. It conducts site visits annually to areas of strategic importance and/or key risk areas impacting the business.

In fulfilling its mandate, the committee's duties and responsibilities include to:

- Oversee, on behalf of the board, material management policies, processes and strategies designed to manage SHE-related risks and comply with SHE responsibilities and commitments
- Review, assess and monitor SHE performance and compliance with company standards and applicable legal and regulatory requirements
- Review the causes of any fatal and significant SHE-related incidents and receive assurance that learnings are shared across the group
- Review SHE audits as per legal and company requirements, and review the outcomes and management response
- Consider material regulatory and technical developments that may be relevant to the group's SHE activities
- Draw material matters in its mandate to the attention of the board as required
- Review the group's external SHE reporting and regulatory disclosures, and findings of external auditors.

Committee discussions in 2020

Summary of salient matters reviewed and discussed, and decisions made, at committee meetings in 2020:

Safeguarding value for our stakeholders in 2020	Focus for 2021 and beyond
Governance, regulatory and reporting – Considered reports from management, and internal and external auditors, on compliance with legal and regulatory requirements – Received finalised audit findings from external auditors on assured selected data in the 2019 integrated and environmental, social and governance (ESG) reports. The committee noted significant improvements on the prior year, with reduced risk of data errors from more formalised procedures, greater management oversight, and increased documentation of internal processes – Reviewed outcomes of the materiality assessment process to inform content of the 2020 reports – Considered and approved the appointment of IBIS Consulting as the assurance provider for the 2020 reports. An assurance scope and key performance indicators were identified, and audit schedule approved	– Maintain governance processes in line with best practice – Monitor regulatory reporting requirements and ensure compliance.
Strategic direction and business objectives – Reviewed SHE elements of the company's strategic and business plan, and validated proposed 2021 SHE objectives and targets at business and operational level, as well as agreed planned work for 2021 – Reviewed progress in implementing the sustainable mining plan process schedule for all operations to develop five-year site implementation plans by the end of 2019 – Set the committee's strategic goals for 2020 and agreed on its annual work plan	– Oversee implementation of the Anglo American Platinum sustainable mining plan process.
Management systems and processes – Received a report on SHE management systems and assurance programme implemented across all managed operations, including a review of the SHE audit programme, updated SHE way roll-out progress and plans for 2021, as well as status of certification against ISO management system standards (ISO 14001:2015 and ISO 45001:2018; and ISO 90001:2015) – Considered the outcomes of SHE learning-from-incidents initiatives, including the elimination of fatalities close-out verification programme; high-potential incidents investigation overview; and fatal-accident investigations status	– Oversee progress in ensuring that all operations are certified against targeted ISO management system standards
Risk management – Monitored progress of rolling out ORM and integration with the Anglo American operating model, noting the focus on maturing the quality of work and system and information digitisation – Noted that operational risk processes inform and underpin the company's strategy and operational control strategies for managing coronavirus risks – Received updates on progress with the fire risk review and enhancement programme aimed at improving the management of fire-related risk at managed operations – Updated on revised audit approaches (including the use of technologies for virtual fieldwork) and operational risk assurance (ORA) programme for 2020/2021 in response to Covid-19-related restrictions – Reviewed outcomes of ORA and verification work conducted, noting improvements across priority findings – Approved proposed ORA audit plan for 2020	– Monitor progress of operations in implementing ORM as a core business process, meeting ORM targets across all KPIs and ensuring stable ORM processes.

Safeguarding value for our stakeholders in 2020	Focus for 2021 and beyond
SHE performance - Received and discussed SHE performance reports (see pages 23 – 98 📄) - Reviewed all serious and high-potential SHE-related incidents; received assurance that learnings were shared - Safety performance reviews focused on key safety management initiatives, performance trends, challenges and focus areas for 2021 - Reviewed health focus issues, initiatives and performance against selected metrics, with an emphasis on assessing and monitoring management of Covid-19 risks and impacts in the workplace - Environmental focus areas included reviewing the key value levers of the environmental strategy and progress towards environmental goals in the group sustainable mining plan, focusing on water, climate change and energy, land stewardship, rehabilitation, waste and emissions	- Avoiding fatalities remains the key priority - Continue to focus on building a culture of zero harm - Oversee Anglo American Platinum's commitment to collaborative stakeholder efforts to make our industry safer - Continue to assess opportunities to drive best and innovative practices in SHE performance.
Legal matters - Followed progress on emerging material legislative SHE-related trends and developments, including the further drafting and extended compliance timeframe of financial provisions regulations and environmental assessment audit publication legislation - Remained informed about material legal matters including in relation to engagements with the DWS on amendments to the Lebalelo Water User Association water use licence - Continued investigations into nitrate levels, particularly in Limpopo, and associated possible social and other solutions	- Monitor legislative developments - Monitor developments with material legal engagements and associated implications for the business, providing guidance where applicable

SHE performance review

An overview of key performance issues was brought to the committee's attention, as well as selected SHE performance data measured at the end of 2020. More detailed information on Anglo American Platinum's SHE performance is presented on pages 23 – 98 [📄](#)

Anglo American Platinum regrettably recorded **one** safety-related fatality in 2020 after operating fatality-free for 22 months

Regrettably, **18** of our employees died from Covid-19. Intensive infection prevention and treatment facilities controlled infection rates at our operations, with a 97% recovery rate

The company continued to **improve** on leading injury indicator **TRCFR 2.40**

Recognised by CDP for leading corporate action ('A' band) and transparency on water security and climate change

Total waste to landfill reduction of 92% compared to the 2013 baseline

Anglo American Platinum's SHE performance this year reflects the strength of its strategies to safeguard and empower its people and mitigate environmental impacts. Anglo American's FutureSmart Mining innovation-led pathway to sustainable mining will see Anglo American Platinum increasingly adopt new technologies, automation and processes to eliminate health and safety risks, and enable it to dramatically reduce its environmental footprint over the next decade.

Health

The coronavirus pandemic has become the foremost health challenge facing Anglo American Platinum employees and their families and communities. The company's robust health and safety strategies have underpinned its leading response to managing Covid-19 across its operations. A proactive approach to testing and monitoring, and implementing both preventative and treatment measures, controlled infection rates at operations. As part of Anglo American's WeCare programme, Anglo American Platinum initiated extensive measures to curb the spread of the virus in host communities and to support livelihoods.

By year end, Anglo American Platinum had conducted 13 393 Covid-19 diagnostic tests and recorded 2 613 positive cases and 2 492 recoveries. Regrettably, 17 employees died from Covid-19 at managed operations. In all cases, there were one or more co-morbidities.

At year end, we had a 97% recovery rate from infections (before the second wave of infections), well above the national average.

The company's investments in health and wellbeing during this crisis focused particularly on identifying and protecting vulnerable 'high-risk' employees with co-morbidities, and supporting the mental wellbeing of employees, dependents and health workers. This has supported improved management of other health risks, such as chronic and lifestyle diseases, notably HIV and tuberculosis (TB). For a consecutive year, Anglo American Platinum achieved the first two of the UNAIDS 90/90/90 targets: in 2020, 94% of permanent employees know their HIV status, 92% of employees living with HIV are on antiretroviral therapy, with 84% viral load suppression.

The TB incidence rate decreased year on year by 45% to 187 per 100,000 employees, significantly below the national (South Africa) average of 615 per 100,000 citizens. Regrettably, Anglo American Platinum recorded one TB death in 2020.

Anglo American Platinum recorded four cases of Noise Induced Hearing Loss (NIHL) but no inhalable hazard or carcinogen exposure related to occupational diseases in 2020. By using real-time monitoring for critical controls and occupational hazards in all areas where exposure levels may be recorded above permitted levels, the company is driving further reductions in potential exposure to health hazards. In mitigating occupational health risk, it also focuses on engineering solutions and ensuring adherence to the requirements of PPE use. Anglo American Platinum is working towards targets, focusing on reducing exposure to carcinogens, inhalable pollutants, excessive noise, and advancing health digitalisation.

Safety

An intense focus on eliminating fatal risks contributed towards Anglo American Platinum operating fatality-free for 700 consecutive days, from 18 October 2018 to 16 September 2020. Tragically, an employee who had incurred a serious, but not life-threatening, injury was diagnosed Covid-19 positive while being treated at hospital, resulting in complications and his unexpected death.

Covid-19 impacts exacerbated challenges in Anglo American Platinum's efforts to ensure safe behaviour, especially at Amandelbult operations, which have been the most vulnerable and heavily impacted by Covid-19. After the initial hard national lockdown, the company took great care to ensure the safe start-up of operations put on care and maintenance by regulations. Recognising that the uncertainty, fear and other mental-health effects associated with the pandemic could affect safety behaviour, Anglo American Platinum implemented a dedicated initiative to drive the right safety mindset among its workforce in these challenging times.

Injuries increased in the third quarter, but this trend encouragingly reversed in the last quarter. In 2020, the TRCFR was 2.40, below the internal annual 15% reduction target of 2.54. However, Anglo American Platinum recorded 99 high-potential incidents (HPIs) that exposed employees and contractors to fatal risks, which is unacceptable. The company continues to improve its capacity to identify and address high-potential hazards, learn from HPIs, and using technology to reduce risks.

The implementation of safety-performance turnaround plans at the more challenging operations, Amandelbult and the smelters, remains a key driver and is critical in meeting safety commitments.

Environment

Anglo American Platinum remains committed to demonstrating leadership in environmental stewardship and playing its part in helping to address the environmental challenges of a carbon-constrained world. The FutureSmart Mining programme is demonstrating the potential of technological innovation to transform the environmental footprint of the group's business. This is critical to achieving the stretching environmental goals in the sustainable mining plan (pages 13 –18 [\[link\]](#)) – which in many cases also embrace circular-economy principles.

In responding to the global challenge of climate change, Anglo American Platinum's activities focus on radically reducing energy consumption through innovative mining methods and technology adoption, switching to low-carbon energy sourcing and increasing renewables in the energy mix. The company is trialling and implementing new mineral extraction and processing technologies that will support greater energy and water efficiencies.

Anglo American Platinum is working towards 2030 targets to improve energy efficiency and reduce absolute greenhouse gas (GHG) emissions by 30% against a 2016 baseline. In 2020, it developed a roadmap to carbon neutrality by 2040.

Energy and GHG intensities have steadily decreased in recent years. In 2020, however, while energy use and GHG emissions reduced, intensities (per unit production) were above target due to below-plan production caused by Covid-19 curtailments.

In developing new applications for the company's metals and minerals that will enable lower emissions, both at its operations and globally, the focus is on developing green hydrogen-powered fuel cell transport using PGMs, including for mine haul trucks.

Water security remains a priority as all company sites operate in areas of high water stress. Anglo American Platinum continues to demonstrate leadership in increasingly reducing freshwater consumption at its operations (now recycling almost 60% of water at its operations) and partnering in several regional bulk-water resource and water-efficiency initiatives. The company was recognised by the Carbon Disclosure Project CDP for its leading 'A' score for corporate action and transparency on climate change and water security, based on its disclosure in 2020. This ranked Anglo American Platinum as a top South African mining company.

In 2021, Anglo American Platinum will set site-specific 2030 targets, as it progresses in reducing freshwater consumption and incrementally improving water efficiency to meet its sustainable mining plan water goals and reach for the FutureSmart vision of a waterless mine. A key focus is on progressive implementation of best-practice water-treatment/recovery technologies.

In 2020, both raw and potable water withdrawal and intensities were below target. Since 2016, we have achieved a reduction in water consumption of 32% due to focused water management practices, including the divestment of sites, which in real terms amounts to 28.3 megalitres of water saved per year.

An important milestone in demonstrating its commitment to sustainable development was achieving the goal of sending zero waste to landfill (except for five waste streams with no offset/recycling solutions), for all managed operations by December 2020.

The radical change in its waste-management practices in recent years has depended on ensuring a mind-shift change, and embracing circular-economy principles, where waste becomes a resource. The company continues to innovate and find offset/recycling opportunities for diverse waste streams.

Unfortunately, Anglo American Platinum recorded one level 3 (moderate) environmental incident this year, an overflow of effluent at Rustenburg Base Metals Refinery into a tributary stream. There was a 4% year-on-year increase in the number of level 1 and 2 incidents at operations, and a decrease of 0.3% in the number of substandard acts and conditions recorded.

Anglo American Platinum has made good progress in ensuring full compliance with all applicable legal audit findings in terms of environmental authorisations for mining/process activities.

Cross-referencing table

As some of the committee's responsibilities and deliberations overlap with other committees, detailed policy and performance information appear in other sections of the integrated and ESG reports.

S&SD committee priorities	Activities monitored by the committee	Page reference integrated annual report (IAR) environmental, social and governance report (ESG)
Environment management	Waste management	ESG page 53 – 58 
	Closure and rehabilitation	ESG pages 64 – 69 
	Biodiversity and land stewardship	ESG pages 46 – 49 
	Air quality and emissions	ESG pages 61 – 63 
	Water	ESG pages 32 – 37 
	Climate change and energy	ESG page 38 – 45 
	Mineral residue facilities	ESG pages 50 – 52 
Safety	Safety performance	ESG pages 79 – 87 
Health	Occupational health	ESG pages 91 – 94 
	Wellness	ESG pages 95 – 98 
Sustainability	Material issues	ESG pages 7 – 10 and IAR pages 70 – 73 
	Sustainable Mining Plan	ESG pages 11 – 18  and IAR page 120 

Conclusion

The committee is satisfied it has discharged its responsibilities for the review period in line with its terms of reference.

On behalf of the committee



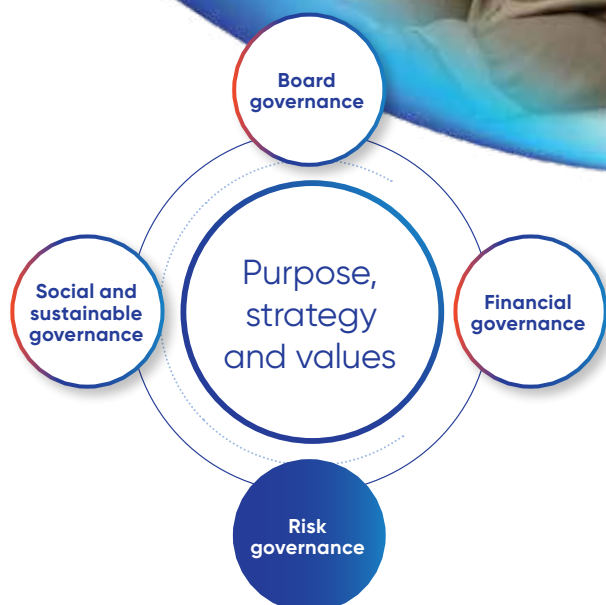
Dorian Emmett
Chairman

Johannesburg
15 March 2021

Remuneration report

Anglo American Platinum has been agile and proactive in addressing the Covid-19 challenge

Nombulelo Moholi
Chairperson



Part 1: background statement

Chair's statement

Dear shareholders

I am pleased to present the Anglo American Platinum Limited remuneration report for the year ended 31 December 2020. In line with best practice, as prescribed by King IV, this report is presented in three parts. The first is a background statement on how the company has subscribed to the principle of fair, responsible and transparent remuneration practice. The second sets out its remuneration philosophy and policy, and the third details policy implementation.

The Covid-19 pandemic has been central to many of the human resource and remuneration issues requiring attention from companies globally. Specifically, Anglo American Platinum has been agile and proactive in addressing this challenge, while doing its best to protect our most vulnerable employees in an ethical and responsible way. Examples include flexible work arrangements and support for vulnerable employees to ensure their continued financial wellness. In terms of management and executive remuneration, there were no changes to performance conditions of existing

long-term incentive awards, no specific retention awards made, no adjustments to the number of 2020 long-term incentive awards granted in April 2020, nor deviations from the executive remuneration policies disclosed in the 2019 remuneration report.

We adjusted the mix of cash and deferred portions of the annual short-term incentive and refined the long-term incentive performance vesting measures this year, in line with parameters communicated in the 2019 report.

It is evident from the remuneration implementation report, specifically the total single figure of remuneration statement, that despite headwinds Anglo American Platinum maintained a strong financial position with EBITDA of R42 billion and net cash position of R18.7 billion.

We continue to monitor pay-fairness measures in Anglo American Platinum (equal pay for equal value of work) and pay ratios required by the Department of Labour in the annual EEA4 submissions. We also monitor the organisational pay-gap using both the Gini co-efficient and Palma ratios*, and are kept apprised of research conducted, inter alia, by BUSA (Business Unity South Africa) on the most appropriate pay-gap measure for statutory disclosure.

The remuneration committee (remco) oversaw remuneration outcomes related to the exits of senior executives, including the CEO, and appointment of our new CEO and members of the platinum management committee (PMC). Exit arrangements were based on statutory and regulatory commitments, as well as established precedent in the company, including compliance with

incentive plan rules, meriting the good standing and loyal service of incumbents. Remuneration for new appointees was established in the context of market benchmarks, internal parity and providing a competitive offer (detailed in the implementation report).

* Gini co-efficient is a measure of income distribution across a population, while Palma is a measure which is gaining traction as a simple and effective measure of the pay gap.

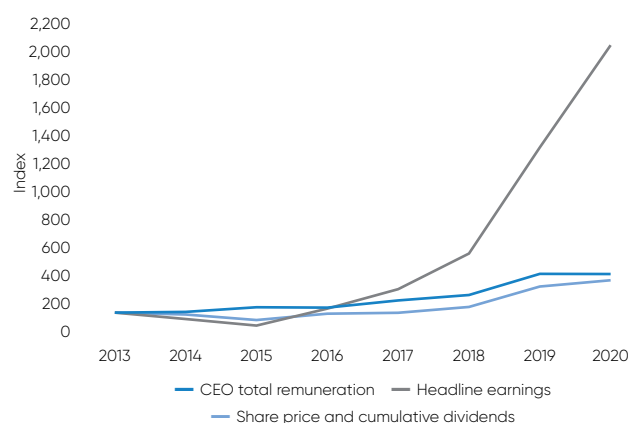
The table indicates the performance conditions' vesting outcome percentage over the last seven years for LTIP awards.

	2012	2013	2014	2015	2016	2017	2018	Average
LTIP vesting (%)	61	90	33	35	95	98	55	67

The graph shows the correlation between the CEO's total remuneration and Anglo American Platinum's performance over the past nine years.

Company performance and CEO total remuneration

(Indexed: 2013 = 100)



Headline earnings have grown significantly more than the CEO's total remuneration over this period which is however, aligned with growth in total shareholder returns. The total remuneration of the CEO in 2020 is on an annualised pro forma basis, to be as comparable as possible with total remuneration reported for the previous CEO from 2012 to 2019.

The remuneration committee at a glance

Purpose

As tasked by the board, the committee assists in setting the company's remuneration policy and remuneration for directors and prescribed officers. As per its terms of reference, published on our website www.angloamerican.com, the committee's responsibilities are to:

- Make recommendations to the board on the general policy for remuneration, benefits, conditions of service and staff retention
- Annually review the remuneration packages of executive directors and prescribed officers
- Make specific decisions regarding the remuneration packages of executive directors and prescribed officers
- Approve and monitor operation of the company's share incentive plans.

The committee's full terms of reference are aligned with the Companies Act and King IV and embrace best practice.

Remuneration committee composition

Nombulelo Moholi (chairperson) Profile on page 144 Independent non-executive director	Norman Mbazima Profile on page 145 Non-executive board chairperson	Daisy Naidoo Profile on page 144 Independent non-executive director	Thabi Leoka¹ Profile on page 144 Independent non-executive director
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Meetings and attendance

Attended: 5/5	Attended: 5/5	Attended: 5/5	Attended: 2/2 ¹
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Attendance by invitation: chief executive officer (CEO), global head of reward from Anglo American plc, executive head: human resources, senior manager: remuneration and benefits, compliance officer of employee share schemes and representatives of Bowmans.

Changes to committee: Thabi Leoka was appointed in October 2020 as an independent non-executive director and committee member.

¹ T Leoka joined the committee in October 2020 and has a 100% attendance record since joining.

Remuneration discussions

Remco has deliberated on items tabled to maintain a strategic focus on resolving remuneration challenges and providing a remuneration policy to support the future of the organisation. Discussions in 2020 included:

Adding value in 2020

Anglo American Platinum remuneration policy changes

Once-off changes

- Mitigating the impact of share price volatility on long-term incentive plan (LTIP) award grant values
- Rebalancing performance measure for LTIP awards
- Rebalancing performance measures of the annual bonus for executive directors
- Rebalancing short-term incentive (STI)/deferred STI weightings
- Promoting long-term executive ownership
- Bonus deferral for bands 3 – 5
- Unki remuneration strategy for incentives
- Unki pension fund age
- External directorships

Annual discussions

Topics discussed

- Bonus payments
- Bonus share plan (BSP) nominations
- Approve the vesting percentage and performance conditions for LTIP awards
- Annual remuneration report
- Salary increases to employees
- Pay-gap measures
- Race and gender parity (income differential)
- Share scheme compliance officer report
- Business unit, CEO and finance director (FD) key result area (KRAs)
- Non-executive director (NED) remuneration and fee trend update
- Executive remuneration and NED fee benchmark
- Segmental CPI update
- Executive remuneration benchmarking and trends update

Governance controls and protocols

No executive director or prescribed officer is involved in deciding their own remuneration. In 2020, the committee received advice from Anglo American plc's human resource department and Bowmans, as the committee is comfortable that Bowmans provided objective and independent advice.

The company's auditors, PwC, have not provided advice to the committee. Bowmans will continue as the remuneration committee adviser until 31 October 2021.

Remuneration in context

The table below reflects the total spend on employee remuneration and benefits in 2020 and 2019, compared to headline earnings and dividends payable in those years.

Distribution statement		2020	2019
Headline earnings	Rm	30,346	18,603
	% change	63	
Dividends paid	Rm	13,779	4,921
	% change	180	
Dividends payable for the year (total) ¹	Rm	12,099	13,985
	% change	(13)	
Payroll costs for all employees	Rm	14,783	12,897
	% change	15	
Employees	Headcount	25,796	25,268
	% change	1	
Community engagement development spend ²	Rm	459	392
	% change	17	
Taxation paid	Rm	7,941	3,349
	% change	137	
Royalties paid	Rm	2,496	1,788
	% change	40	

¹ The board has declared a final cash dividend of R45.58 per share, which is equivalent to R12.09 billion.

² CSI spend recorded centrally in corporate office. This includes all CSI and SLP spend as well as Covid-19-related spend.

The company delivered good performance in 2020. As a result, bonus shares to the value of R124,643,910 were awarded and the vesting percentage of the LTIP awards granted in 2018 was 55.30%. The KRA outcomes for the CEO are summarised on page 46 of the integrated annual report.

Social responsibility and contribution

In response to the Covid-19 pandemic, contributions and donations made by the Anglo American Platinum CEO, FD and NEDs to South Africa's Solidarity Fund and other selected charities were matched by Anglo American plc (detailed on page 29 of the integrated annual report).

Wider workforce considerations and our approach to fairness

Anglo American Platinum continues the practice of fair, responsible and equitable remuneration. As such, remco regularly reviews the company's internal wage gap. In addition, lower increases are granted to executive management compared to other employees. The committee also seeks to find a balance between the interests of executives and shareholders to ensure fair and responsible outcomes. For this reason, a significant portion of the pay of our senior employees is at risk and subject to stretching performance conditions.

Conclusion

We trust this remuneration report provides an accurate overview of the company-wide remuneration policy and its implementation. We specifically provide an in-depth view on executive remuneration in the past year, as Anglo American Platinum achieved specific targets through technical and business innovations while retaining capacity and key talent over a number of years.



Nombulelo Moholi
Chairperson

Part 2: Remuneration philosophy and policy

Remuneration philosophy

We aim to attract, retain and incentivise high-calibre individuals to develop and implement the company's business strategy, thus creating optimal long-term shareholder value.

Remuneration principles

- Consistency of reward-package elements
- Diversity of remuneration principles and approach to fair and responsible pay.

Remuneration policy

The remuneration policy complies with King IV recommendations and is based on the following principles:

- Remuneration practices are aligned with the company strategy
- Total rewards are set at competitive levels in the relevant market to ensure we attract, motivate and retain highly talented individuals
- Total rewards are managed to align to the principle of responsible, equal, fair and competitive pay
- Incentive-based rewards are linked to achieving demanding performance conditions, consistent with shareholder interests over the short, medium and long term

- Performance measures and targets for incentive plans are structured to operate effectively throughout the business cycle and support the business strategy
- Prudent application of long-term incentive schemes to minimise shareholder exposure to unreasonable financial risk.

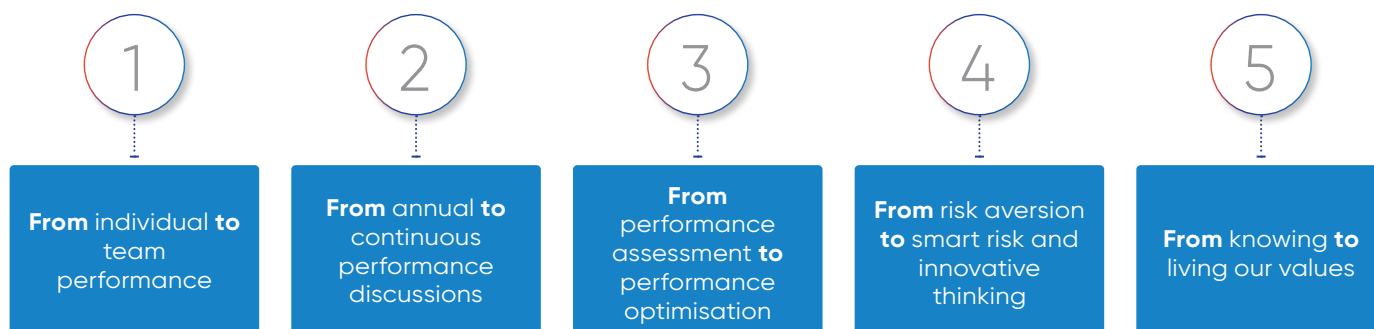
Remuneration linked to strategy and performance

We continually assess our remuneration strategy, practices and policies to ensure they remain aligned with and continue to support the strategic objectives of the company and the environment in which it operates.

Our new approach to performance

Our ambition is to be the most-valued mining company in the world. Achieving this requires working differently, collaborating to drive performance, technology, innovation and intelligent risk.

Our new approach to performance management shifts our focus from measuring individual performance retrospectively to optimising the performance of the team now and in future. The CEO and FD are still measured on individual critical and strategic tasks.



Covid-19's impact on the business, CEO and FD key results areas (KRAs)

Even though the pandemic has affected Anglo American Platinum's KRA targets, no adjustments were made to KRA outcomes for the negative impact on production and sales.

Executive director package design and total remuneration opportunity at different levels of performance

The charts illustrate the pay mix of the CEO (figure 1), FD (figure 2) and prescribed officers (figure 3) at entry, on-target performance and stretch performance where applicable from 2020.

Figure 1: CEO

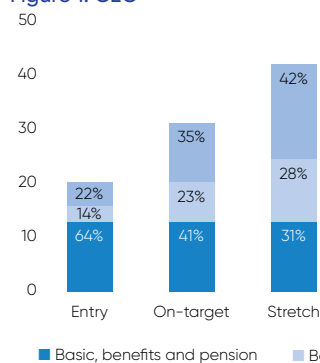


Figure 2: Finance director

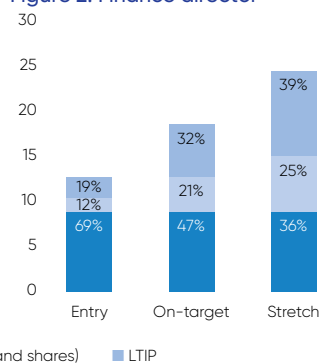
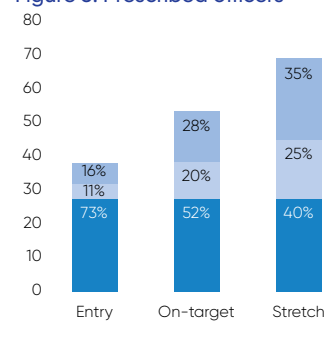


Figure 3: Prescribed officers



Key assumptions:

Pay element	Entry	On-target	Stretch
Fixed	2020 basic salary, benefits and pension	2020 basic salary, benefits and pension	2020 basic salary, benefits and pension
Annual bonus	25% of maximum bonus opportunity	62.5% of maximum bonus opportunity	100% of maximum bonus opportunity
LTIP	25% of maximum bonus opportunity	60% of maximum LTIP opportunity	100% of maximum LTIP opportunity

2020 comparator remuneration benchmarking group

The committee's key task is to preserve the relevance, integrity and consistency of benchmarking. Benchmark data is used to provide insights on trend lines and compare practices.

The committee is comfortable that the comparative group (below) for executive directors, prescribed officers and non-executive directors are representative of our business model, product range and market capitalisation.

African Rainbow Minerals Limited
AngloGold Ashanti Limited
Exxaro Resources Limited
Gold Fields Limited
Harmony Gold Mining Company Limited
Impala Platinum Holdings Limited
Kumba Iron Ore Limited
Northam Platinum Limited
Sibanye-Stillwater
South32 Limited

Elements of remuneration

The key elements of total remuneration in 2020 are outlined below.

Guaranteed salary

Non-union affiliated employees

Guaranteed salary is reviewed annually and positioned competitively against peers comparable in size, sector, business complexity and international scope. Company performance, affordability, inflation and average industry and sector increases are considered in determining any annual adjustment. Increases are generally inflation-linked and, where affordable, additional budget is allocated for adjusting remuneration levels that are not appropriately aligned to internal pay ranges and/or market rates for a specific job.

Industry and size-based organisations are used to benchmark total guaranteed pay and total remuneration (includes: guaranteed pay, STI, deferred STI and LTI). Adjustments are informed by positioning current remuneration within a tolerance pay range of 80% to 120% for guaranteed pay for a specific job or grade. Pay levels that are not within the tolerance pay range are adjusted for closer alignment to the market 50th percentile at which Anglo American Platinum benchmarks remuneration.

Union-affiliated employees

Guaranteed salary levels depend on the outcome of wage negotiations with representative unions.

Benefits

Core benefits are offered as a condition of service, with some elective flexible offerings for employees on a total package pay system. Core benefits primarily comprise retirement, risk and medical-scheme participation. The company regularly reviews these benefits for affordability, flexibility and perceived value to employees.

Medical schemes offer numerous plans to accommodate affordable healthcare and flexibility for a wide scope of employee income levels and membership profiles.

Retirement benefits are provided through defined-contribution funds, with contribution levels aligned to market best practice and fund rules.

Death benefits provided cater for the high-risk environment in which our employees work. In the event of a fatality or injury-on-duty incident, benefits available to beneficiary families of employees who pass away in service include:

- A lump-sum payment from both the retirement fund and Rand Mutual Assurance (COIDA)
- A monthly pension as per COIDA for both spouse and dependant children
- A company cash provision to assist beneficiary families in the waiting period for benefit pay-out from the fund and COIDA
- Company assistance to spouse and family on mine
- Company transport to and from the funeral.

Incentive rewards

Anglo American Platinum administers incentive schemes to encourage and reward delivery of its strategic initiatives over the short, medium and long term. The short-term incentive focuses on achieving business targets in that financial year, while the long-term incentive closely aligns the interests of executives with shareholders over the longer term. It encourages executive directors and prescribed officers to build a shareholding in the company, which sustains ongoing performance and the creation of shareholder value.

Governance
Remuneration report continued

Short-term incentive (STI)	
Participation:	Executive directors, prescribed officers, management and corporate employees.
Consists of:	Annual cash incentive linked to performance in the financial year, and payable in cash at the end of the performance period. Forfeitable bonus shares awarded as deferred incentive under the bonus share plan (BSP) and equal in value to the annual cash incentive. The shares are restricted, one-third for two years and two-thirds for three years, during which they may be forfeited if employment is terminated in breach of scheme rules. Participants will earn dividends, if the company declares dividends, on bonus shares in the restricted period. Forfeitable deferred cash payments based on a multiple of the annual cash incentive are applicable to middle management. The deferred cash payments are restricted for two years, during which they may be forfeited if employment is terminated in breach of scheme rules.
Performance measures:	Awards for the CEO and FD are based on company performance (70%) and achieving personal critical tasks score (30%). Performance measures are weighted 70% for business unit performance and 30% for critical and important tasks that focus on portfolio management, value optimisation and people management. Penalty metrics are applied for fatalities. Business performance measures include: – 20% safety, health and environment – 15% group performance – 35% business unit performance Personal critical task performance measure include: – 20% strategic measure aligned to business transformation – 10% personal measure The company is allocated a score which is the outcome of the business unit performance (70%) and critical tasks (30%). This informs the incentive of prescribed officers and senior management. The award for remaining participants (excluding union-affiliated employees) is based on company and team performance.
Value of annual cash incentive:	CEO: The maximum cash incentive is 125% of base salary. <i>Annual cash incentive = [(company performance score 70% + (personal critical tasks score 30%)) × maximum cash incentive (125%) × base salary.</i> Finance director: The maximum cash incentive is 80% of base salary. <i>Annual cash incentive = [(company performance score [70%]) + (personal critical tasks score [30%])] × cash incentive (80%) × base salary.</i> Prescribed officers, management and corporate employees: A bonus rate of 40% to 60% for senior management and 72% for prescribed officers. Incentive salary is set at 80% of total package* for management and 100% of base salary for prescribed officers. The company's performance is measured at each year end against set performance targets. <i>Annual cash incentive = applicable bonus rate (40% – 72%) × [(company performance score [70%]) + (company critical tasks score [30%]) × base salary or 80% of total package</i>
Face value of bonus shares and value of deferred cash:	CEO: 100% of annual cash incentive. Finance director: 100% of annual cash incentive. Prescribed officers and senior management: 100% of annual cash incentive. Middle management (deferred cash): 70% of annual cash incentive. Face value of bonus share award = average price of shares purchased or the 10-day volume weighted average price for treasury shares allocated x number of shares awarded.

* Total package includes basic salary; employer contribution to retirement, medical aid, a selection to car allowance and or a 13th cheque.

Short-term incentive (STI) continued

Changes in 2020:	Rebalancing performance measures for an annual bonus for the CEO by: – Reducing the current business performance weighting excluding safety, health and environment from 60% to 50% (15% group performance, 35% business unit performance) – Reducing the individual measure from 30% to 10% – Increasing the safety, health and environment measure from 10% to 20% – Introducing a strategic measure aligned to business transformation of 20%. Aligning deferral requirements with market practice for executive directors by: – For the CEO: changing the ratio of the bonus opportunity and bonus shares from the current 100% of base pay and 150% bonus shares from a 40/60 split to a 50/50 split to a bonus opportunity of 125% of base pay and bonus shares to 125%. The FD is already on a bonus opportunity of 100% cash bonus and shares of 100% to meet the required 50/50 split – Reducing the deferral of bonus shares (BSP) from 100% after three years to one-third after two years and two-thirds after three years. Aligning deferral requirements with market practice for prescribed officers and senior management by: – Changing the ratio of the bonus/bonus shares from a 40/60 split to 50/50 – Reducing the deferral of bonus shares (BSP) from 100% after three years to one-third after two years and two-thirds after three years. Safety deductor: – Would apply to incentive results where there are adverse safety or fatality outcomes. Proposed changes for 2021: – No changes anticipated.
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Outperformance incentive award

Once-off cash-settled outperformance awards to platinum management committee members, excluding the CEO, which vest in early 2024 on the company attaining a 2023 EBITDA margin of 25% (at 2018 prices and foreign exchange rates). In addition, the awards only vest if highly stretching targets measured at Anglo American plc, to which the company contributes, are also achieved. The maximum outperformance award for the FD and prescribed officers is 175% of base salary.

Long-term incentive plan (LTIP)

Participation:	Executive directors, prescribed officers and senior management.
Consists of:	Conditional full-value shares that vest after three years, subject to meeting company performance conditions.
Maximum value of award (face value):	CEO: 150% of base salary. Finance director: 125% of base salary. Prescribed officers: 100% of base salary. Senior management: 30% of 80% of total package.
Performance measures:	Awards are subject to four stretching performance conditions. The 2020 LTIP performance condition weightings are calculated over a three-year vesting period: 50% of the award will vest subject to satisfying total shareholder return (TSR) targets, and 50% of the award will vest subject to a balanced scorecard of metrics comprising: – 15%: ROCE (return on capital employed) – 15%: Attributable free cash flow – 5%: Energy efficiency – 5%: CO₂ emissions – 5%: Water – 5%: Social sustainability and transformation.
Performance period:	Performance conditions are measured over a three-year period, commensurate to the financial years of the company.
Changes in 2020	Rebalancing performance conditions for the LTIP by aligning the weighting and targets of: – TSR from 70% to 50% – ROCE from 10% to 15% – Cumulative attributable free cash flow from 10% to 15%, and – Safety and sustainable development (ESG measure) from 10% to 20%. No changes anticipated for 2021.
Company and individual limits:	The aggregate limit for the BSP and LTIP is 26,968,188 shares, representing around 10% of the issued capital. The company does not issue new shares to settle the plan but purchases them in the market to avoid shareholder dilution. The total number of shares awarded in 2020 was 284,110, representing 0.1% of issued share capital. The company is below 1% and has no intention of exceeding 10% of issued capital.

Share-based awards to managers and executives aged 58 and above

The company's LTIP and BSP rules do not permit allocations to managers and executives within two years of the retirement age of 60. To continue recognising the contribution of managers who have reached age 58, a cash award (in lieu of share awards) is provided. Cash payments under the LTIP are awarded annually, subject to performance conditions, based on the fair value of the grant the executive would have been entitled to under the LTIP. For the BSP, cash payments are awarded annually based on the actual bonus earned by the individual. To avoid forfeiture, participants are required to remain in employment until normal retirement.

Employee share ownership plan (ESOP)

Purpose and background:	Our ESOP recognises the importance of enabling all employees to share in the success of our business. The scheme incentivises and empowers those employees who do not otherwise participate in the company's share incentive plans to acquire shares in Anglo American Platinum, subject to provisions in the ESOP agreement and rules.
Operation:	The ESOP scheme was implemented on 1 August 2018. The mechanics span a five-year period, set out below. The total quantum of the scheme is R25,000 per employee, payable as follows: – R9,000 cash paid in 2018 – R4,000 cash paid in 2019, R4,000 forfeitable shares allocated in 2019 – R4,000 cash paid in 2020, R4,000 forfeitable shares allocated in 2020. Vesting occurs in years 4 and 5, ie 2021 and 2022 respectively.

Minimum shareholding targets for executive directors and prescribed officers

Executive directors and prescribed officers are required to accumulate and hold a predetermined and market-aligned minimum shareholding. The minimum shareholding requirement (MSR) must be accumulated from LTIP and BSP awards on an elective pre-tax and pre-vesting basis, where executive directors and prescribed officers will choose the quantum of shares to hold.

These individuals are required to accumulate and hold an appropriate percentage of their share incentive awards to meet the target. The extent to which targets have been met is calculated by multiplying the share closing price at financial year end by the number of shares held and expressing this as a percentage of annual base salary. Details of individual holdings at 31 December 2020 are disclosed on pages 190 to 193 [\[4\]](#).

Service contracts

All executive directors and prescribed officers have permanent employment contracts with Anglo American Platinum or its subsidiaries. The contracts prescribe notice periods of 12 months for the CEO and six months for the FD and prescribed officers. Executive directors and prescribed officers are subject to a restraint-of-trade period of six months from date of termination. Senior management's notice period was increased to three months as a retention mechanism. These contracts are regularly reviewed to ensure they remain aligned with governance and legislative requirements.

Termination policy

In the event of a termination, the company has the discretion to allow the director, prescribed officer and senior management to either work out their notice or to pay the guaranteed pay for the stipulated notice period in lieu of notice.

Guaranteed pay includes base salary and benefits.

No performance bonus payment is made if a director, prescribed officer and senior management's reason for termination is resignation or dismissal.

Performance bonuses are paid to good leavers on a pro rata basis.

Unvested BSP awards are accelerated to termination date and paid in full if the reason for separation is mutually agreed separation, retirement, death and ill-health retirement.

Unvested LTIP awards will continue to vest three years from grant date. Payments will be pro-rated if an employee's reason for termination is mutually agreed separation, retirement, death and ill-health retirement.

Remco has the discretion to award a payment in cases where special circumstances exist for:

- Performance bonus
- Deferred bonus cash award
- LTIP cash award.

External appointments

Executive directors are not permitted to hold external directorships or offices without the approval of the committee. If approval is granted, directors may retain fees payable from one such appointment. The company policy on internal and external directorships stipulates that:

- The executive director may retain fees payable from one external directorship or office only. Fees from internal directorships or offices may never be retained and must be ceded to Anglo American Platinum.
- Fees not retained by the executive director from both external and internal sources must be ceded to Anglo American Platinum.
- The executive director may, as part of the non-executive directorship position, participate in one committee of that board. This would be regarded as one external sitting.

Non-executive directors' remuneration

Non-executive director appointments are made in terms of the company's memorandum of incorporation and confirmed at the first annual general meeting of shareholders after their appointment and then at three-year intervals.

Fees reflect the director's role and membership of committees. A fee applies for any special meetings in addition to board and committee meetings. Fees are reviewed by the committee annually and require approval from shareholders at the annual general meeting. Non-executive directors do not participate in any of the company's short or long-term incentive plans, and they are not employees of the company.

Non-executive director fees for 2020 are tabulated in part 3 of this remuneration report.

Shareholder engagement

We value our continued engagement with various stakeholders, and we endeavour to maintain our relationships with all in the hope that we will continue to receive their valued input.

Non-binding advisory vote from our shareholders

At the annual general meeting on 25 June 2020, our 2019 remuneration policy was endorsed by 99.26% of shareholders and the implementation report was endorsed by 99.70% of shareholders. We believe this reflects recognition of our ongoing commitment to engage with and act on concerns where necessary. If the remuneration policy or implementation report are voted against by shareholders exercising 25% or more of the voting rights, dissenting shareholders will be invited to engage with the company. The manner and timing of such engagement will be provided, if necessary.

Engagement with independent adviser

Bowmans was appointed as the interim independent adviser for one year. Remuneration consultants are engaged by, and report directly to, the committee and must be independent from Anglo American management. Consultation fees are contractually agreed.

Part 3: Implementation of policies for the financial year

Implementation of remuneration policy

This section outlines implementation of Anglo American Platinum's remuneration policy for executive directors in the 2020 financial year and how the organisation intends to operate in the next financial year. All decisions for executive remuneration were made in line with the company's remuneration policy for this financial year and bearing Covid-19 uncertainties in mind.

2020 changes to platinum management committee (PMC) and payments to exiting executives

Where departure is on mutually agreed terms, the committee may treat the departing individual as a good leaver in terms of one or more elements of remuneration. The committee uses this discretion judiciously and shareholders will be notified of any exercise of this discretion as soon as reasonable. Exit arrangements were offered to the CEO Chris Griffith, and executive head: mining, Dean Pelser.

Chris Griffith

Chris received separation payments of R3 million and £50,000 in FY20 for leaving after a period of very good performance and long loyal service to the group. His unvested BSP shares were accelerated to their respective termination dates, as per policy, and his conditional LTIPs will vest as normal and be pro-rated for service to his termination date, as per policy. His conditional LTIPs will vest as normal and be pro-rated for service to their termination dates.

Dean Pelser

Dean received a severance package, equating to two weeks for every year of completed service, R500,000 for the car benefit, special leave for the month of May and served out his garden leave of six months. His 2020 LTIP awards were settled in cash prorated for his service. His unvested BSP shares were accelerated to their respective termination dates, as per policy, and his conditional LTIPs will vest as normal and be pro-rated for service to his termination dates.

All policy rules were applied as per the good-leaver status of both employees. They both received pro-rated STI and BSP awards to reflect the portion of the year they were in active service during the 2020 performance year.

Appointments included CEO, Natascha Viljoen, executive head: corporate affairs, Yvonne Mfolo; and executive head: safety and asset reliability, Riaan Blignaut. More details on respective arrangements appear on page 16 of the integrated annual report.

The impact of Covid-19

We value and care for our employees. During the pandemic, we addressed the financial wellness of our employees by ensuring their financial security. All employees received their fixed basic salary throughout the lockdown, as well as medical aid, pension and housing benefits.

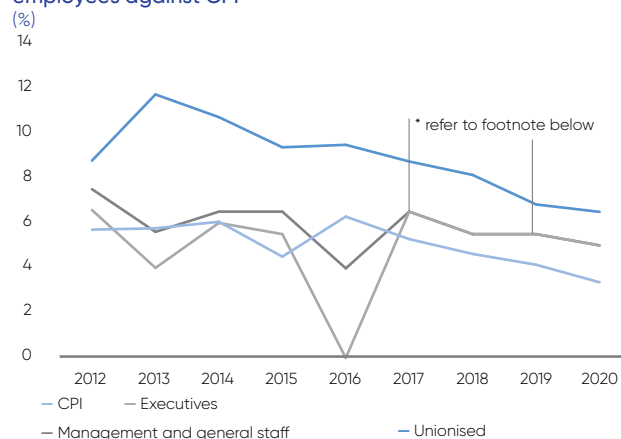
Flexible working conditions and the success of work from home for certain support staff/teams did not impact on the performance and productivity of our business.

Remuneration linked to strategy and performance

Base salary adjustments

The committee approved a 5.5% increase on the total package for senior management and base salary for executive directors and prescribed officers for 2020 to align more closely with industry peers and retain executive talent. This compares with an average base salary increase of 6.83% for union-affiliated staff (6.49% in 2019). The chart below reflects these increases against CPI.

Figure 4: Executive, management and union-affiliated employees against CPI

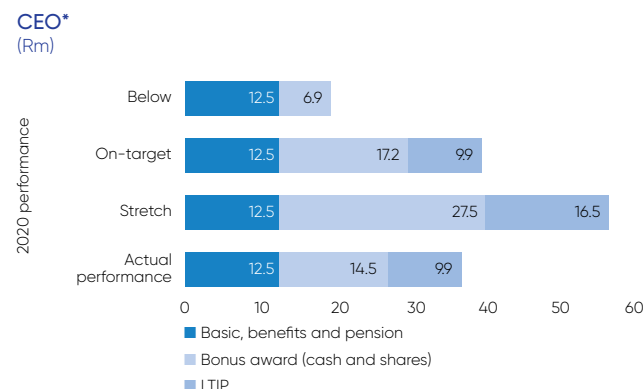


* CEO, FD, prescribed officers and management received the same salary percentage increase for financial years 2017-2020.

Historically, giving higher increases to union-affiliated employees compared to management has narrowed the pay gap.

2020 STI outcomes (cash and deferred bonus shares)

The extent to which annual performance measures were met in 2020 is set out below.



* The STI outcome graph reflects the CEO's actual performance, which was annualised and the outcomes were compared with the 2020 performance targets.

The chart above reflects the CEO's actual 2020 performance outcomes compared with 2020 performance targets. Natascha Viljoen joined Anglo American Platinum on 1 April 2020 and these values were pro-rated for the months of service in the financial year.

KRA outcomes are summarised for the company, CEO and prescribed officers on page 46 of the integrated annual report.

The annual cash incentive and BSP award for the CEO and prescribed officers are set out below.

2020 annual cash incentive payments and deferred bonus shares to be awarded in 2021

Name	Annual cash incentive R	Percentage of base salary	BSPs awarded R	Cash award in lieu of BSP	Percentage of basic salary
Executive directors					
N Viljoen ¹	5,418,923	71%	5,418,923	—	71%
CW Miller	3,343,584	46%	3,343,584	—	47%
Prescribed officers					
GA Humphries	1,716,319	32%	1,716,319	—	32%
R Blignaut ²	913,680	32%	1,311,567	—	47%
GL Smith ³	1,727,796	32%	—	1,727,796	32%
LN Mogaki	1,570,725	32%	1,570,725	—	32%
P Moodliar	1,485,459	32%	1,485,459	—	32%
Y Mfola ⁴	864,000	32%	1,202,977	—	45%
Former prescribed officers					
S Macheli-Mkhabela ⁵	370,454	32%	—	—	—%

¹ N Viljoen joined Anglo American Platinum 1 April 2020.

² R Blignaut joined Anglo American Platinum 1 May 2020, he received a pro-rated incentive bonus for the period within AAP, his BSP allocation is for the full 12 months of service within the group, as per the scheme policy.

³ GL Smith is within two years of retirement and will receive the cash value equivalent in line with policy as described on page 184.

⁴ Y Mfola joined Anglo American Platinum 1 May 2020, she received a pro-rated incentive bonus for the period within AAP, her BSP allocation is for the full 12 months of service within the group, as per the scheme policy.

⁵ S Macheli-Mkhabela left Anglo American Platinum and moved within the group. BSPs will be awarded, as per the policy, by the new business unit.

2018 LTIP outcomes and 2020 LTIP awards

The annual share awards allocations for 2020 and performance outcomes for 2018 share awards (with performance period ended 31 December 2020) for the CEO and prescribed officers are set out below and based on pages 187 and 188.

Name	Number of LTIP awards	Market face value	% of base salary
Executive directors			
N Viljoen	16,695	16,521,450	150%
CW Miller	9,262	9,165,525	125%
Prescribed officers			
GA Humphries	5,353	5,297,280	100%
R Blignaut	4,274	4,230,000	100%
LN Mogaki	4,899	4,847,916	100%
P Moodliar	4,478	4,431,000	100%
Y Mfola	4,042	4,000,000	100%
Total	49,003	48,493,171	

LTIP performance metrics for 2020

The vesting of LTIP awards is based on achieving four stretching performance conditions measured over a three-year period. The table below summarises performance conditions applying to conditional share awards granted under the LTIP in 2020:

Performance measure and weighting	Vesting schedule	Performance period
Total shareholder return (TSR) (50%). The TSR performance is benchmarked against the returns of African Rainbow Minerals, Royal Bafokeng Platinum Ltd, Sibanye-Stillwater, Harmony Gold Mining, Impala Platinum, Northam Platinum	Vesting for the TSR performance condition is on a sliding scale if the company achieved: – TSR 5% below the index: 0% vests – TSR equal to the index: 50% vests – TSR 6% above the index: 100% vests Linear vesting occurs between these points.	1 January 2020 to 31 December 2022
Return on capital employed (ROCE) (15%)	Vesting for the ROCE performance condition is on a sliding scale if the company achieved: – ROCE equal to 30.5%: 25% vests – Maximum ROCE set at 40.5%: 100% vests Linear vesting occurs between these points.	1 January 2020 to 31 December 2022
Attributable free cash flow (15%)	Vesting for the cumulative attributable cash flow performance condition is on a sliding scale if the company achieved: – Threshold of 90% of budgeted cumulative three-year attributable free cash flow (FCF) (R7.8 billion): 25% vests – Maximum threshold of 105% of budgeted three-year cumulative attributable FCF (R9.1 billion); 100% vests Linear vesting occurs between threshold and maximum.	1 January 2020 to 31 December 2022
Safety and sustainable development (ESG measure) – Energy efficiency (5%) – Social sustainability and transformation (5%) – CO₂ emissions (5%) – Water (5%)	Energy efficiency 5%: The range of achievement requires a 4% to 10% improvement in energy intensity by 2022, indexed on 2019 actual. Threshold 4%, Target 7% and Stretch 10% Social sustainability and transformation 5%: Vesting is split as: – 2.5% social sustainability targets are based on two key indicators, the Anglo social way and sustainable mining plan – 2.5% transformation, including mining charter 2018; BBBEE, social and labour plans and employment equity. Aligning these plans is critical to achieve transformational goals. CO₂ emissions (5%): The range of achievement requires a 5% to 15% improvement in GHG intensity by 2022, indexed to 2019 actual. Threshold 5%, Target 10% and Stretch 15% Water (5%) Potable water consumption makes up the bulk of AAP's freshwater withdrawal and is therefore a meaningful enabler for Anglo American freshwater reduction ambitions. However, the baseline data and definitions required updating to align with current global water guidelines, such as ICMM*. In addition, new water-reduction programmes will be required to ensure we achieve the 2030 target** AAP will continue to monitor and track water withdrawal reduction and use 2019 baseline (7,642k m³/Mt Milled) to set targets for 2022. Threshold 4%, Target 7% and Stretch 10%	1 January 2020 to 31 December 2022

* International Council for Mining and Metals: a practical guide to consistent water reporting (March 2017).

** 2030 targets = 50% reduction in freshwater withdrawals, as a group average, using 2020 baseline data and updated group definitions in line with ICMM requirements.

Vesting of LTIP awards (2018 – performance period ended 31 December 2020)

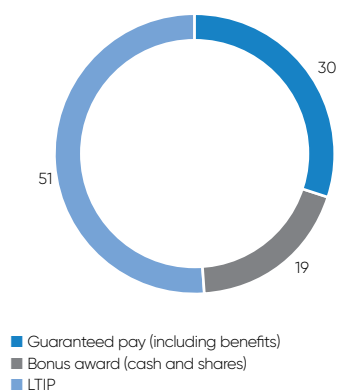
The extent to which performance measures for the 2018 award were met is detailed below. These awards will vest on 20 April 2021 after a three-year vesting period has lapsed.

LTIP measures	Below	Threshold	Target	Above
Total shareholder return (70%)		•		
Return on capital employed (10%)				•
Cumulative attributable free cash flow (10%)	•			
Safety and sustainable development (10%)		•		
Resulting vesting LTIP award	55.3%			

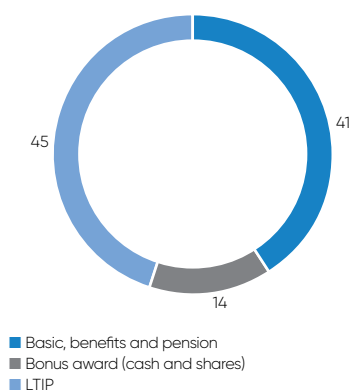
Total single-figure remuneration outcomes

Total remuneration outcomes and mix between fixed and variable pay in 2020 for the CEO, FD and prescribed officers are shown below.

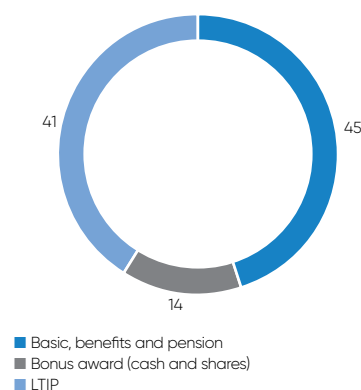
CEO's 2020 remuneration outcomes (%)



Financial director's 2020 remuneration outcomes (%)



Prescribed officers' 2020 remuneration outcomes (%)



[Amandelbult operations](#)

Executive directors and prescribed officers

Total remuneration and detail on outstanding and settled long-term incentives of executive directors and prescribed officers for 2019 and 2020 are reflected in the tables below. The format is aligned to the King IV recommended single total figure disclosure of remuneration.

Total single-figure remuneration (income statement)

Executive directors and prescribed officers	Financial year	Base salary ¹ R	Retirement and medical aid ² R	Cash incentive R	BSP share or cash award ^{3,4} R	LTIP reflected ^{5,6} R	Other R	Total single figure of remuneration R
Executive directors								
N Viljoen ⁷	2020	7,605,506	1,134,439	5,418,923	5,418,923	—	856,634	20,434,425
	2019	—	—	—	—	—	—	—
CW Miller ¹⁵	2020	7,332,420	1,142,034	3,343,584	3,343,584	—	—	15,161,622
	2019	5,212,620	796,223	3,390,290	3,390,290	—	—	12,789,423
Prescribed officers								
GA Humphries	2020	5,297,280	862,598	1,716,319	1,716,319	9,062,249	—	18,654,765
	2019	5,021,112	800,507	2,169,120	3,036,769	12,150,694	—	23,178,202
R Blignaut ⁸	2020	2,820,000	453,958	913,680	1,311,567	—	—	5,499,205
	2019	—	—	—	—	—	—	—
GL Smith ⁹	2020	5,332,704	831,684	1,727,796	1,727,796	9,122,429	—	18,742,409
	2019	5,054,689	787,345	2,183,624	3,057,073	12,231,867	—	23,314,598
LN Mogaki	2020	4,847,916	782,056	1,570,725	1,570,725	9,122,429	—	17,893,851
	2019	4,595,172	738,533	1,985,113	2,779,158	12,231,866	—	22,329,842
P Moodliar	2020	4,584,750	742,249	1,485,459	1,485,459	—	—	8,297,917
	2019	3,500,000	567,530	1,512,000	2,116,800	—	—	7,696,330
Y Mfolo ¹⁰	2020	2,666,664	450,239	864,000	1,202,977	—	—	5,183,880
	2019	—	—	—	—	—	—	—
Former directors								
CI Griffith ¹¹	2020	9,778,971	1,736,949	1,019,762	1,019,762	26,562,626	5,166,719	45,284,789
	2019	9,044,327	1,589,218	7,353,037	11,029,556	35,943,105	1,076,719	66,035,962
I Botha ¹²	2020	—	—	—	—	—	—	—
	2019	1,190,990	177,613	—	—	—	—	1,368,603
Former employees								
DW Pelsier ¹³	2020	5,279,373	833,974	2,912,401	2,912,401	9,573,118	7,643,138	29,154,405
	2019	5,459,064	872,125	2,358,313	3,301,638	13,210,328	—	25,201,468
S Macheli-Mkhabela ¹⁴	2020	1,143,378	185,153	370,454	—	8,605,823	—	10,304,808
	2019	4,335,072	700,689	1,872,747	2,621,846	11,539,704	—	21,070,058
VP Pillay ¹⁵	2020	—	—	—	—	3,350,278	—	3,350,278
	2019	—	—	—	—	8,983,857	—	8,983,857
I Pillay ¹⁶	2020	—	—	—	—	—	—	—
	2019	2,726,456	464,975	—	—	—	1,222,815	4,414,246

Notes

- 1 Base salary is the aggregate of basic salary plus an optional car allowance and provision towards a 13th cheque.
- 2 Benefits are reported as the sum of retirement and medical aid contributions.
- 3 The value of the 2021 BSP shares awarded on the basis of performance for the 2020 financial year is reflected in the 2020 single figure of remuneration.
- 4 The value of the 2020 BSP shares was awarded on the basis of performance for the 2019 financial year.
- 5 The value of the 2018 LTIP with a performance period ending on 31 December 2020 is reflected in the 2020 single figure of remuneration at a 90-day VWAP of R1,222.76 per share.
- 6 The value of the 2017 LTIP with a performance period ending on 31 December 2019 is reflected in the 2019 single figure of remuneration at a 90-day VWAP of R1,096.93 per share.
- 7 N Viljoen has an offshore GBP component to her remuneration which has been converted at monthly exchange rates and reported in ZAR. The amount reported as 'other' refers to the value of the use of a company vehicle for N Viljoen.
- 8 R Blignaut joined Anglo American Platinum on 1 May 2020.
- 9 GL Smith falls within the two-year cut-off threshold as per the share award policy referenced in part 2, page 184. LTIP and BSP are awarded as cash payments, conditional on remaining in service until the effective retirement date.
- 10 Y Mfolo joined Anglo American Platinum on 1 May 2020.
- 11 CI Griffith received an exit agreement reported under bonus and BSP, separation payments (R3,000,000 and GBP50,000) all reported under other. CI Griffith's value of the use of the company vehicle is also reported as 'other'.
- 12 I Botha resigned effective 28 February 2019.
- 13 DW Pelsier left Anglo American Platinum in November 2020 and received separation agreement reported under other (R5,383,347 severance pay, R500,000 car benefit, R2,912,401 performance bonus, R2,912,401 BSP cash in lieu for 2020 and R1,759,791 LTIP pro-rated 35/36 months).
- 14 S Macheli-Mkhabela transferred to Anglo American plc SA effective 1 April 2020. Includes replacement awards for benefits lost on resignation from previous employer.
- 15 In 2018 VP Pillay fell within the two-year cut-off threshold as per the share award policy referenced in part 2, page 184. LTIP and BSP are awarded as cash payments, conditional on remaining in service until the effective retirement date, which was 31 December 2018.
- 16 I Pillay resigned effective 31 August 2018.

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Remuneration report continued

Unvested long-term incentive awards and cash value of settled awards

Incentive scheme	Award date	Vest date	Value at grant date per share R	Vesting %	Number of awards/shares	Cash value on settlement in 2019	Fair value on 31 Dec 2019 ¹	Cash value on settlement in 2020	Fair value on 31 Dec 2020 ²
N Viljoen									
LTIP	6 May 2020	13 May 2023	989,61	60,0%	16,695	–	–	–	12,248,387
Total					16,695	–	–	–	12,248,387
CW Miller									
LTIP	16 Apr 2019	16 May 2022	755,89	60,0%	11,493	–	7,564,210	–	8,431,908
LTIP	6 May 2020	13 May 2023	989,61	60,0%	9,262	–	–	–	6,795,122
BSP	12 Feb 2020	12 Feb 2023	989,61	100,0%	2,540	–	–	–	3,105,810
Total					23,295	–	7,564,210	–	18,332,840
GA Humphries									
LTIP	13 Apr 2017	13 Apr 2020	367,15	98,0%	11,303	–	7,439,160	8,339,164	–
LTIP	20 Apr 2018	20 Apr 2021	321,33	55,3%	13,402	–	8,129,684	–	9,062,249
LTIP	16 Apr 2019	16 May 2022	755,89	60,0%	6,643	–	4,372,144	–	4,873,677
LTIP	6 May 2020	13 May 2023	989,61	60,0%	5,353	–	–	–	3,927,261
BSP	13 Apr 2016	13 Apr 2019	399,00	100,0%	2,466	1,856,503	–	–	–
BSP	13 Apr 2017	13 Apr 2020	367,15	100,0%	3,415	–	3,746,016	2,570,949	–
BSP	15 Feb 2018	15 Feb 2021	321,33	100,0%	7,580	–	8,314,729	–	9,268,521
BSP	13 Feb 2019	13 Feb 2022	755,89	100,0%	3,704	–	4,063,029	–	4,529,103
BSP	12 Feb 2020	12 Feb 2023	989,61	100,0%	2,275	–	–	–	2,781,779
Total					56,141	1,856,503	36,064,762	10,910,113	34,442,590

Incentive scheme	Award date	Vest date	Value at grant date per share R	Vesting %	Number of awards/shares	Cash value on settlement in 2019	Fair value on 31 Dec 2019 ¹	Cash value on settlement in 2020	Fair value on 31 Dec 2020 ²
R Blignaut									
LTIP	6 May 2020	13 May 2023	989,61	60,0%	4,274	—	—	—	3,135,646
Total					4,274	—	—	—	3,135,646
GL Smith									
LTIP	13 Apr 2016	13 Apr 2019	399,00	94,5%	9,661	6,869,665	—	—	—
LTIP	13 Apr 2017	13 Apr 2020	367,15	98,0%	11,379	—	7,489,180	8,395,235	—
LTIP	20 Apr 2018	20 Apr 2021	321,33	55,3%	13,491	—	8,183,671	—	9,122,429
LTIP	16 Apr 2019	16 May 2022	755,89	60,0%	6,687	—	4,401,103	—	4,905,958
LTIP	6 May 2020	13 May 2023	989,61	60,0%	5,389	—	—	—	3,953,672
BSP	13 Apr 2016	13 Apr 2019	399,00	100,0%	5,801	4,367,225	—	—	—
Total					52,408	11,236,890	20,073,954	8,395,235	17,982,059
LN Mogaki									
LTIP	13 Apr 2016	13 Apr 2019	399,00	94,5%	9,661	6,869,665	—	—	—
LTIP	13 Apr 2017	13 Apr 2020	367,15	98,0%	11,379	—	7,489,180	8,395,235	—
LTIP	20 Apr 2018	20 Apr 2021	321,33	55,3%	13,491	—	8,183,671	—	9,122,429
LTIP	16 Apr 2019	16 May 2022	755,89	60,0%	6,079	—	4,000,942	—	4,459,895
LTIP	6 May 2020	13 May 2023	989,61	60,0%	4,899	—	—	—	3,594,181
BSP	13 Apr 2016	13 Apr 2019	399,00	100,0%	5,414	4,075,876	—	—	—
BSP	13 Apr 2017	13 Apr 2020	367,15	100,0%	6,561	—	7,196,958	4,939,383	—
BSP	15 Feb 2018	15 Feb 2021	321,33	100,0%	8,176	—	8,968,500	—	9,997,286
BSP	13 Feb 2019	13 Feb 2022	755,89	100,0%	3,698	—	4,056,447	—	4,521,766
BSP	12 Feb 2020	12 Feb 2023	989,61	100,0%	2,082	—	—	—	2,545,786
Total					71,440	10,945,541	39,895,698	13,334,618	34,241,343

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Remuneration report continued

Incentive scheme	Award date	Vest date	Value at grant date per share R	Vesting %	Number of awards/shares	Cash value on settlement in 2019	Fair value on 31 Dec 2019 ¹	Cash value on settlement in 2020	Fair value on 31 Dec 2020 ²
P Moodliar									
LTIP	6 May 2020	13 May 2023	989,61	60,0%	4,478	—	—	—	3,285,312
BSP	12 Feb 2020	12 Feb 2023	989,61	100,0%	1,586	—	—	—	1,939,297
Total					6,064	—	—	—	5,224,609
Y Mfolo									
LTIP	6 May 2020	13 May 2023	989,61	60,0%	4,042	—	—	—	2,965,438
Total					4,042	—	—	—	2,965,438
Former director									
Cl Griffiths⁴									
LTIP	13 Apr 2016	13 Apr 2019	399,00	94,5%	31,072	22,094,348	—	—	—
LTIP	13 Apr 2017	13 Apr 2020	367,15	98,0%	33,436	—	22,006,171	24,668,519	—
LTIP	20 Apr 2018	20 Apr 2021	321,33	55,3%	39,283	—	23,829,158	—	26,562,626
LTIP	16 Apr 2019	16 May 2022	755,89	60,0%	17,920	—	11,794,191	—	13,147,116
LTIP	6 May 2020	13 May 2023	989,61	60,0%	—	—	—	—	—
BSP	13 Apr 2016	13 Apr 2019	399,00	100,0%	12,533	9,435,344	—	—	—
BSP	13 Apr 2017	13 Apr 2020	367,15	100,0%	18,732	—	20,547,693	14,102,199	—
BSP	15 Feb 2018	15 Feb 2021	321,33	100,0%	28,178	—	30,909,294	—	34,454,931
BSP	13 Feb 2019	13 Feb 2022	755,89	100,0%	14,031	—	15,391,025	—	17,156,546
BSP	12 Feb 2020	12 Feb 2023	989,61	100,0%	—	—	—	—	—
Total					195,185	31,529,692	124,477,532	38,770,718	91,321,219

Incentive scheme	Award date	Vest date	Value at grant date per share R	Vesting %	Number of awards/shares	Cash value on settlement in 2019	Fair value on 31 Dec 2019 ¹	Cash value on settlement in 2020	Fair value on 31 Dec 2020 ²
Former employees									
DW Pelsers⁵									
LTIP	13 Apr 2016	13 Apr 2019	399,00	94,5%	10,434	7,419,238	—	—	—
LTIP	13 Apr 2017	13 Apr 2020	367,15	98,0%	12,289	—	8,088,104	9,066,618	—
LTIP	20 Apr 2018	20 Apr 2021	321,33	55,3%	14,570	—	8,838,195	—	9,852,034
LTIP	16 Apr 2019	16 May 2022	755,89	60,0%	7,222	—	4,753,217	—	5,298,464
LTIP	6 May 2020	13 May 2023	989,61	60,0%	—	—	—	—	—
BSP	13 Apr 2016	13 Apr 2019	399,00	100,0%	5,450	4,102,978	—	—	—
BSP	13 Apr 2017	13 Apr 2020	367,15	100,0%	8,176	—	8,968,500	6,155,220	—
BSP	15 Feb 2018	15 Feb 2021	321,33	100,0%	8,241	—	9,039,800	9,295,246	—
BSP	13 Feb 2019	13 Feb 2022	755,89	100,0%	4,028	—	4,418,434	4,543,290	—
BSP	12 Feb 2020	12 Feb 2023	989,61	100,0%	2,474	—	—	2,790,491	—
Total					72,884	11,522,216	44,106,250	31,850,865	15,150,498
S Macheli-Mhkabela									
LTIP	13 Apr 2016	13 Apr 2019	399,00	94,5%	9,114	6,480,447	—	—	—
LTIP	13 Apr 2017	13 Apr 2020	367,15	98,0%	10,735	—	7,065,326	7,920,103	—
LTIP	20 Apr 2018	20 Apr 2021	321,33	55,3%	12,727	—	7,720,227	—	8,605,823
LTIP	16 Apr 2019	16 May 2022	755,89	60,0%	5,735	—	3,774,536	—	4,207,517
LTIP	6 May 2020	13 May 2023	989,61	60,0%	—	—	—	—	—
BSP	13 Apr 2016	13 Apr 2019	399,00	100,0%	4,743	3,570,720	—	—	—
BSP	13 Apr 2017	13 Apr 2020	367,15	100,0%	5,237	—	5,744,622	3,942,623	—
BSP	15 Feb 2018	15 Feb 2021	321,33	100,0%	6,685	—	7,332,977	—	8,174,151
BSP	13 Feb 2019	13 Feb 2022	755,89	100,0%	3,239	—	3,552,956	—	3,960,520
BSP	12 Feb 2020	12 Feb 2023	989,61	100,0%	1,965	—	—	—	2,402,723
Total					60,180	10,051,167	35,190,644	11,862,726	27,350,734

Notes

1 The 90-day volume-weighted average price (VWAP), for determining the fair value of unvested awards at 31 December 2019 is R1,096.93 per share.

2 The 90-day volume-weighted average price (VWAP), for determining the fair value of unvested awards at 31 December 2020 is R1,222.76 per share.

3 The value of R752.84 was used for settlement of the 2017 BSP and LTIP awards.

4 CI Griffith did not receive a LTIP2020 nomination and his unvested BSP's will only vest on termination date 31 March 2021. LTIP's will vest on their normal vesting dates prorated for service.

5 DW Pelsers received LTIP2020 as cash in lieu prorated for service, BSP 2018, 2019 and 2020 were accelerated to termination date and vested at the November 2020 share price of R1,127.927

Non-executive directors' fees

Increase in fees

Fees payable to non-executive directors are annually benchmarked to industry and size-based comparators. There is a significant disparity between non-executive director fees and competing industry rates, resulting in these fees significantly lagging the market median for each committee of the board. As communicated to shareholders at the 2017 AGM, the committee has incorporated a three-year catch-up strategy to align current fees to market levels. For 2020, non-executive director fees were adjusted in line with inflation, with an additional adjustment together capped at 20% to move closer to the market median. This process started a second three-year catch-up to the median, anticipated to be completed in 2022. Please refer to resolution 9 in the notice for the proposed adjustments approved by shareholders at the 2020 AGM. During the Covid-19 pandemic, the directors voluntarily contributed 30% of their fees to the Solidarity Fund and other Covid-19 relief funds for Covid-19 support.

The tables below reflect non-executive fees for 2019 and 2020.

Non-executive directors' fees

Current	Financial year	Directors' fees R	Ad hoc committee meeting R	Committee fees R	Total remuneration R
M Cutifani ^{3,8}	2020	423,616	28,000	130,510	582,126
	2019	425,000	—	120,667	545,667
RMW Dunne ^{1,2,3,4,5,6}	2020	155,900	28,000	470,500	654,400
	2019	425,000	23,000	906,333	1,354,333
N Mbazima ^{2,3,5,6}	2020	2,239,020	28,000	621,453	2,888,473
	2019	1,331,667	—	431,000	1,762,667
V Moosa	2020	—	—	—	—
	2019	488,336	—	215,783	704,119
NP Mageza ^{1,3,4}	2020	1,287,491	28,000	559,330	1,874,821
	2019	978,609	—	361,000	1,339,609
NT Moholi ^{2,4,5,6}	2020	467,913	28,000	739,530	1,235,443
	2019	425,000	23,000	683,667	1,131,667
D Naidoo ^{1,2,4}	2020	400,574	28,000	442,365	870,939
	2019	425,000	23,000	408,000	856,000
A O'Neill ⁸	2020	433,242	28,000	—	461,242
	2019	425,000	—	—	425,000
JM Vice ^{1,4,6}	2020	443,736	28,000	538,682	1,010,418
	2019	425,000	23,000	419,333	867,333
S Pearce ⁸	2020	433,242	28,000	—	461,242
	2019	425,000	—	—	425,000
D Emmett ^{5,6,9}	2020	—	—	363,780	363,780
	2019	—	—	332,667	332,667
T Leoka ^{2,4,5}	2020	202,010	—	67,224	269,234
	2019	—	—	—	—
R Dixon ^{4,6}	2020	202,010	—	47,633	249,643
	2019	—	—	—	—
Total	2020	6,688,754	252,000	3,981,007	10,921,761

¹ Audit committee.

² Remuneration committee.

³ Nomination committee.

⁴ Corporate governance committee.

⁵ Social, ethics and transformation committee.

⁶ Safety and sustainable development committee.

⁷ Directors' fees ceded to Anglo Operations Limited (AOL), a wholly owned subsidiary of Anglo American plc.

⁸ Directors' fees ceded to Anglo American Services UK Limited, a wholly owned subsidiary of Anglo American plc.

⁹ D Emmett is not a director but a committee member only.

Non-binding advisory vote

Shareholders are requested to cast a non-binding advisory vote on **part 2 and 3** of this remuneration report.

Approval

This remuneration report was approved by the board of directors of the company on 15 March 2021.



Nombulelo Moholi

Chairperson

Johannesburg

15 March 2021

Independent assurance report

to the management and stakeholders of Anglo American Platinum Limited

Introduction

IBIS ESG Consulting Africa (Pty) Ltd (IBIS) was commissioned by Anglo American Platinum Limited to conduct an independent third-party assurance engagement in relation to the sustainability information in its Integrated Annual Report and Environmental, Social and Governance (ESG) Report (the Reports) for the financial year that ended 31 December 2020.

IBIS is an independent licensed provider of sustainability assurance services. The assurance team was led by Petrus Gildenhuys with support from a multidisciplinary team of health, safety, social, environmental and assurance specialists with extensive experience in sustainability reporting. Petrus is a Lead Certified Sustainability Assurance Practitioner (LCSAP) with more than 25 years' experience in sustainability performance measurement involving both advisory and assurance work.

Assurance standard applied

This assurance engagement was performed in accordance with AccountAbility's AA1000AS v3 (2020) ("AA1000AS") and was conducted to meet the AA1000AS Type II Moderate and High level requirements respectively as indicated below.

Respective responsibilities and IBIS' independence

Anglo American Platinum is responsible for preparing its Integrated Annual Report and Environmental, Social and Governance Report and for the collection and presentation of sustainability information within the Reports. IBIS' responsibility is to the management of Anglo American Platinum alone and in accordance with the terms of reference agreed with Anglo American Platinum.

IBIS applies a strict independence policy and confirms its impartiality to Anglo American Platinum in delivering the assurance engagement. This assurance engagement is the first assurance engagement conducted for Anglo American Platinum by IBIS.

Assurance objectives

The purpose of the assurance engagement was to provide the management of Anglo American Platinum and its stakeholders with an independent assurance opinion on whether the Reports meet the following objectives:

- Adherence to the AA1000AP (2018) AccountAbility Principles of Inclusivity, Materiality, Responsiveness and Impact (Moderate level)
- Fair reporting on a selection of operational disclosures for High and Moderate assurance levels respectively as indicated with a symbol in the report and as presented below.

High assurance

Disclosure	Unit of measurement
Total work-related fatal injuries	Number
Fatal Injury Frequency Rate (FIFR)	Rate
Total Recordable Case Frequency Rate (TRCFR)	Rate
Total number of new cases of noise-induced hearing loss (NIHL)	Number
Total energy used	Terajoules
Total Scope 1 carbon emissions	Kilotonne CO ₂ e
Total Scope 2 carbon emissions	Kilotonne CO ₂ e
Total number of Level 3, 4 and 5 environmental incidents reported	Number
Employment Equity per the Mining Charter	%
Corporate Social Investment (CSI) Spend	ZAR
Total Employee Turnover (excluding Voluntary Severance Packages)	%

Moderate assurance

Disclosure	Unit of measurement
Total number of workers potentially exposed to inhalable hazards over the occupational exposure limit	Number
Total number of workers potentially exposed to carcinogens over the occupational exposure limit	Number
Total number of employees who know their HIV status	Number
Hazardous waste to landfill	Kilotonnes
Non-Hazardous waste to landfill	Kilotonnes
Land Rehabilitation – Reshaping; growth material construction completed; seeding completed; and backfill completed	Hectares

Work performed by IBIS

IBIS performed the assurance engagement in accordance with the AA1000AS Type II requirements. The following suitable assessment criteria were used in undertaking the work:

- AA1000AP (2018) adherence criteria for the Principles of Inclusivity, Materiality, Responsiveness and Impact
- Anglo American operational Safety and Sustainable Development Indicator Definitions and Guidance Notes.

Our assurance methodology included:

- Telephonic Interviews with relevant functional managers from head office and operations to understand and test the processes in place for adherence to the AA1000AP (2018) stakeholder engagement principles and disclosure of the selected disclosures in the assurance scope.
- Desktop reviews at corporate Head Office, Dishaba Mine, Tumela Mine, Amandelbult services, Amandelbult concentrator, Waterval smelter (WVS), RBMR (Rustenburg Base Metals), Mogalakwena Mine, Mogalakwena concentrators, Polokwane Metallurgical Complex, Unki Mine, and Unki concentrator operations, which involved testing, on a sample basis, the measurement, collection, aggregation and reporting of selected sustainability information.
- Inspection and corroboration of supporting evidence to evaluate the data generation and reporting processes against the assurance criteria.
- Reporting the assurance observations to management as they arose to provide an opportunity for corrective action prior to completion of the assurance process.
- Assessing the presentation of information relevant to the scope of work in the report to ensure consistency with the assurance observations.

Engagement limitations

IBIS planned and performed the work to obtain all the information and explanations believed necessary to provide a basis for the assurance conclusions for High and Moderate levels of assurance respectively in accordance with AA1000AS v3.

The procedures performed at a Moderate assurance level vary in nature from and are less extensive than for High assurance in relation to risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks. As a result, the level of assurance obtained for a Moderate assurance engagement is lower than for High assurance as per AA1000AS v3.

Due to the global Covid-19 pandemic related travel restrictions and risks, all assurance work was desktop based. Evidence to support information reported for the sampled sites was obtained electronically for review and assessment as a basis for our assurance conclusion. Readers of the Reports are cautioned to understand this inherent limitation.

Conversion factors used to derive emissions and energy used from fuel and electricity consumed, are based upon information and factors derived by independent third parties. The assurance work did not include an examination of the derivation of those factors and other third-party information.

Assurance conclusion

High assurance opinion

In our opinion, based on the work undertaken for High assurance as described, we conclude that the subject matters in the scope for High assurance have been prepared in accordance with the defined reporting criteria and are free from material misstatement.

Moderate assurance opinion

In our opinion, based on the work undertaken for Moderate assurance as described, we conclude that the subject matters in the scope for Moderate assurance are supported by the evidence obtained.

Key observations and recommendations

Based on the work set out above, and without affecting the assurance conclusions, the key observations and recommendations for improvement are as follows:

In relation to the inclusivity principle

Anglo American Platinum has made a public commitment through the CEO statement in the Integrated Annual Report towards being accountable to its stakeholders. A Stakeholder Engagement Policy outlines the organisation's relations with and approach to stakeholder engagement, and applies to all operations, departments, explorations and contractors. Through the Anglo Social Way 3.0 requirements, each operation implements a Stakeholder Engagement Plan that includes materiality mapping, an engagement strategy, roles and responsibilities, milestones and targets. Stakeholder issues are reported periodically during the year to the Anglo American Platinum Safety and Sustainable Development (S&SD) and Social, Ethics and Transformation (SET) Committees. It is recommended that Anglo American Platinum continues with the inclusive engagement with its stakeholders on its material sustainability topics and develop strategic responses to them.

In relation to the materiality principle

Anglo American Platinum annually carries out a materiality workshop with a wide spectrum of relevant internal and external stakeholders to map, refine and prioritise Anglo American Platinum's material issues based on their potential impact and Anglo American Platinum's ability to influence these.

The established materiality determination process was reperformed in 2020 and involved both internal and external stakeholders to reflect on retrospective and developing material issues. This process is integrated with the Integrated Risk Management (IRM) process and links material issues to the company's key risks.

A Materiality Assessment Report was presented to the Board for consideration, input and integration into the corporate strategy.

In relation to the responsiveness principle

Anglo American Platinum's responses to stakeholder issues observed across different stakeholder groups and case studies observed indicate a high level of maturity and accountability to stakeholder issues raised through the implementation of Stakeholder Engagement Plans. Grievance mechanisms are in place for the timely receiving, assessing, resolving and monitoring of grievances from those affected by Anglo American Platinum's activities. Responses to stakeholders were found to be directly related to the stakeholder concerns and were conducted in a timely, fair and appropriate manner without prejudice to any one stakeholder group.

In relation to the impact principle

Anglo American Platinum implements a Sustainable Mining Plan that is comprised of ambitious goals and comprehensive progress measurement that also aligns with 13 select United Nations Sustainable Development Goals (SDGs). A wide range of environmental and social impacts are presented both qualitatively and quantitatively in the ESG Report and the sustainability context of each is well explained.

It is recommended that Anglo American Platinum maintains its ambitious Sustainable Mining Plan as a driver for positive sustainability impact.

In relation to the selected KPIs

It was observed that appropriate measures are in place to provide reliable source-data related to the selected sustainability disclosures in the assurance scope. Anglo American Platinum has an established sustainability data management system in place, which assists with the collection and consolidation of sustainability information.

Data inconsistencies identified during the assurance process mostly related to manual capturing errors on Enablon that were subsequently corrected. IBIS recommends that additional checks are performed against the supporting evidence and Enablon to ensure that figures are correctly calculated, entered, and reported on Enablon. Where possible, the use of automated systems to eliminate manual processes should be considered.

A comprehensive management report detailing specific findings and recommendations for continued sustainability reporting improvement has been submitted to Anglo American Platinum management for consideration.



Petrus Gildenhuys

Director, IBIS ESG Consulting Africa (Pty) Ltd

Johannesburg

26 February 2021



AA1000

Licensed Assurance Provider

000-156

The assurance statement provides no assurance on the maintenance and integrity of sustainability information on the website, including controls used to maintain this. These matters are the responsibility of Anglo American Platinum.

GRI standards index

● Integrated annual report ● ESG report ○ Annual financial statements

This index guides readers to relevant data or notes reasons for omission as permitted by GRI.

GRI index

Standard				Page	Omission
GRI 102	General disclosures	102-1	Name of the organisation	● Cover	
		102-2	Activities, brands, products and service	● 8	
		102-3	Location of headquarters	● Back cover	
		102-4	Location of operations	● 8	
		102-5	Ownership and legal form	● 151	
		102-6	Markets served	● 8	
		102-7	Scale of the organisation	● 8	
		102-8	Information on employees and other workers	● 100	
		102-9	Supply chain	● 140	
		102-10	Significant changes to the organisation and its supply chain	Zero	
		102-11	Precautionary principle or approach	● 23	
		102-12	External initiatives	● 143	
		102-13	Membership of associations	● 143	
		102-14	Statement from senior decision-maker	● 4	
		102-15	Key impacts, risks and opportunities	● 58, 70	
		102-16	Values, principles, standards and norms of behaviour	● 26	
		102-17	Mechanisms for advice and concerns about ethics	● 26	
		102-18	Governance structure	● 25	
		102-19	Delegating authority	● 25	
		102-20	Executive-level responsibility for economic, environmental and social topics	● 25, 32	
		102-21	Consulting stakeholders on economic, environmental and social topics	● 64	
		102-22	Composition of board and its committees	● 24	
		102-23	Chair of board	● 25	
		102-24	Nominating and selecting the board	● 31	
		102-25	Conflicts of interest	● 30	
		102-26	Role of board in setting purpose, values and strategy	● 26	
		102-27	Collective knowledge of board	● 29	
		102-28	Evaluating the board's performance	● 28	
		102-29	Identifying and managing economic, environmental and social impacts	● 120 ● 7, 11	
		102-30	Effectiveness of risk management processes	● 74	
		102-31	Review of economic, environmental and social topics	● 120 ● 23, 73	
		102-32	Board's role in sustainability reporting	● 31	
		102-33	Communicating critical concerns	● 70	
		102-34	Nature and total number of critical concerns	● 7	
		102-35	Remuneration policies	● 133	
		102-36	Process for determining remuneration	● 133	
		102-37	Stakeholders' involvement in remuneration	● 133	
		102-38	Annual total compensation ratio	● 133	
		102-39	Percentage increase in annual total compensation ratio	● 133	
		102-40	List of stakeholder groups	● 151	

Standard				Page	Omission
		102-41	Collective bargaining agreements	● 111	
		102-42	Identifying and selecting stakeholders	● 137 ● 64	
		102-43	Approach to stakeholder engagement	● 64	
		102-44	Key topics and concerns raised	● 64	
		102-45	Entities included in the consolidated financial statements	○ 9	
		102-46	Defining report content and topic boundaries	● 3	
		102-47	List of material topics	● 70 ● 7	
		102-48	Restatements of information	Two ● 91	
		102-49	Changes in reporting	Zero	
		102-50	Reporting period	● 1	
		102-51	Date of most recent report	● 1	
		102-52	Reporting cycle	● 1	
		102-53	Contact point for questions on the report	● 152	
		102-54	Claims of reporting in accordance with the GRI standards	● 1	
		102-55	GRI content index	● 198	
		102-56	External assurance	● 195	
GRI 103	Management approach	103-1	Explanation of the material topic and its boundary	● 3	
		103-2	Management approach and its components	● 70	
		103-3	Evaluation of the management approach	● 70	
GRI 201	Economic performance		Management approach disclosures	● 86	
		201-1	Direct economic value generated and distributed	● 62	
		201-2	Financial implications and other risks and opportunities due to climate change	● 39	
		201-3	Defined benefit plan obligations and other retirement plans	○ 41	
		201-4	Financial assistance received from government	Zero	
GRI 202	Market presence		Management approach disclosures	● 48	
		202-1	Ratios of standard entry level wage by gender compared to local minimum wage	—	Confidential, negotiated
		202-2	Proportion of senior management hired from the local community	● 107	
GRI 203	Indirect economic impacts		Management approach disclosures	● 121	
		203-1	Infrastructure investments and services supported	● 126	
		203-2	Significant indirect economic impacts	● 98	
GRI 204	Procurement practices		Management approach disclosures	● 139	
		204-1	Proportion of spending on local suppliers	● 139	
GRI 205	Anti-corruption		Management approach disclosures	● 26	
		205-1	Operations assessed for risks related to corruption	● 26	
		205-2	Communication and training about anti-corruption policies and procedures	● 26	
		205-3	Confirmed incidents of corruption and actions taken	—	Legal processes
GRI 206	Anti-competitive behaviour		Management approach disclosures	● 26	
		206-1	Legal actions for anti-competitive behaviour, anti-trust and monopoly practices	Zero	
GRI 300	Environmental		Management approach disclosures	● 23	

Governance
GRI standards index continued

Standard				Page	Omission
GRI 301	Materials	301-1	Materials used by weight or volume	● 70	
		301-2	Recycled input materials used	● 70	
		301-3	Reclaimed products and their packaging materials		Not applicable
GRI 302	Energy	302-1	Energy consumption within the organisation	● 42	
		302-2	Energy consumption outside of the organisation	● 42	
		302-3	Energy intensity	● 42	
		302-4	Reduction of energy consumption	● 42	
		302-5	Reductions in energy requirements of products and services	● 42	
GRI 303	Water	303-1	Water withdrawal by source	● 35	
		303-2	Water sources significantly affected by withdrawal of water	● 36	
		303-3	Water recycled and reused	● 3	
GRI 304	Biodiversity	304-1	Operational sites owned/leased/managed in or adjacent to protected areas and areas of high biodiversity value outside protected areas	● 46, 64	
		304-2	Significant impacts of activities, products and services on biodiversity	● 46	
		304-3	Habitats protected or restored	● 46	
		304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	● 46	
GRI 305	Emissions	305-1	Direct (scope 1) GHG emissions	● 42	
		305-2	Energy indirect (scope 2) GHG emissions	● 42	
		305-3	Other indirect (scope 3) GHG emissions	● 42	
		305-4	GHG emissions intensity	● 42	
		305-5	Reduction of GHG emissions	● 42	
		305-6	Emissions of ozone-depleting substances (ODS)	● 61	
		305-7	Nitrogen oxides (NO _x), sulfur oxides (SO _x) and other significant air emissions	● 61	
GRI 306	Effluents and waste	306-1	Water discharge by quality and destination	● 35	
		306-2	Waste by type and disposal method	● 53	
		306-3	Significant spills	Zero	
		306-4	Transport of hazardous waste	● 55	
		306-5	Water bodies affected by water discharges and/or runoff	● 35	
GRI 307	Environmental compliance	307-1	Non-compliance with environmental laws and regulations	● 27	
GRI 308	Supplier environmental assessment	308-1	New suppliers screened using environmental criteria	● 31	
		308-2	Negative environmental impacts in the supply chain and actions taken	● 27	
GRI 400	Social		Management approach disclosures	● 123	
GRI 401	Employment	401-1	New employee hires and employee turnover	● 110	
		401-2	Benefits provided to full-time employees not provided to temporary/part-time employees	● 109	
		401-3	Parental leave	● 109	
GRI 402	Labour/management relations	402-1	Minimum notice periods on operational changes	● 101	
GRI 403	Occupational health and safety	403-1	Workers' representation in formal joint management-worker health and safety committees	● 79	
		403-2	Types and rates of injury, occupational diseases, lost days and absenteeism, and number of work-related fatalities	● 79	

Standard				Page	Omission
		403-3	Workers with high incidence or high risk of diseases related to their occupation	● 91	
		403-4	Health and safety topics covered in formal agreements with trade unions	● 90	
GRI 404	Training and education	404-1	Average hours of training per year per employee	● 111	
		404-2	Programmes for upgrading employee skills and transition assistance programmes	● 102	
		404-3	Percentage of employees receiving regular performance and career development reviews	● 101	
GRI 405	Diversity and equal opportunity	405-1	Diversity of governance bodies and employees	● 28 ● 105	
		405-2	Ratio of basic salary and remuneration of women to men	● 134	
GRI 406	Non-discrimination	406-1	Incidents of discrimination and corrective actions taken	Zero	
GRI 407	Freedom of association and collective bargaining	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Zero	
GRI 408	Child labour	408-1	Operations and suppliers at significant risk for incidents of child labour	Zero	
GRI 409	Forced or compulsory labour	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	Zero	
GRI 410	Security practices	410-1	Security personnel trained in human rights policies or procedures	● 142	
GRI 411	Rights of indigenous peoples	411-1	Incidents of violations involving rights of indigenous peoples	Zero	
GRI 412	Human rights assessment	412-1	Operations subject to human rights reviews or impact assessments	● 142	
		412-2	Employee training on human rights policies or procedures	● 142	
		412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	● 142	
GRI 413	Local communities	413-1	Operations with local community engagement, impact assessments and development programmes	● 120	
		413-2	Operations with significant actual and potential negative impacts on local communities	● 120	
GRI 414	Supplier social assessment	414-1	New suppliers screened using social criteria	● 139	
		414-2	Negative social impacts in the supply chain and actions taken	● 139	
GRI 415	Public policy	415-1	Political contributions	Zero	
GRI 416	Customer health and safety	416-1	Assessment of health and safety impacts of product and service categories	—	Information not available
		416-2	Incidents of non-compliance for health and safety impacts of products and services	—	Not available
GRI 417	Marketing and labelling	417-1	Requirements for product and service information and labelling		Not applicable
		417-2	Incidents of non-compliance on product and service information and labelling		Not applicable
		417-3	Incidents of non-compliance on marketing communications		Not applicable
GRI 418	Customer privacy	418-1	Substantiated complaints on breaches of customer privacy and losses of customer data	Zero	
GRI 419	Socio-economic compliance	419-1	Non-compliance with laws and regulations in the social and economic area	Zero	

Related disclosures

Anglo American Platinum's response to the risks posed by climate change is multidisciplinary and covered throughout our reporting suite. The table below shows where to find information on each of the TCFD's recommendations.

Anglo American Platinum received A ratings for its 2020 CDP climate and water response submissions. In the metals and mining sector in South Africa, Anglo American Platinum was the only company to achieve an A rating for climate change, and one of only three to receive an A rating for its water submission.

Governance

Disclose the organisation's governance around climate-related risks and opportunities.

Recommended disclosures	References
(a) Describe the board's oversight of climate-related risks and opportunities.	Safety and sustainable development committee report, pages 170 to 175  Our strategic approach, page 38 
(b) Describe management's role in assessing and managing climate-related risks and opportunities.	How we enhance value –delivering on our strategy, IAR page 46  Our strategic approach, page 38 

Strategy

Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material.

Recommended disclosures	References
(a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	Understanding our climate-related risk and opportunities, page 39 
(b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	Our strategic approach, page 38 

Risk management

Disclose how the organisation identifies, assesses, and manages climate-related risks.

Recommended disclosures	References
(a) Describe the organisation's processes for identifying and assessing climate-related risks.	Understanding our climate-related risk and opportunities, page 39 
(b) Describe the organisation's processes for managing climate-related risks.	Our strategic approach, page 38 
(c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	Understanding our climate-related risk and opportunities, page 39 

Metrics and targets

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

Recommended disclosures	References
(a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	Targets and performance, page 42 
(b) Disclose scope 1, scope 2, and, if appropriate, scope 3 greenhouse gas (GHG) emissions, and the related risks.	ESG report and data table page 70  IAR page 159 
(c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	Targets and performance, page 42 

SASB reporting table

In line with our commitment to entrench best practice standards, we align with the disclosure requirements of the Sustainability Accounting Standards Board (SASB).

Topic	Metric	Current reporting status
GHG emissions	Gross global scope 1 emissions, percentage	Already reported
GHG emissions	Percentage covered under emissions-limiting regulations	Already reported
GHG emissions	Discussion of long-term and short-term strategy or plan to manage scope 1 emissions	Already reported
GHG emissions	Emissions reduction targets	Already reported
GHG emissions	Performance against those targets	Already reported
Air quality	CO	Not available
Air quality	NOx (excluding N2O)	Already reported
Air quality	SOx	Already reported
Air quality	PM10	Already reported
Air quality	Mercury	Already reported
Air quality	Lead	Not reported
Air quality	VOCs	Not reported
Energy	Total energy consumed	Already reported
Energy	Percentage of grid electricity	Not reported
Energy	Percentage renewable	Not reported
Water	Total fresh water withdrawn	Already reported
Water	Total fresh water consumed	Already reported
Water	Percentage of each in regions with high or extremely high baseline water stress	Already reported
Water	Number of incidents of non-compliance	Already reported
Waste and hazardous materials	Total weight of tailings waste, percentage recycled	Not reported but measured
Waste and hazardous materials	Percentage recycled	Already reported
Waste and hazardous materials	Total weight of mineral processing waste	Already reported
Waste and hazardous materials	Percentage recycled	Not available
Waste and hazardous materials	Number of tailings impoundments, broken down by MSHA hazard potential	Need to address
Biodiversity	Description of environmental management policies and practices for active sites	Already reported
Biodiversity	Discussion and analysis	Already reported
Biodiversity	Percentage of mine sites where acid rock drainage (ARD) is predicted to occur	Need to address
Biodiversity	ARD actively mitigated	Need to address
Biodiversity	ARD under treatment or remediation	Need to address
Biodiversity	Percentage of 1) proved and 2) probable reserves in or near sites with protected or endangered species	Already reported
Security and human rights	Percentage of 1) proved and 2) probable reserves in or near areas of conflict	Need to address
Indigenous peoples	Percentage of 1) proved and 2) probable reserves in or near indigenous land	Already reported
Indigenous peoples	Discussion of engagement processes and due diligence practices with respect to human rights, indigenous rights and operations in area of conflict	Already reported
Community relations	Discussion of process to manage risks and opportunities associated with community rights and interests	Already reported
Community relations	Number and duration of non-technical delays	Need to address
Labour relations	Percentage of active workforce covered under collective bargaining agreements, broken down by US and foreign employees	Already reported
Labour relations	Number and duration of strikes and lockouts	Already reported
Health and safety	1 MSHA all-incidence rate	Need to address
Health and safety	2 fatality rate	Already reported
Health and safety	3 near-miss frequency rate (NMFR)	Need to address
Health and safety	4 average hours of health, safety and emergency response training for full-time employees	Not available
Health and safety	4 average hours of health, safety and emergency response training for contract employees	Not available
Business ethics and transparency	Description of the management system for prevention of corruption and bribery throughout the value chain	Already reported
Business ethics and transparency	Production in countries that have the 20 lowest rankings in the Transparency International's Corruption Perception Index	Already reported

Glossary

ACP	Anglo American Platinum converting process, a pyrometallurgical process used at the Waterval smelter complex in Rustenburg
Aids	Acquired immune deficiency syndrome, a disease of the immune system caused by HIV infection
Au	The symbol for gold
Base metal	A common metal that is not considered precious, eg copper, tin or zinc
BBBEE	Broad-based black economic empowerment. This is a broader version of earlier BEE (see below) policy and attempts to spread the benefits of economic empowerment to the widest possible spectrum of black South Africans
BEE	Black economic empowerment, a policy of the South African government aimed at increasing the access of black South Africans to productive assets. It seeks to 'promote new opportunities for and increase the levels of participation of black people in the ownership, management and control of economic activities
Bioremediation	Treatment or waste-management technique that uses naturally occurring organisms to break down hazardous substances into less toxic or non-toxic substances
BRPM	Bafokeng Rasimone Platinum Mine
CDP	An independent not-for-profit organisation that acts as an intermediary between shareholders and corporations on all issues related to climate change. It provides the global marketplace with primary climate-change data gathered from the world's largest corporations
CO₂	Carbon dioxide
Company-managed land	An area of land under the direct management of the company. It includes company-owned land, land managed/mined on behalf of third parties, land leased from third parties, company land leased to third parties, land under servitude, land set aside for biodiversity offsets, etc at the end of the reporting period. The parameter excludes privately owned land above company mineral/mining rights areas, and undeveloped projects/prospects where the land does not yet fall under the direct management or ownership of the company. It also excludes prospecting licences and claims
Concentrating	The process of separating milled ore into a waste stream (tailings) and a valuable mineral stream (concentrate) by flotation. The valuable minerals in the concentrate contain almost all the minerals found in base and precious metals. They are treated further through smelting and refining to obtain pure metals: Au, Cu, PGMs and Ni (see relevant entries for full names)
Corporate social investment (CSI)	Categories for corporate social investment expenditure include charitable donations, community investment and commercial initiatives. CSI is reported in South African rand and converted from the currency of operations at the average foreign exchange rate applied by Anglo American for financial reporting. Data is prepared in accordance with the principles of preparation for financial information. Charitable donations include cash donations; contributions in kind; employees' time spent on charity projects during work hours; and the cost of initiatives designed to inform communities about community-benefit initiatives (eg producing reports issued to communities to disclose progress). Not included is expenditure required for the development of an operation (eg resettlement of families) or for receiving a licence. Training expenditure for individuals who will be employed by the company following completion of training is not included. Community investment includes funding community partnerships that address social issues; costs of providing public facilities to community members who are not employees or dependants; the marginal value of land or other assets transferred to community ownership; and income-creation schemes or mentoring/volunteering initiatives that do not have a primarily commercial justification. Commercial initiatives include enterprise development and other community initiatives/partnerships that also directly support the success of the company (such as supplier development). There must, however, be a clear and primary element of public benefit. We prohibit making donations for political purposes to any politician, political party or related organisation, any official of a political party or candidate for political office in any circumstances, either directly or through third parties

Cu	The symbol for copper
DMRE	Department of Mineral Resources and Energy
DWS	Department of Water and Sanitation
EBIT	Earnings before interest and tax
Employment equity per the mining charter	Historically disadvantaged South African (HDSA) representation at top management, senior management, middle management, junior management and core skills. HDSA refers to 'any person, category of persons or community, disadvantaged by unfair discrimination before the Constitution of the Republic of South Africa (Act 200 1993), came into operation'. The company definition of HDSAs includes employees classified as African, Asian, coloured or female
Employee turnover	Calculated from the total number of employees who left the company during the reporting period and expressed as a percentage of total headcount and excluding voluntary severance packages (VSPs, below)
Energy use	Sum of energy from electricity purchased, total energy from fossil fuels and total energy from renewable fuels
Equivalent refined platinum	Mine production and purchases of metal in concentrate, converted to equivalent refined platinum production using Anglo American Platinum's standard smelting and refining recoveries
Fatal injury frequency rate (FIFR)	The rate of fatalities, calculated as the number of fatalities per 1 million hours worked
Flotation	In the flotation process, milled ore is mixed with water to form pulp, which is passed through a series of agitating tanks. Various chemicals are added to the pulp in a sequence that renders the valuable minerals hydrophobic (water-repellent) and the non-valuable minerals hydrophilic (strong affinity for water). Air is dispersed through the tanks and rises to the surface. The hydrophobic particles attach to rising air bubbles and are removed from the main volume of pulp as a soapy froth. In this manner, various combinations of flotation cells in series are used to produce a concentrated stream of valuable mineral particles, called the concentrate, and a waste pulp stream, called tailings
GHG	Greenhouse gas. As outlined in the Kyoto protocol to the United Nations framework convention on climate change (1998), GHGs comprise: carbon dioxide (CO ₂); methane (CH ₄); nitrous oxide (N ₂ O); hydrofluorocarbons (HFCs); perfluorocarbons (PFCs); and sulphur hexafluoride (SF ₆). The term refers to gaseous constituents of the atmosphere, both natural and anthropogenic, that absorb and reemit infrared radiation
GJ	Gigajoule (1,000 Megajoules)
Grade	The mass of desired metal(s) in a given mass of ore. Ores bearing PGMs are normally low grade. Grades are usually expressed as grams per tonne, equivalent to parts per million
Greenhouse gas emissions, CO₂ equivalent	Quantity of CO ₂ from electricity purchased and generated internally. Conversion factors used are those recommended by the Intergovernmental Panel on Climate Change. Gases include CO ₂ , CH ₄ , NO ₂ (nitrogen dioxide), HFCs, PFCs, SF ₆ and other CO ₂ equivalents (see GHG)
Hazardous waste to legal landfill	Considers only waste generated in the reporting period. This includes the following as a minimum: heavy metal-contaminated sludges (excluding SX sludge); contaminated containers (reagent containers, oil/grease containers, anti-freeze drums, etc); medical waste, vehicle batteries and oil-contaminated material (gaskets, filters, soaking agents, rags, etc). A legal landfill is a landfill designed and operated to contain wastes and resulting products in a manner compliant with legislation or internationally accepted practice
HDSA	Historically disadvantaged South African. Refers to 'any person, category of persons or community, disadvantaged by unfair discrimination before the Constitution of the Republic of South Africa (Act 200 1993), came into operation'. The company definition of HDSAs includes employees classified as African, Asian, coloured or female
HEPS	Headline earnings per share – additional earnings number permitted by IAS 33 that excludes separately identifiable remeasurements (as defined), net of related tax (current and deferred) and related non-controlling interest, other than remeasurements specifically included in headline earnings

Appendices

Glossary continued

HIV	Anglo American Platinum committed to the new 90/90/90 UNAIDS targets. Based on this: – 90% Know your status of our employees should know their HIV status – 90% of our HIV-positive employees must be on antiretroviral therapy – 90% of those employees on treatment must be virally suppressed
LTI	Lost-time injury. Refers to an injury resulting in the person being unable to attend/return to work to perform the full duties of their regular work, as per the advice of a suitably qualified medical professional, on the next calendar day after the injury
LTIFR	Lost-time injury frequency rate. The number of employee and contractor lost-time injuries (see entry) per 1 million hours worked. From 2018, Anglo American Platinum has replaced the lagging indicator LTIFR with the leading indicator of total recordable case frequency rate (TRCFR, see entry)
mg/Nm³/hour	Milligrams per cubic metre per hour under normal conditions, where normal conditions are defined as a temperature of 20°C and a pressure of 1.01 bar
MPRDA	Mineral and Petroleum Resources Development Act 28 2002
NEMA	National Environmental Management Act 107 1998
NEMAQA	National Environmental Management: Air Quality Act 39 2004
NEMWA	National Environmental Management: Waste Act 59 2008
New water used	New water used (1,000m ³) New water, or make-up water, is water required to replace losses from the water circuit. It excludes water reused or recycled in the operation. New water can be drawn from several possible external sources (ie seawater, rainfall, municipal water, external raw or sewage water, dewatered groundwater)
Ni	The symbol for nickel
NIHL	Number of employees diagnosed with noise-induced hearing loss in the reporting period. New cases are recorded when: – The rules for diagnostic criteria for occupational disease in Anglo American have been met – There is a pattern consistent with NIHL on the audiogram – Average hearing loss at frequencies 0.5, 1, 2, 3 and 4kHz for both ears is greater than 25dB(A) – There is a 10dB(A) change in the average hearing loss since the preplacement audiogram recorded on employment by Anglo American – The employee has not been previously counted as NIHL
Non-hazardous waste to legal landfill	Considers only domestic (non-hazardous) waste generated in the reporting period. A legal landfill is one designed and operated to contain the wastes and resultant products in compliance with legislation or internationally accepted practice
NOx	Emissions of nitrogen oxides from diesel engines
Number of employees who know their HIV status	Total employees who are known to be HIV-positive on the medical records (irrespective of the year of testing or testing facility), and who are still employed at the end of the current reporting month, as well as total employees whose last test confirmed an HIV sero-negative status (based on VCT (voluntary counselling and testing) result in a calendar year), and who are still employed at the end of the last reporting month
NWS	National waste strategy (South Africa)
OEL	Occupational exposure limit

OHSAS 18001	Occupational Health and Safety Assessment Series, which provides specifications for management systems for occupational health and safety
Particulates	Particulate matter consists of airborne particles in solid or liquid form. Particles are a type of air pollution that commonly affects people's health. 'Big' particles are between 2.5 and 10 micrometres and named PM10. 'Small' particles are under 2.5 micrometres. They are named PM2.5 and cause more severe health effects. Our data on particulates refers to the mass of particulates released to atmosphere from point sources
PGMs	Platinum group metals. Six elemental metals of the platinum group, nearly always found in association with one another. Some texts refer to PGEs (platinum group elements). The metals are platinum, palladium, rhodium, ruthenium, iridium and osmium
Primary activities	Activities in an operation to produce product(s), including dust suppression in the operational area
Pt	Symbol for platinum
Pt oz	Equivalent refined platinum ounce(s). Equivalent ounces are mined ounces expressed as refined ounces
ROCE	Return on adjusted capital employed attributable to equity shareholders of Anglo American Platinum; excludes the portion of the return and capital employed attributable to non-controlling interests in operations where Anglo American Platinum has control but does not hold 100% of the equity. Calculated as annualised underlying EBIT divided by adjusted capital employed
Section 54 stoppage	Issued when a mining inspector orders a work stoppage after a death or other accident at a mine, or when the inspector believes working conditions are unsafe. Such stoppages are legislated by section 54 of the Mine Health and Safety Act
SLPs	Social and labour plans. Stipulated in the MPRDA (see entry), these plans aim to promote employment in South Africa and advance the social and economic welfare of all citizens, while ensuring economic growth and socio-economic development
SO₂	Mass of sulfur dioxide (SO ₂) released from point sources and fugitive emissions to atmosphere in reporting period
Tailings	That portion of ore from which most valuable material has been removed by concentration, and which is therefore low in value and rejected
TB	Pulmonary tuberculosis refers to tuberculosis of the respiratory organs, confirmed by positive sputa microscopy or culture for mycobacterium tuberculosis
Terajoule	Measure of energy, one terajoule = 1,000,000,000,000 joule (10 ¹²)
Tonne	Unless otherwise defined, this refers to a metric tonne (1,000kg)
Total environmental incidents	We classify environmental incidents on a scale of 1 to 5 based on increasing severity, in line with the Anglo American 5 x 5 risk matrix, which plots potential incidents against their likelihood of occurring and the severity of their consequence. A level 1 incident will have a minor impact on the environment while a level 5 incident will have a major impact. Correct classification of incidents is important as it determines the level of response, investigation and reporting required. From January 2018, we implemented an updated classification process for environmental incidents, which maintains the level 1 to 5 classification scale while providing substantially greater guidance and rigour to the classification process. The following components are considered when rating the severity of environmental incidents: Scale: How significant is the size/scale of impact relative to size/scale of receiving environment? Sensitivity: How sensitive is receiving environment to the impact? How special or unique is the area that has been impacted? Remediation and clean-up: How difficult is the impact to contain, remediate and/or clean up? How much time and/or resources are required to manage the incident?

Appendices

Glossary continued

Total recordable case frequency rate (TRCFR)	TRCFR is a rate per 1 million hours of employee and contractor fatal injuries, lost-time injuries and medical treatment cases. First-aid cases – minor work-related injuries which, in normal circumstances, can be treated successfully in line with recognised first-aid training – are not included. Injuries are diagnosed by medical and safety professionals according to Anglo American criteria. These criteria are additional to local legal reporting and compensation requirements. From 2018, we have reported injury frequency rates per million hours worked to align with ICMM and other global mining companies. This will allow for a more granular view, which will be valuable as our injury numbers have reduced significantly in recent years
Total scope 1 carbon emissions	Scope 1 emissions include CO ₂ e emissions from fossil fuels, coal seam gas fugitive emissions, renewable fuels, and operational processes. Process emissions include those associated with on-site and managed sewerage facilities, on-site water-treatment facilities, use of carbonates in acid-leaching processes at copper-processing facilities, fugitive emissions in producing phosphates
Total scope 2 carbon emissions	Scope 2 emissions include CO ₂ from electricity purchased and reported in kilotonnes CO ₂ e
Total social investment	CSI spend including contributions paid to community trusts and dividends paid to communities.
Total water consumed (million m³, Mm³)	Total withdrawals or abstractions (total inflow excluding estimate of surface run-off or precipitation harvested)
Total work-related fatal injuries	A fatality is an employee or contractor death resulting from a work-related injury. Anglo American records all work-related losses of life for the purposes of internal and external investigation, management action, legal process and compensation. However, while fatal injuries that result from criminal activity and public-road incidents are recorded for management purposes, these are not included in formal statistics and frequency-rate calculations
tpm	Tonnes per month
VSP	Voluntary Severance Package
Water used for primary activities	Total new or make-up water entering an operation and used for the operation's primary activities. This definition includes mine dewatering water used for primary activities, but excludes internally recycled water and mine dewatering water discharged to surface or evaporated and not used for any primary activities
Workers potentially exposed to inhalable hazards above exposure limit and workers potentially exposed to carcinogens above exposure limit	Total number of employees assigned to homogenous exposure groups in an 'A' classification band, ie ≥OEL (without taking into account PPE) for inhalable hazards for the reporting period. Inhalable hazards and carcinogens include: Coal dust (respirable particulate) Respirable crystalline silica Diesel particulate matter Nickel (water-soluble compounds) Copper dusts and mists Sulphuric acid mists Sulfur dioxides Arsenic Coal tar pitch volatiles Cobalt Dust (respirable and inhalable) Welding fumes Volatile organic compounds (VOCs) Total number of employees (including long-term contractors) exposed to one or more known causes of occupational cancer including arsenic, coal tar pitch volatiles, cobalt, diesel particulate matter, nickel (soluble and insoluble) and solar radiation at levels ≥OEL. For solar radiation: the number of workers working in open environments (without roof cover) for periods over four hours per shift exposed to excessive sunlight

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N Viljoen (chief executive officer)
CW Miller (finance director)

Independent non-executive directors

RJ Dixon
T Leoka
NP Mageza
NT Moholi
D Naidoo
JM Vice

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NB Mbazima (Zambian)
AM O'Neill (Australian)
ST Pearce (Australian)

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Bursaries, email: bursaries@angloplat.com



Career information: www.angloamericanplatinum.com/careers

Anglo American Platinum Limited

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www.angloamericanplatinum.com

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