



# Notice of annual general meeting 2021

# 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. Inspired by our purpose, we are finding ways to use PGMs to create a better future for society, and this purpose guides us as we continue delivery of the strategy.

Our strategy is guided by our purpose, driven by our values and will create value for all our stakeholders. The next phase of our strategy will reshape our business into one that is more agile and future fit. We have structured our strategy around four key actions to achieve our purpose and ambitions for all stakeholders:

- Maximise value from our core
- Embed anti-fragility across our business
- A leader in ESG
- Stimulate new markets and leverage new capabilities



Supporting documentation on the website

Integrated annual report

Full Ore Reserves and Mineral Resources report

Environmental, social and governance (ESG) report

Audited annual financial statements



[www.angloamericanplatinum.com/investors/annual-reporting/2020](http://www.angloamericanplatinum.com/investors/annual-reporting/2020)

## Contents

**1** Notice of annual general meeting

**2** Remuneration report

**3** Abridged financial statements

# Notice of annual general meeting

## Anglo American Platinum Limited

(Incorporated in the Republic of South Africa)  
(Registration number: 1946/022452/06)  
Share code: AMS ISIN: ZAE000013181  
(Amplats or the company)

Notice is hereby given that the annual general meeting (AGM) of shareholders will be held on Thursday, 13 May 2021 at 10:00. The meeting will be held electronically as permitted by the JSE Limited and in terms of the provisions of the Companies Act 71 of 2008 and the Company's Memorandum of Incorporation. Logistical arrangements are detailed in this notice.

## This document is important and requires your immediate attention

If you are in any doubt about the action you should take, consult your broker, central securities depository participant (CSDP), banker, financial adviser, accountant or other professional adviser immediately.

This notice of AGM is only available in English. Copies may be obtained from the registered office of the company and online at [www.angloamericanplatinum.com](http://www.angloamericanplatinum.com).

## Registered and corporate office

Anglo American Platinum Limited, 55 Marshall Street, Marshalltown, Johannesburg, Gauteng (PO Box 62179, Marshalltown, 2107), South Africa.

Included in this document are:

- The notice of AGM setting out the ordinary and special resolutions to be proposed at the meeting, with explanatory notes. There are also guidance notes if you wish to attend the meeting or to vote by proxy
- A proxy form for completion, signature and submission to the share registrars by shareholders holding Amplats ordinary shares in certificated form or recorded in sub-registered electronic form in 'own name'.

## Record date, proxies and voting

Record date to receive notice of AGM	Friday, 19 March 2021
Last date to trade to be eligible to participate in and vote at the AGM	Tuesday, 4 May 2021
Record date to be eligible to participate in and vote at the AGM	Friday, 7 May 2021
Lodging of proxy forms	Wednesday, 12 May 2021

## Logistical arrangements to participate in the AGM

Shareholders can register to participate and vote in the virtual annual general meeting by visiting [www.smartagm.co.za](http://www.smartagm.co.za) and clicking on the Anglo American Platinum Limited logo. Once registered, shareholders will receive a username and password together with detailed instructions on how to connect to the meeting.

All other interested parties will be able to access the AGM via <https://web.lumiagm.com>, with meeting ID 108-943-693. Guests are also welcome via this portal. However, they will only be able to listen and follow the proceedings but will not be able to participate, ask any questions, or vote.

Shareholders will bear their own network charges and these will not be for the account of Amplats nor its service providers. Neither Amplats nor its service providers can be held accountable in the case of loss of network connectivity or network failure due to insufficient airtime/internet connectivity/power outages or the like which would prevent shareholders from voting or participating in the virtual annual general meeting.

## Presentation to shareholders

### Presentation of the financial statements

The audited group and company annual financial statements (as approved by the Amplats board of directors), incorporating the external auditor, audit and risk committee and directors' reports for the year ended 31 December 2020, are presented to shareholders. A summary of the annual financial statements is contained in this notice on pages 29 to 48. The complete annual financial statements and integrated annual report appear on the company's website at [www.angloamericanplatinum.com](http://www.angloamericanplatinum.com).

### Presentation of the social, ethics and transformation committee report

The report is available on the company's website and is included as part of the ESG report 2020 (pages 164 to 167 of the ESG report).

## Ordinary resolutions

### 1 Ordinary resolution number 1: Re-election of directors

Resolved that re-election of the following directors, who retire by rotation in terms of the memorandum of incorporation (Moi), but being eligible and offering themselves for re-election, be authorised and confirmed by a separate vote for each re-election:

- 1.1 NT Moholi
- 1.2 S Pearce

A brief curriculum vitae of each of the directors offering themselves for re-election in terms of resolution 1 appears in this notice.

The performance and contribution of each of the directors offering themselves for re-election have been reviewed by the board, which recommends that each of these directors be re-elected.

#### Percentage voting rights

The minimum percentage of voting rights required for each of the resolutions in 1 to be adopted is 50% (fifty percent) plus 1 (one) vote to be cast on each resolution.

### 2 Ordinary resolution number 2: Election of directors appointed since the previous AGM

- 2.1 T Leoka
- 2.2 R Dixon

#### Percentage voting rights

The minimum percentage of voting rights required for this resolution to be adopted is 50% (fifty percent) plus 1 (one) vote to be cast on the resolution.

### 3 Ordinary resolution number 3: Appointment of members of the audit and risk committee

Resolved that the following independent non-executive directors be elected as members of the company's audit and risk committee in terms of section 94(2) of the Act by a separate vote for each member:

- 3.1 NP Mageza
- 3.2 J Vice
- 3.3 D Naidoo



A brief curriculum vitae of each of the directors offering themselves for election as members of the audit and risk committee appears in this notice.

#### Percentage voting rights

The minimum percentage of voting rights required for each of the resolutions to be adopted is 50% (fifty percent) plus 1 (one) vote to be cast on each resolution. The board has reviewed the expertise, qualification and relevant experience of the appointed audit and risk committee members and recommends that each of these directors be elected.

#### 4 Ordinary resolution number 4: Appointment of auditor

Resolved that PricewaterhouseCoopers (PwC) be appointed as auditor of the company until the date of the next AGM. The audit committee has recommended the appointment of PwC (with Mr JFM Kotzé (practice number 901121) as individual designated auditor) as external auditor of the company from this AGM until the conclusion of the next AGM.

#### Percentage voting rights

The minimum percentage of voting rights required for this resolution to be adopted is 50% (fifty percent) plus 1 (one) vote to be cast on the resolution.

#### 5 Ordinary resolution number 6: General authority to allot and issue authorised but unissued shares

Resolved that 3% (three percent) of the authorised but unissued share capital of the company be and is hereby placed under the control of the directors as a general authority until the date of the next AGM and the directors authorised to allot and issue those shares at their discretion, subject to the requirements of JSE Limited (JSE) Listings Requirements and the Companies Act.

#### Percentage voting rights

The minimum percentage of voting rights required for this resolution to be adopted is 50% (fifty percent) plus 1 (one) vote to be cast on the resolution.

#### 6 Ordinary resolution number 7: Authority to implement resolutions

Resolved that each director of the company be and is hereby authorised to do all such things and sign all such documents as may be necessary for or incidental to the implementation of the special and ordinary resolutions passed at this AGM.

#### Percentage voting rights

The minimum percentage of voting rights required for this resolution to be adopted is 50% (fifty percent) plus 1 (one) vote to be cast on the resolution.

#### 7 Advisory vote: Remuneration policy and implementation report

7.1 As a non-binding advisory vote, the company's remuneration policy as set out in the remuneration report on pages 139 to 144 of the integrated annual report 2020 be and is hereby endorsed.

7.2 As a non-binding advisory vote, the company's remuneration implementation report as set out on pages 144 to 153 of the integrated annual report 2020 be and is hereby endorsed.

In terms of principle 14 of the South African King IV report on Corporate Governance™\* (King IV), the company's remuneration policy and implementation report should be tabled to shareholders to endorse the non-binding advisory vote in the

same manner as an ordinary resolution at the AGM. However, failure to endorse the non-binding advisory votes will not have any legal consequences for existing arrangements.

The minimum percentage of voting rights required for the advisory vote to be endorsed is 50% plus 1 (fifty percent plus one) of the voting rights exercised by shareholders present at the AGM or represented by proxy and entitled to exercise voting rights.

In the event that at least 25% (twenty-five percent) of voting rights exercised on the advisory votes are against either the remuneration policy or implementation report or both, the board will then commit to implementing the consultation process set out in the remuneration policy read together with the King IV.

### Special resolutions

#### 8 Special resolution number 1: Non-executive directors' fees

Resolved that in terms of section 66(9) of the Act, the company be and is hereby authorised to remunerate its non-executive directors for their services until the next AGM as follows:

Designation	Current R	Proposed R
Board chairman	2,667,040	2,760,386
Ordinary board member	484,825	501,794
Lead independent director	1,583,414	1,638,833
Audit committee chairman	354,570	384,708
Audit committee member	190,960	197,644
Remuneration committee chairman	259,515	268,598
Remuneration committee member	133,800	143,835
Nomination committee chairman	238,710	247,065
Nomination committee member	137,020	145,926
Social, ethics and transformation committee chairman	225,750	233,651
Social, ethics and transformation committee member	131,570	142,753
Safety and sustainable development committee chairman	251,990	275,929
Safety and sustainable development committee member	147,825	152,999
Corporate governance committee chairman	258,680	280,668
Corporate governance committee member	137,970	142,799
Special/unscheduled board and committee meetings and ad hoc strategic planning sessions	31,500	34,808

\* Executive directors do not receive directors' fees. Directors' fees exclude VAT.

The reason for special resolution number 1 is for the company to obtain the approval of shareholders to remunerate its non-executive directors in accordance with the provisions of the Companies Act. The effect of special resolution number 1 is that the company will be able to pay its non-executive directors for the services they render to the company as directors without requiring further shareholder approval until the next AGM.

#### *Percentage voting rights*

The minimum percentage of voting rights required for this resolution to be adopted is 75% (seventy-five percent) of the voting rights to be cast on the resolution.

### **9 Special resolution number 2: Authority to provide financial assistance**

Resolved that the board of directors of the company may, to the extent required by sections 44 and/or 45 of the Act and subject to compliance with the requirements of the Mol and the Act, from time to time authorise the company to provide direct or indirect financial assistance by way of loan, guarantee, provision of security or otherwise, to:

- 9.1 Any of its present or future subsidiaries and/or any other company or entity that is or becomes related or interrelated to Amplats, for any purpose or in connection with any matter, including but not limited to, the subscription of any option or any securities issued or to be issued by the company or a related or interrelated company, or for the purchase of any securities in the company or any related or interrelated company; and
- 9.2 Any of the present or future directors or prescribed officers (or any person related to them or to any related or interrelated company or entity), or to any other person who is or may be a participant in any of the current or future employee share plans or other employee incentive schemes operating in the group, or any share scheme trust or other entity facilitating any such scheme, for the purpose of, or in connection with, the subscription for any option, or any securities, issued or to be issued by the company or a related or interrelated company or entity or for the purchase of any securities of the company or a related or interrelated company, where such financial assistance is provided in terms of any such scheme that does not constitute an employee share scheme that satisfies the provisions of section 97 of the Companies Act, provided that this authority will expire at the earlier of the second anniversary of the date of adoption of this special resolution number 2 or the date of the AGM of the company in 2021.

Subject to passing special resolution number 2, notice is hereby given that the board of directors has resolved to provide extended guarantees for the obligations of its wholly owned subsidiary, Rustenburg Platinum Mines Limited (RPM), to various finance parties in the coming year for such a period contemplated in the finance facilities to which RPM is a party, for certain committed and uncommitted borrowing facilities and guarantees.

#### *Reason*

The reason for special resolution number 2 is that Amplats from time to time, as an essential part of conducting its business, is required to provide direct or indirect financial assistance in the form of loans, guarantees, provision of security or in connection with the subscription for securities to be issued by the company or related and interrelated companies or for the purchase of securities of the company or related and interrelated companies, as contemplated in sections 44 and 45 of the Companies Act.

In terms of the Act, companies are required to obtain the approval of their shareholders by way of special resolution to provide financial assistance. The financial assistance will be provided as part of the day-to-day operations of the company and in accordance with its Mol and provisions of the Companies Act.

Approval is not sought for loans to directors and no such financial assistance will be provided under this authority.

#### *Effect*

Special resolution number 2 will grant the directors of Amplats the authority until the next AGM to authorise the provision by the company of financial assistance as contemplated in sections 44 and 45 of the Companies Act.

#### *Compliance with sections 45(3)(b) and 44(3)(b)*

The directors of Amplats will, in accordance with the Act, ensure that financial assistance is only provided if the provisions of that section are satisfied, inter alia, that immediately after providing the financial assistance, the company would satisfy the solvency and liquidity test set out in section 4(1) of the Act.

#### *Percentage voting rights*

The minimum percentage of voting rights required for this resolution to be adopted is 75% (seventy-five percent) of voting rights to be cast on the resolution.

### **10 Special resolution number 3: General authority to repurchase company securities**

Resolved that the company, or a subsidiary of the company, be and is hereby authorised by way of a general authority to acquire securities issued by the company in terms of the provisions of sections 46 and 48 of the Companies Act and in terms of the Listings Requirements, it being recorded that Listings Requirements currently require, inter alia, that the company may make a general repurchase of securities only if:

- Any such repurchase is effected through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the company and the counterparty (reported trades are prohibited)
- Authorised by the company's Mol
- The general authority will be valid until the next AGM of the company, provided that it will not extend beyond 15 months from the date of this special resolution number 3
- When the company has cumulatively repurchased 3% (three percent) of the securities in issue on the date of passing special resolution number 3, and for each 3% (three percent), in aggregate, acquired thereafter, an announcement is published as soon as possible and not later than 08:30 on the second business day after the day on which the relevant threshold is reached or exceeded, and the announcement complies with the Listings Requirements
- At any time, only one agent is appointed to effect any repurchase on the company's behalf
- The company or its subsidiary does not repurchase securities in a prohibited period unless the company has a repurchase programme in place where the dates and quantities of securities to be traded during the relevant period are fixed (not subject to any variation) and full details of the programme have been disclosed to the JSE in writing prior to the start of the prohibited period
- A resolution by the board of directors that it has authorised the repurchase, that the company and its subsidiaries have satisfied the solvency and liquidity test as defined in the Companies Act and that, since this test was done, there have been no material changes to the financial position of the group

- Any general repurchase by the company of its own ordinary shares will not, in aggregate in any one financial year, exceed 3% (three percent) of the company's issued ordinary shares at the beginning of the financial year
- In determining the price at which the securities are repurchased by the company or its subsidiary in terms of this general authority, the maximum price at which such securities may be repurchased will not be greater than 10% (ten percent) above the weighted average of the market value for such securities for the five business days immediately preceding the date of repurchase of securities (the price)
- The directors of the company confirm that no repurchase will be implemented in terms of this authority unless, after each such repurchase:
  - The company and the group will be able to pay their debts as they become due in the ordinary course of business for a period of 12 months after the date of notice of the AGM
  - The consolidated assets of the company and the group, fairly valued in accordance with the accounting policies used in the latest audited annual group financial statements, will exceed their consolidated liabilities for a period of 12 months after the date of notice of the AGM
  - The share capital and reserves of the company and group will be adequate for ordinary business purposes for a period of 12 months after the date of notice of the AGM
  - The working capital of the company and group will be adequate for ordinary business purposes for a period of 12 months after the date of notice of the AGM and the directors have passed a resolution authorising the repurchase, resolving that the company and its subsidiary/ies have satisfied the solvency and liquidity test as defined in the Companies Act and, since that test was applied, there have been no material changes to the financial position of the group.

In terms of paragraph 11.26 of the Listings Requirements, the directors of the company state that:

- The intention of the company and its subsidiaries is to use the general authority to repurchase, if at some future date the cash resources of the company exceed its requirements
- The method by which the company and any of its subsidiaries intend to repurchase its securities and the date on which such repurchase will take place, has not yet been determined.

The Listings Requirements stipulate the following disclosures for general repurchases, some of which appear in the annual financial statements:

- Major shareholders note on page 87
- Share capital of the company note 23 on page 36.

#### **Statement of board's intention**

The board has considered the impact of a repurchase of up to 3% (three percent) of the company's securities, under a general authority in terms of the Listings Requirements.

Should the opportunity arise and should the directors deem it in all respects to be advantageous to the company to repurchase such securities, it is deemed appropriate that the company or a subsidiary be authorised to repurchase the company's securities.

#### **Reason and effect**

The reason for and effect of special resolution number 3 is to authorise the company and/or its subsidiaries by way of a general authority to acquire their own securities on such terms, conditions and in such amounts as determined from time to time by the directors of the company, subject to the limitations set out above and in compliance with section 48 of the Companies Act.

#### **Percentage voting rights**

The minimum percentage of voting rights required for this resolution to be adopted is 75% (seventy-five percent) of voting rights to be cast on the resolution.

#### **Directors' responsibility statement**

The directors, whose names appear on page 10 of the annual financial statements for the year ended 31 December 2020, collectively and individually accept full responsibility for the accuracy of information pertaining to the general repurchase resolution and certify that, to the best of their knowledge, no facts have been omitted that would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this resolution contains all information required by law and the Listings Requirements.

#### **No material changes to report**

Other than the facts and developments disclosed in the integrated annual report, there have been no material changes in the affairs or financial position of the company and its subsidiaries since the 31 December 2020 year end until the date of notice of the AGM.

#### **Voting and proxies and letters of representation**

A shareholder holding shares in certificated form or who has dematerialised their shares with 'own-name' registration, entitled to attend and vote at the AGM is entitled to appoint one or more proxies to attend, speak and vote in their stead. A proxy need not be a member of the company. For the convenience of registered certificated shareholders or shareholders who have dematerialised their shares with own-name registration, a form of proxy is attached. For administrative purposes, duly completed forms of proxy must be lodged at the registered office of the company or at the transfer secretaries at the addresses below by 10:00 on Wednesday, 12 May 2021, failing which can be sent to the transfer secretaries prior to the start of the meeting.

Every person present and entitled to vote at the AGM will, on a show of hands, have one vote only and, on a poll, will have one vote for every ordinary share held or represented.

By order of the board



**E Viljoen**

*Company secretary*

Johannesburg

15 March 2021

# Brief curricula vitae of directors standing for re-election/election to the board



## **Nombulelo Moholi (60)**

Independent non-executive director  
BSc (Engineering)

Appointed a director in July 2013.

Nombulelo has spent most of her career in the telecommunications sector. She was chief executive officer of Telkom SA SOC Limited from 2011 to 2013 after heading senior portfolios in that company for 14 years. She also served in strategy, marketing and corporate affairs roles at Nedbank.

### **External directorships:**

Woolworths Holdings Limited, Eyethu Community Trust (chair), Engen Limited, Old Mutual Employee Trust, OMF Employee Trust.



## **Stephen Pearce (57)**

Non-executive director  
BA Business (accounting)

Appointed non-executive director in January 2018

Stephen is the finance director of Anglo American plc. He has more than 16 years of public company director experience and 30 years' experience in the mining, oil and gas and utilities industries. Stephen has a Bachelor of Business from Royal Melbourne Institute of Technology and a Graduate Diploma in Company Secretarial Practice. He is the fellow of the Institute of Chartered Accountants and a member of the Governance Institute of Australia and the Australian Institute of Directors.

### **External directorships:**

Anglo American plc, De Beers plc, Kumba Iron Ore Limited.



## **Thabi Leoka (41)**

Independent non-executive director  
BA (hons) MA, MSc Economics and Economic History, PhD Economics

Appointed a director in July 2020

Thabi is an economist and independently consults across various sectors, including government departments, mining, insurance, banking, and telecommunications. Before that, she worked as an economist in various financial sector organisations in London and South Africa.

### **External directorships:**

MTN SA



## **John Vice (68)**

Chair audit and risk committee

Eight years on the board

**Core skills:** Before retiring in 2013, John was a senior partner in KPMG where his roles included head of audit, serving on the South African and African boards and executive committees, and chairman of KPMG's international IT audit.

### **External directorships:**

Standard Bank Group, Standard Bank of South Africa



## **Peter Mageza (66)**

Lead independent director, chair governance committee

Seven years on the board

**Core skills:** Chartered certified accountant and fellow of the Association of Chartered Certified Accountants (ACCA) UK. Until 2009, he was executive director and group chief operations officer of Absa Group Limited and served that group in various capacities over his nine-year tenure.

### **External directorships:**

Remgro Limited, Sappi Limited, RCL Foods Limited



## **Dhanasagree Naidoo (48)**

Independent non-executive director

Seven years on the board

**Core skills:** Professional background in structured finance and debt capital markets. Daisy developed her career at Sanlam after a brief tenure in financial planning and corporate taxation at SA Breweries and Deloitte & Touche respectively.

### **External directorships:**

ABSA Group Limited, Strate Holdings Limited, Hudaco Industries Limited, Mr Price Group Limited, Redefine Properties



---

### **Roger Dixon (70)**

**Independent non-executive director**

Pr Eng BSc (Hons) Mining FSAIMM

---

Appointed a director in July 2020

---

Roger has spent more than 49 years in the South African mining sector, including more than 30 years in senior management roles at both operations and head offices of large gold mining companies. As a consulting engineer from 2002 mainly with SRK Consulting South Africa, he has worked extensively in mine valuation, due diligence and engineering studies. He also played a leading role in developing reporting standards through the South African Mineral Resource Committee (SAMREC) and the global Committee for Mineral Reserves International Reporting Standards (CRIRSCO). He still serves on these two committees.

---

### **External directorships:**

None

---



# Explanatory notes to the proposed resolutions

## Ordinary resolution number 1: Re-election of directors

In line with the company's Mol, one-third of directors are required to retire at each AGM and may offer themselves for re-election. NT Moholi and S Pearce retire by rotation at the AGM under article 23.1.1 of the company's Mol and have offered themselves for re-election.

## Ordinary resolution number 2: Election of directors

The company's Mol states that any person appointed to fill a vacancy or as an addition to the board will retain office only until the following AGM and will then retire and be eligible for election. This is supported in section 68(3) of the Act. T Leoka and R Dixon were appointed to the board. They accordingly retire at the AGM and have offered themselves for election.

The board is satisfied with the performance of each of the directors standing for re-election and election, in that they continue to make an effective and valuable contribution to the company and the board. The board recommends shareholders vote in favour of the re-election and election of individual retiring directors referred to in ordinary resolutions number 1 and 2.

## Ordinary resolution number 3: Election of audit and risk committee members

In terms of section 94(2) of the Act, audit committee members must be elected by shareholders at each AGM. In terms of regulation 42 of the Companies Regulations 2011, relating to the Act, at least one-third of the members of the company's audit and risk committee at any particular time must have academic qualifications or experience in economics, law, corporate governance, finance, accounting, commerce, industry, public affairs or human resource management.

## Ordinary resolution number 4: Appointment of external auditor

In terms of section 90(1) of the Act, each year at its AGM the company must appoint an auditor who meets the provisions of section 90(2) of the Act. Following a decision to rotate audit firms and the conclusion of an extensive tender process, the audit and risk committee approved the appointment of PwC as Amplats' auditor.

The committee has satisfied itself that the proposed auditor, PwC, and designated audit partner are independent of the company as per sections 90 and 94 of the Act and applicable rules of the International Federation of Accountants. The committee has recommended the appointment of the independent registered auditor of Amplats for the 2020 financial year.

## Ordinary resolution number 5: General authority to allot and issue authorised but unissued shares

In terms of the company's Mol, read with the Listings Requirements, the shareholders of the company may authorise the directors to, inter alia, issue any unissued shares and/or grant options over them, as the directors in their discretion deem fit.

The existing authority granted by shareholders at the previous AGM on 25 June 2020 will expire at this AGM unless renewed.

The authority granted under this resolution is subject to the Act, the Listings Requirements and the Mol of the company. The directors decided to seek annual renewal of this authority limited to 3% (three percent), being 7,958,766 ordinary shares of the company, in accordance with generally accepted best practice. The directors have no current plans to use this authority, but wish to ensure that, by having the facility in place, they will have the flexibility to allow the company to take advantage of business opportunities that may arise.

## Ordinary resolution number 6: Directors' authority to implement special and ordinary resolutions

The reason for ordinary resolution number 6 is to authorise any director of the company to do all things necessary to implement the ordinary and special resolutions passed at the AGM and to sign all such documentation required to give effect and to record these resolutions. Advisory vote: Endorsement of the remuneration policy and implementation report In terms of principle 14 of King IV read together with paragraph 3.84(j) of the Listings Requirements, the remuneration policy and implementation report must be tabled every year for a separate non-binding advisory vote. These votes enable shareholders to endorse the remuneration policy adopted for executive directors and its implementation. The remuneration report appears on pages 11 to 28 incorporating the remuneration policy and implementation report. The advisory vote is of a non-binding nature only and therefore failure to pass this resolution will not have any legal consequences for existing arrangements. However, the board will take cognisance of the outcome of the vote when considering the company's remuneration policy and remuneration of executive directors. The remuneration report further records the measures the board commits to take in the event that either the remuneration policy or implementation report, or both, are voted against by 25% (twenty-five percent) or more of the votes exercised.

## Special resolution number 1: Non-executive directors' fees

Special resolution number 1 is proposed to enable the company to comply with the provisions of sections 65(11)(h), 66(8) and 66(9) of the Act, which stipulate that remuneration to directors for their services may be paid only in accordance with a special resolution approved by shareholders. Special resolution number 1 thus requires shareholders to approve the fees payable to the company's non-executive directors for the ensuing year until the next AGM. The proposed fees include a 3.5% inflationary increase as well as a proposed additional increase to certain committee fees based on the outcome of an industry comparator group benchmark in 2020 indicating that certain of the sub-committee fees remained slightly behind the market.

Full particulars of all remuneration paid to non-executive directors for their services appear on page 28 of the remuneration report contained in this notice.

### Special resolution number 2: Authority to provide financial assistance

The company, in the ordinary course of business, will need to provide financial assistance to certain of its subsidiaries, associates and joint ventures in accordance with section 45 of the Act. In addition, it may be necessary for the company to provide financial assistance in the circumstances contemplated in section 44 of the Act. Despite the title of section 45 of the Act being 'Loans or other financial assistance to directors', on a proper interpretation, the body of the section also applies to financial assistance provided by a company to any related or interrelated company or corporation, a member of a related or interrelated corporation, and a person related to any such company, corporation or member. Section 44 may also apply to the financial assistance so provided by a company to any related or interrelated company or corporation, a member of a related or interrelated corporation, or a person related to any such company, corporation or member, in the event that the financial assistance is provided for the purpose of, or in connection with, the subscription of any option, or any securities, issued or to be issued by the company or a related or interrelated company, or for the purchase of any securities of the company or a related or interrelated company.

Both sections 44 and 45 of the Act provide, inter alia, that the particular financial assistance may only be provided:

- Following a special resolution of shareholders, adopted within the previous 2 (two) years, which approved such assistance either for the specific recipient, or generally for a category of potential recipients, with the specific recipient falling within that category, and
- If the board is satisfied that immediately after providing the financial assistance, the company would satisfy the solvency and liquidity test (as contemplated in the Act), and the terms under which the financial assistance is proposed to be given are fair and reasonable to the company.

### Special resolution number 3: General authority to repurchase shares

Special resolution number 3 seeks to allow the group, by way of a general authority, to acquire its own issued shares (reducing the total number of ordinary shares of the company in issue in the case of an acquisition by the company of its own shares). Any decision by the directors to use the general authority to acquire shares of the company will be taken with regard to prevailing market conditions, the share price and the cash needs of the company, together with various other factors and in compliance with the Act, the Listings Requirements and the Mol. The main purpose of this authority is to allow the company to satisfy its obligations in terms of the short-term and long-term incentive plans (incentive scheme) in terms of which shares are purchased in the market through the order book of the JSE and allocated to employees under the rules of the incentive scheme. For further information on the incentive scheme, refer to the remuneration report from page 148 in the integrated annual report. The directors of the company have no specific intention to effect the provisions of special resolution number 3 for purposes other than its incentive scheme, but will continually review the company's position, having regard to prevailing circumstances and market conditions, in considering whether to effect the provisions of special resolution number 3.

# Form of proxy

## Anglo American Platinum Limited

(Incorporated in the Republic of South Africa)

Share code: AMS ISIN: ZAE000013181

(Registration number: 1946/022452/06)

(Amplats or the company)

For use by certificated shareholders or own-name dematerialised shareholders at the annual general meeting (AGM) of the company to be held on Thursday, 13 May 2021 at 10:00 by electronic participation.

Full name: I/We (BLOCK LETTERS)

of (address)

Email:

Telephone: (Work)

Telephone: (Home)

Fax:

Cell number:

being the holder(s) of

Amplats shares hereby appoint:

1 or failing him/her,

2 or failing him/her,

3 the chairman of the AGM, as my/our proxy to vote on my/our behalf at the annual general meeting of Amplats shareholders to be held on Thursday, 13 May 2021 at 10:00 or any adjournment as follows:

Resolution	For	Against	Abstain
<b>Ordinary resolution number 1: Re-election of directors</b>			
1.1 To re-elect Ms NT Moholi as a director of the company			
1.2 To re-elect Mr S Pearce as a director of the company			
<b>Ordinary resolution number 2: Election of directors appointed since the previous AGM</b>			
2.1 To elect Ms T Leoka as a director of the company			
2.2 To elect Mr R Dixon as a director of the company			
<b>Ordinary resolution number 3: Appointment of members of audit and risk committee</b>			
3.1 Election of Mr NP Mageza as a member of the committee			
3.2 Election of Mr J Vice as a member of the committee			
3.3 Election of Ms D Naidoo as a member of the committee			
<b>Ordinary resolution number 4: Appointment of auditor</b>			
<b>Ordinary resolution number 5: General authority to allot and issue authorised but unissued shares</b>			
<b>Ordinary resolution number 6: Authority to implement resolutions</b>			
<b>Non-binding advisory vote 7.1: Endorsement of the remuneration policy</b>			
<b>Non-binding advisory vote 7.2: Endorsement of the remuneration implementation report</b>			
<b>Special resolution number 1: Non-executive directors' fees</b>			
<b>Special resolution number 2: Authority to provide financial assistance</b>			
<b>Special resolution number 3: General authority to repurchase company securities</b>			

Signed at this day of 2021

Signature

Assisted by me (if applicable)

Please read the notes on the reverse side.

A shareholder entitled to attend and vote at the AGM may appoint one or more persons as proxy to attend, speak or vote in their stead at the AGM. A proxy need not be a shareholder of the company.

Voting will be by way of a poll, and every shareholder present in person or represented by proxy and entitled to vote will be entitled to one vote for every share held in the issued share capital of the company.

# Notes to the form of proxy

- 1 A shareholder may insert the name of a proxy or the names of two alternative proxies of their choice in the spaces provided with or without deleting 'the chairman of the annual general meeting', but any such deletion must be initialled by the Amplats shareholder. The person whose name appears first on the form of proxy and who is present at the AGM will be entitled to act as proxy to the exclusion of those whose names follow.
- 2 Please mark with an X or insert the number of shares in the relevant spaces according to how you wish your votes to be cast. If you wish to cast your votes for a lesser number of shares exercisable by you, insert the number of shares held in respect of which you wish to vote. Failure to comply with this requirement will be deemed to authorise and compel the chairman, if the chairman is an authorised proxy, to vote in favour of the resolutions, or to authorise any other proxy to vote for or against the resolutions or abstain from voting as they deem fit, in respect of all your votes exercisable at the meeting. A shareholder or proxy is not obliged to use all the votes exercisable by the shareholder, but the total of votes cast and for which abstention is recorded may not exceed the total of the votes exercisable by the shareholder or proxy.
- 3 For administrative purposes, forms of proxy must be lodged with the transfer secretaries at Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 (PO Box 61051, Marshalltown 2107), to be received by 10:00 on Wednesday, 12 May 2021.
- 4 Any alteration or correction made to this form of proxy must be initialled by the signatory(ies).
- 5 Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached unless previously recorded by the transfer secretaries or waived by the chairman of the AGM.
- 6 The completion and lodging of this form of proxy will not preclude the relevant shareholder from attending the AGM and speaking and voting in person to the exclusion of any appointed proxy, should they wish to do so.
- 7 The chairman of the AGM may accept or reject any form of proxy that is completed and/or received other than in accordance with these notes and instructions.
- 8 Where there are joint holders of shares:
  - 8.1 Any such persons may vote at the AGM in respect of such joint shares as if they were solely entitled thereto
  - 8.2 Any one holder may sign this form of proxy and
  - 8.3 If more than one joint holder is present or represented at the AGM, the vote(s) of the senior shareholder (for that purpose, seniority will be determined by the order in which the names of shareholders appear in the register) who tenders a vote (whether in person or by proxy) will be accepted to the exclusion of the vote(s) of the other joint shareholder(s).
- 9 Own-name dematerialised shareholders will be entitled to attend the AGM in person or, if they are unable to attend and wish to be represented, must complete and return the attached form of proxy to the transfer secretaries by the time specified on the form.
- 10 Shareholders who hold shares through a nominee should advise their nominee or, if applicable, their CSDP or broker timeously of their intention to attend and vote at the AGM or to be represented by proxy for their nominee or, if applicable, their CSDP or broker to provide them with the necessary letter of representation, or should provide their nominee or, if applicable, their CSDP or broker timeously with their voting instruction should they not wish to attend the AGM in person, in order for their nominee to vote in accordance with their instruction at the AGM.
- 11 A vote given in terms of an instrument of proxy will be valid for the AGM despite the death of the person granting it, the transfer of the shares for which the vote is given, unless written notification of such death or transfer is received by the transfer secretaries before the start of the AGM.
- 12 Where this form of proxy is signed under power of attorney, this power of attorney must accompany this form of proxy, unless previously recorded by the transfer secretaries or this requirement is waived by the chairman of the AGM.
- 13 A minor or any other person under legal incapacity must be assisted by their parent or guardian, as applicable, unless the relevant documents establishing their capacity are produced or have been registered by Amplats or the transfer secretaries.
- 14 Unless revoked, the appointment of a proxy under this form of proxy remains valid only until the end of the AGM or any postponement or adjournment. This form of proxy will be valid at any resumption of a postponed or adjourned meeting to which it relates although it may not be used at the resumption of the postponed or adjourned AGM if it could not be used at the AGM for any reason other than it was not lodged timeously. This form of proxy will, in addition to the authority conferred by the Companies Act 71 2008, as amended, except as far as it provides otherwise, be deemed to confer the power generally to act at the meeting in question, subject to any specific direction in this form of proxy on the manner of voting.



# 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).

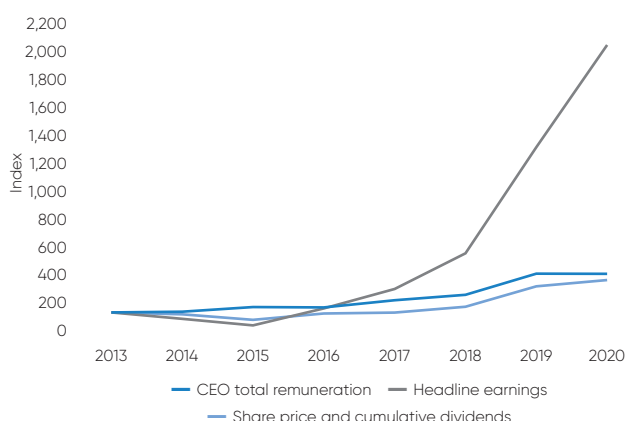
\* Gini co-efficient is a measure of income distribution across a population, while Palma is a measure which is gaining traction as a simple and effective measure of the pay gap.

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' 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](http://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

<b>Nombulelo Moholi (chairperson)</b> Profile on page 22 of the integrated annual report Independent non-executive director	<b>Norman Mbazima</b> Profile on page 23 of the integrated annual report Non-executive board chairperson	<b>Daisy Naidoo</b> Profile on page 22 of the integrated annual report Independent non-executive director	<b>Thabi Leoka<sup>1</sup></b> Profile on page 22 of the integrated annual report Independent non-executive director
---	--	---	--

#### Meetings and attendance

Attended: 5/5	Attended: 5/5	Attended: 5/5	Attended: 2/2 <sup>1</sup>
---------------	---------------	---------------	----------------------------

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.

<sup>1</sup> 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) <sup>1</sup>	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 <sup>2</sup>	Rm	459	392
	% change	17	
Taxation paid	Rm	7,941	3,349
	% change	137	
Royalties paid	Rm	2,496	1,788
	% change	40	

<sup>1</sup> The board has declared a final cash dividend of R45.58 per share, which is equivalent to R12.09 billion.

<sup>2</sup> 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 15 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.

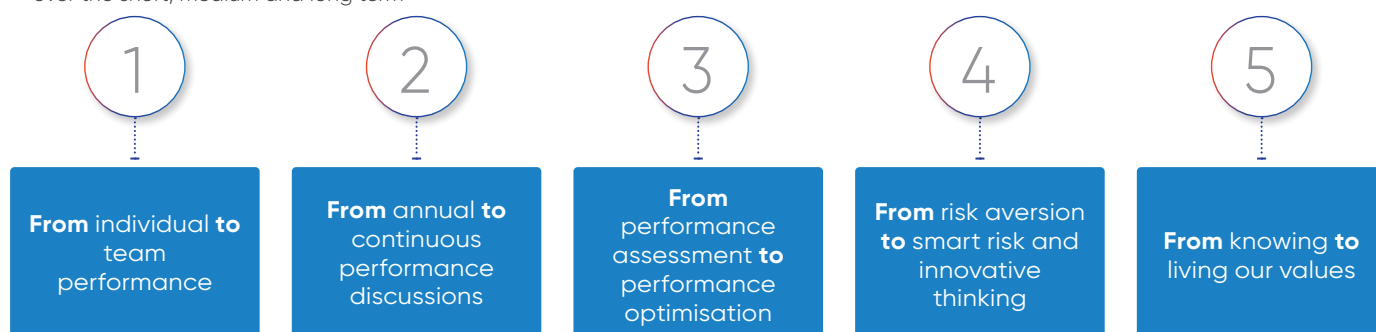
### Remuneration linked to strategy and performance

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

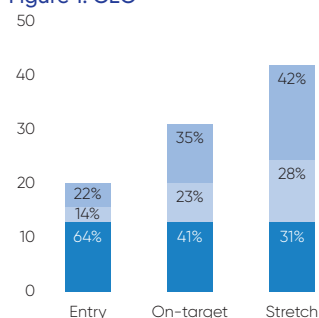


Figure 2: Finance director

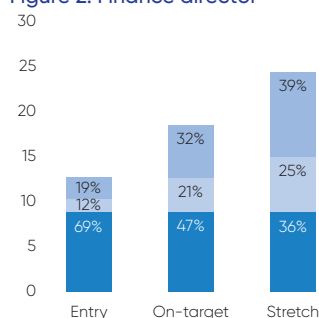
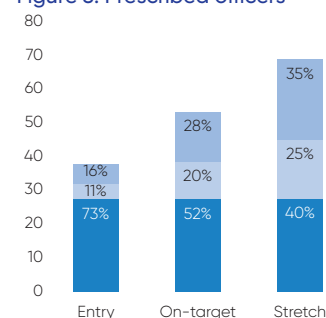


Figure 3: Prescribed officers



### 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.

Short-term incentive (STI)	
<b>Participation:</b>	Executive directors, prescribed officers, management and corporate employees.
<b>Consists of:</b>	<p>Annual cash incentive linked to performance in the financial year, and payable in cash at the end of the performance period.</p> <p>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.</p> <p>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.</p>
<b>Performance measures:</b>	<p>Awards for the CEO and FD are based on company performance (70%) and achieving personal critical tasks score (30%).</p> <p>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.</p> <p>Business performance measures include:</p> <ul style="list-style-type: none"> <li>– 20% safety, health and environment</li> <li>– 15% group performance</li> <li>– 35% business unit performance</li> </ul> <p>Personal critical task performance measure include:</p> <ul style="list-style-type: none"> <li>– 20% strategic measure aligned to business transformation</li> <li>– 10% personal measure</li> </ul> <p>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.</p> <p>The award for remaining participants (excluding union-affiliated employees) is based on company and team performance.</p>
<b>Value of annual cash incentive:</b>	<p><b>CEO:</b> The maximum cash incentive is 125% of base salary.</p> <p><i>Annual cash incentive = [(company performance score 70% + (personal critical tasks score 30%)] × maximum cash incentive (125%) × base salary.</i></p> <p><b>Finance director:</b> The maximum cash incentive is 80% of base salary.</p> <p><i>Annual cash incentive = [(company performance score [70%]) + (personal critical tasks score [30%])] × cash incentive (80%) × base salary.</i></p> <p><b>Prescribed officers, management and corporate employees:</b> 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.</p> <p><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></p>
<b>Face value of bonus shares and value of deferred cash:</b>	<p><b>CEO:</b> 100% of annual cash incentive.</p> <p><b>Finance director:</b> 100% of annual cash incentive.</p> <p><b>Prescribed officers and senior management:</b> 100% of annual cash incentive.</p> <p><b>Middle management (deferred cash):</b> 70% of annual cash incentive.</p> <p>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.</p>

\* 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

<b>Changes in 2020:</b>	<p>Rebalancing performance measures for an annual bonus for the CEO by:</p> <ul style="list-style-type: none"> <li>– Reducing the current business performance weighting excluding safety, health and environment from 60% to 50% (15% group performance, 35% business-unit performance)</li> <li>– Reducing the individual measure from 30% to 10%</li> <li>– Increasing the safety, health and environment measure from 10% to 20%</li> <li>– Introducing a strategic measure aligned to business transformation of 20%.</li> </ul> <p>Aligning deferral requirements with market practice for executive directors by:</p> <ul style="list-style-type: none"> <li>– 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</li> <li>– Reducing the deferral of bonus shares (BSP) from 100% after three years to one-third after two years and two-thirds after three years.</li> </ul> <p>Aligning deferral requirements with market practice for prescribed officers and senior management by:</p> <ul style="list-style-type: none"> <li>– Changing the ratio of the bonus/bonus shares from a 40/60 split to 50/50</li> <li>– Reducing the deferral of bonus shares (BSP) from 100% after three years to one-third after two years and two-thirds after three years.</li> </ul> <p>Safety deductor:</p> <ul style="list-style-type: none"> <li>– Would apply to incentive results where there are adverse safety or fatality outcomes.</li> </ul> <p>Proposed changes for 2021:</p> <ul style="list-style-type: none"> <li>– No changes anticipated.</li> </ul>
-------------------------	---

## 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)

<b>Participation:</b>	Executive directors, prescribed officers and senior management.
<b>Consists of:</b>	Conditional full-value shares that vest after three years, subject to meeting company performance conditions.
<b>Maximum value of award (face value):</b>	<p><b>CEO:</b> 150% of base salary.</p> <p><b>Finance director:</b> 125% of base salary.</p> <p><b>Prescribed officers:</b> 100% of base salary.</p> <p><b>Senior management:</b> 30% of 80% of total package.</p>
<b>Performance measures:</b>	<p>Awards are subject to four stretching performance conditions. The 2020 LTIP performance condition weightings are calculated over a three-year vesting period:</p> <p>50% of the award will vest subject to satisfying total shareholder return (TSR) targets, and</p> <p>50% of the award will vest subject to a balanced scorecard of metrics comprising:</p> <ul style="list-style-type: none"> <li>– 15%: ROCE (return on capital employed)</li> <li>– 15%: Attributable free cash flow</li> <li>– 5%: Energy efficiency</li> <li>– 5%: CO<sub>2</sub> emissions</li> <li>– 5%: Water</li> <li>– 5%: Social sustainability and transformation.</li> </ul>
<b>Performance period:</b>	Performance conditions are measured over a three-year period, commensurate to the financial years of the company.
<b>Changes in 2020</b>	<p>Rebalancing performance conditions for the LTIP by aligning the weighting and targets of:</p> <ul style="list-style-type: none"> <li>– TSR from 70% to 50%</li> <li>– ROCE from 10% to 15%</li> <li>– Cumulative attributable free cash flow from 10% to 15%, and</li> <li>– Safety and sustainable development (ESG measure) from 10% to 20%.</li> </ul> <p>No changes anticipated for 2021.</p>
<b>Company and individual limits:</b>	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)

<b>Purpose and background:</b>	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.
<b>Operation:</b>	<p>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:</p> <ul style="list-style-type: none"><li>– R9,000 cash paid in 2018</li><li>– R4,000 cash paid in 2019, R4,000 forfeitable shares allocated in 2019</li><li>– R4,000 cash paid in 2020, R4,000 forfeitable shares allocated in 2020.</li></ul> <p>Vesting occurs in years 4 and 5, ie 2021 and 2022 respectively.</p>

### 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 25 to 27.

### 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 Bignaut. More details on respective arrangements appear on page 34 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.

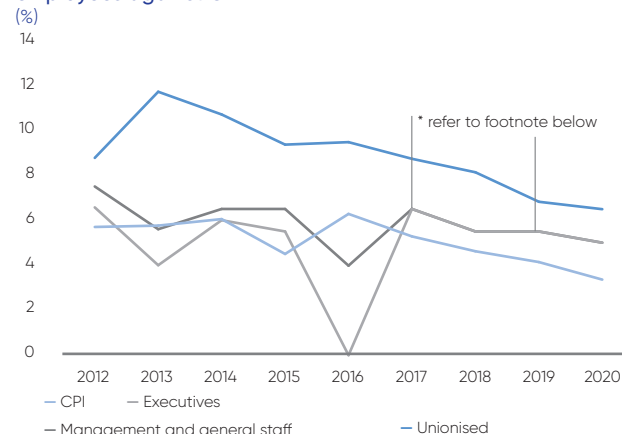
Flexible working conditions and the success of work from home for certain support staff/teams did not impact on the performance and productivity of our business.

### 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**



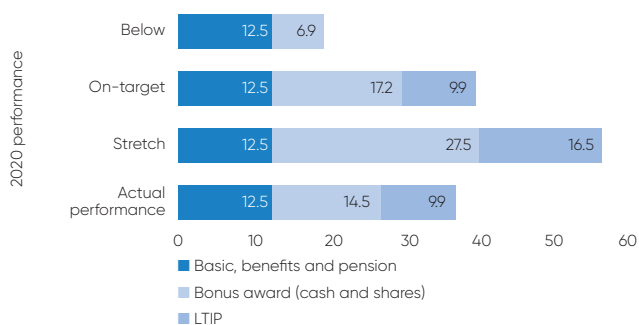
\* CEO, FD, prescribed officers and management received the same salary percentage increase for financial years 2017-2020.

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.

CEO\*  
(Rm)



\* 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
<b>Executive directors</b>					
N Viljoen <sup>1</sup>	5,418,923	71%	5,418,923	—	71%
CW Miller	3,343,584	46%	3,343,584	—	47%
<b>Prescribed officers</b>					
GA Humphries	1,716,319	32%	1,716,319	—	32%
R Blignaut <sup>2</sup>	913,680	32%	1,311,567	—	47%
GL Smith <sup>3</sup>	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 <sup>4</sup>	864,000	32%	1,202,977	—	45%
<b>Former prescribed officers</b>					
S Macheli-Mkhabela <sup>5</sup>	370,454	32%	—	—	—%

<sup>1</sup> N Viljoen joined Anglo American Platinum 1 April 2020.

<sup>2</sup> 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.

<sup>3</sup> GL Smith is within two years of retirement and will receive the cash value equivalent in line with policy as described on page 19.

<sup>4</sup> 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.

<sup>5</sup> 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 22 and 23.

Name	Number of LTIP awards	Market face value	% of base salary
<b>Executive directors</b>			
N Viljoen	16,695	16,521,450	150%
CW Miller	9,262	9,165,525	125%
<b>Prescribed officers</b>			
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%
<b>Total</b>	<b>49,003</b>	<b>48,493,171</b>	

## 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
<b>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</b>	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
<b>Return on capital employed (ROCE) (15%)</b>	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
<b>Attributable free cash flow (15%)</b>	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
<b>Safety and sustainable development (ESG measure)</b> – Energy efficiency (5%) – Social sustainability and transformation (5%) – CO <sub>2</sub> 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.  CO <sub>2</sub> 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 m <sup>3</sup> /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)

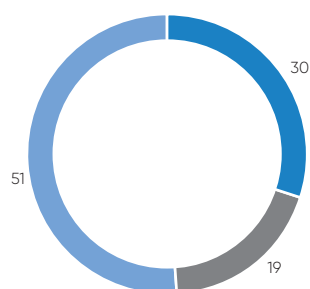
The extent to which performance measures for the 2018 award were met is detailed below. These awards will vest on 20 April 2021 after a three-year vesting period has lapsed.

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%)		•		
<b>Resulting vesting LTIP award</b>	55.3%			

### Total single-figure remuneration outcomes

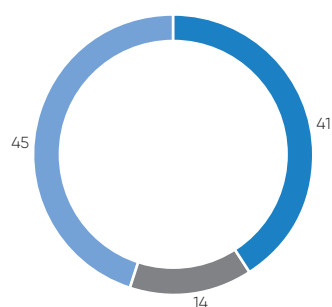
Total remuneration outcomes and mix between fixed and variable pay in 2020 for the CEO, FD and prescribed officers are shown below.

CEO's 2020 remuneration outcomes (%)



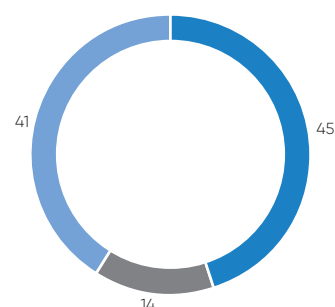
■ Guaranteed pay (including benefits)  
■ Bonus award (cash and shares)  
■ LTIP

Financial director's 2020 remuneration outcomes (%)



■ Basic, benefits and pension  
■ Bonus award (cash and shares)  
■ LTIP

Prescribed officers' 2020 remuneration outcomes (%)



■ Basic, benefits and pension  
■ Bonus award (cash and shares)  
■ LTIP



⌄ Amandelbult operations

## Remuneration report continued

### 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 <sup>1</sup> R	Retirement and medical aid <sup>2</sup> R	Cash incentive R	BSP share or cash award <sup>3,4</sup> R	LTIP reflected <sup>5,6</sup> R	Other R	Total single figure of remuneration R
<b>Executive directors</b>								
N Viljoen <sup>7</sup>	2020	7,605,506	1,134,439	5,418,923	5,418,923	—	856,634	20,434,425
	2019	—	—	—	—	—	—	—
CW Miller <sup>15</sup>	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
<b>Prescribed officers</b>								
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 <sup>8</sup>	2020	2,820,000	453,958	913,680	1,311,567	—	—	5,499,205
	2019	—	—	—	—	—	—	—
GL Smith <sup>9</sup>	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 Mfola <sup>10</sup>	2020	2,666,664	450,239	864,000	1,202,977	—	—	5,183,880
	2019	—	—	—	—	—	—	—
<b>Former directors</b>								
CI Griffith <sup>11</sup>	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 <sup>12</sup>	2020	—	—	—	—	—	—	—
	2019	1,190,990	177,613	—	—	—	—	1,368,603
<b>Former employees</b>								
DW Pelsler <sup>13</sup>	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 <sup>14</sup>	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 <sup>15</sup>	2020	—	—	—	—	3,350,278	—	3,350,278
	2019	—	—	—	—	8,983,857	—	8,983,857
I Pillay <sup>16</sup>	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 19. LTIP and BSP are awarded as cash payments, conditional on remaining in service until the effective retirement date.
- 10 Y Mfola 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 Pelsler 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.
- 15 Includes replacement awards for benefits lost on resignation from previous employer.
- 16 In 2018 VP Pillay fell within the two-year cut-off threshold as per the share award policy referenced in part 2, page 19. 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.

## 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 <sup>1</sup>	Cash value on settlement in 2020	Fair value on 31 Dec 2020 <sup>2</sup>
<b>N Viljoen</b>									
LTIP	6 May 2020	13 May 2023	989,61	60,0%	16,695	–	–	–	12,248,387
<b>Total</b>					16,695	–	–	–	12,248,387
<b>CW Miller</b>									
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
<b>Total</b>					23,295	–	7,564,210	–	18,332,840
<b>GA Humphries</b>									
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
<b>Total</b>					56,141	1,856,503	36,064,762	10,910,113	34,442,590
<b>R Blignaut</b>									
LTIP	6 May 2020	13 May 2023	989,61	60,0%	4,274	–	–	–	3,135,646
<b>Total</b>					4,274	–	–	–	3,135,646
<b>GL Smith</b>									
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	–	–	–
<b>Total</b>					52,408	11,236,890	20,073,954	8,395,235	17,982,059
<b>LN Mogaki</b>									
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
<b>Total</b>					71,440	10,945,541	39,895,698	13,334,618	34,241,343

## 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 <sup>1</sup>	Cash value on settlement in 2020	Fair value on 31 Dec 2020 <sup>2</sup>
<b>P Moodliar</b>									
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
<b>Total</b>					6,064	—	—	—	5,224,609
<b>Y Mfolo</b>									
LTIP	6 May 2020	13 May 2023	989,61	60,0%	4,042	—	—	—	2,965,438
<b>Total</b>					4,042	—	—	—	2,965,438
<b>Former director</b>									
<b>Cl Griffith<sup>4</sup></b>									
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%	—	—	—	—	—
<b>Total</b>					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 <sup>1</sup>	Cash value on settlement in 2020	Fair value on 31 Dec 2020 <sup>2</sup>
Former employees									
DW Pelser <sup>5</sup>									
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 relief funds for Covid 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 <sup>3,8</sup>	2020	423,616	28,000	130,510	582,126
	2019	425,000	—	120,667	545,667
RMW Dunne <sup>1,2,3,4,5,6</sup>	2020	155,900	28,000	470,500	654,400
	2019	425,000	23,000	906,333	1,354,333
N Mbazima <sup>2,3,5,6</sup>	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 <sup>1,3,4</sup>	2020	1,287,491	28,000	559,330	1,874,821
	2019	978,609	—	361,000	1,339,609
NT Moholi <sup>2,4,5,6</sup>	2020	467,913	28,000	739,530	1,235,443
	2019	425,000	23,000	683,667	1,131,667
D Naidoo <sup>1,2,4</sup>	2020	400,574	28,000	442,365	870,939
	2019	425,000	23,000	408,000	856,000
A O'Neill <sup>8</sup>	2020	433,242	28,000	—	461,242
	2019	425,000	—	—	425,000
JM Vice <sup>1,4,6</sup>	2020	443,736	28,000	538,682	1,010,418
	2019	425,000	23,000	419,333	867,333
S Pearce <sup>8</sup>	2020	433,242	28,000	—	461,242
	2019	425,000	—	—	425,000
D Emmett <sup>5,6,9</sup>	2020	—	—	363,780	363,780
	2019	—	—	332,667	332,667
T Leoka <sup>2,4,5</sup>	2020	202,010	—	67,224	269,234
	2019	—	—	—	—
R Dixon <sup>4,6</sup>	2020	202,010	—	47,633	249,643
	2019	—	—	—	—
<b>Total</b>	<b>2020</b>	<b>6,688,754</b>	<b>252,000</b>	<b>3,981,007</b>	<b>10,921,761</b>

<sup>1</sup> Audit committee.

<sup>2</sup> Remuneration committee.

<sup>3</sup> Nomination committee.

<sup>4</sup> Corporate governance committee.

<sup>5</sup> Social, ethics and transformation committee.

<sup>6</sup> Safety and sustainable development committee.

<sup>7</sup> Directors' fees ceded to Anglo Operations Limited (AOL), a wholly owned subsidiary of Anglo American plc.

<sup>8</sup> Directors' fees ceded to Anglo American Services UK Limited, a wholly owned subsidiary of Anglo American plc.

<sup>9</sup> D Emmett is not a director but a committee member only.

### 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

### Non-binding advisory vote

Shareholders are requested to cast a non-binding advisory vote on **part 2 and 3** of this remuneration report.



# Audited annual financial statements

## Summarised consolidated statement of comprehensive income

for the year ended 31 December 2020

	Notes	2020 Rm	2019 Rm
<b>Gross revenue</b>		<b>137,804</b>	99,571
Commissions paid		(14)	(20)
<b>Net revenue</b>	2	<b>137,790</b>	99,551
<b>Cost of sales</b>	3	<b>(98,067)</b>	(72,738)
<b>Gross profit</b>		<b>39,723</b>	26,814
Fair value measurements of other financial assets and liabilities		3,780	248
Other income <sup>1</sup>	4	2,051	109
Finance income <sup>2</sup>		513	349
Share of profit/(loss) from equity-accounted entities <sup>3</sup>		340	(108)
Dividends received		47	—
Provision for expected credit losses		(43)	—
Impairment of financial assets		(85)	(77)
Finance costs <sup>2</sup>		(448)	(572)
Impairment and scrapping of property, plant and equipment		(476)	(173)
Market development and promotional expenditure		(871)	(788)
Other expenditure <sup>1</sup>	4	(3,673)	(497)
<b>Profit before taxation</b>	5	<b>40,858</b>	25,305
Taxation	6	(10,455)	(6,736)
<b>Profit for the year</b>		<b>30,403</b>	18,569
<b>Other comprehensive income, post tax</b>		<b>1,233</b>	33
<b>Items that may be reclassified subsequently to profit or loss</b>		<b>235</b>	(192)
Foreign exchange translation gains/(losses)		235	(192)
<b>Items that will not be reclassified subsequently to profit or loss</b>		<b>998</b>	225
Net gains on equity investments at fair value through other comprehensive income (FVTOCI)		1,175	279
Tax effects		(177)	(54)
<b>Total comprehensive income for the year</b>		<b>31,636</b>	18,603
<b>Profit attributed to:</b>			
Owners of the Company		30,342	18,497
Non-controlling interests		61	72
		<b>30,403</b>	18,569
<b>Total comprehensive income attributed to:</b>			
Owners of the Company		31,575	18,531
Non-controlling interests		61	72
		<b>31,636</b>	18,603
<b>EARNINGS PER SHARE</b>			
Earnings per ordinary share (cents)			
– Basic		11,553	7,046
– Diluted		11,519	7,021

<sup>1</sup> Other net income/(expenditure) was previously presented as one line item.

<sup>2</sup> The operating profit subtotal was removed and certain line items renamed for better presentation.

<sup>3</sup> Losses from associates and losses from joint ventures were previously presented separately; this has been changed for better presentation.

# Summarised consolidated statement of financial position

as at 31 December 2020

	Notes	2020 Rm	2019 Rm
<b>ASSETS</b>			
<b>Non-current assets</b>		<b>68,176</b>	57,177
Property, plant and equipment	8	46,139	43,504
Capital work-in-progress		10,989	8,501
Other financial assets	9	7,716	2,558
Inventories	11	1,147	1,006
Investment in associates and joint ventures	10	908	413
Investments held by environmental trusts		829	798
Goodwill		397	397
Deferred taxation		51	—
<b>Current assets</b>		<b>76,201</b>	46,843
Inventories	11	45,370	22,446
Cash and cash equivalents		19,991	18,546
Other financial assets	9	5,207	2,532
Other assets		3,146	1,633
Trade and other receivables		2,339	1,686
Taxation		148	—
<b>Total assets</b>		<b>144,377</b>	104,020
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
Share capital		26	27
Share premium		22,604	22,691
Retained earnings		51,711	35,039
Foreign currency translation reserve		2,687	2,452
Remeasurements of equity investments irrevocably designated at FVTOCI		1,322	441
Non-controlling interests		184	192
<b>Shareholders' equity</b>		<b>78,534</b>	60,842
<b>Non-current liabilities</b>		<b>19,110</b>	14,646
Deferred taxation		13,141	11,120
Other financial liabilities		3,536	924
Environmental obligations		1,824	1,898
Lease liabilities		377	404
Interest-bearing borrowings	12	209	281
Employee benefits		23	19
<b>Current liabilities</b>		<b>46,733</b>	28,532
Trade and other payables		23,260	16,246
Other liabilities		20,270	11,306
Other financial liabilities		1,943	609
Taxation		923	96
Lease liabilities		210	164
Share-based payment provision		50	69
Interest-bearing borrowings	12	47	42
Provisions		30	—
<b>Total equity and liabilities</b>		<b>144,377</b>	104,020

# Summarised consolidated statement of cash flows

for the year ended 31 December 2020

	Notes	2020 Rm	2019 Rm
<b>Cash flows from operating activities</b>			
Cash receipts from customers		137,369	98,715
Cash paid to suppliers and employees		(105,938)	(66,499)
Cash generated from operations	19	31,431	32,216
Taxation paid		(7,941)	(3,349)
Interest paid (net of interest capitalised)		(290)	(429)
<b>Net cash from operating activities</b>		<b>23,200</b>	<b>28,438</b>
<b>Cash flows used in investing activities</b>			
Purchase of property, plant and equipment (includes interest capitalised)		(9,471)	(8,600)
Deferred consideration receipts		3,348	348
Interest received		508	342
Proceeds from partial disposal of shares held in Ballard Power Systems Inc.		158	—
Proceeds from loan repayments by ARM Mining Consortium Limited		107	—
Dividends received		55	—
Proceeds from sale of plant and equipment		43	38
Growth in environmental trusts		5	7
Proceeds from disposal of RA Gilbert		3	—
Investment in AP Ventures		(90)	(59)
Advances made to Plateau Resources Proprietary Limited		(85)	(93)
Shareholder funding capitalised to investment in associates		(82)	(68)
Additions to investment in associates		(55)	—
Other advances		(13)	(4)
Additions to FVTOCI investments		(6)	—
Purchase of AA plc shares for the Bonus Share Plan		(2)	(1)
Purchases of financial assets investments		—	(24)
<b>Net cash used in investing activities</b>		<b>(5,577)</b>	<b>(8,114)</b>
<b>Cash flows used in financing activities</b>			
Dividends paid		(13,779)	(4,921)
Deferred consideration payments		(598)	(184)
Purchase of treasury shares for the BSP and ESOP		(310)	(232)
Repayment of lease obligation		(122)	(67)
Cash distributions to non-controlling interests		(69)	(111)
Repayment of interest-bearing borrowings		(66)	(5,793)
Repurchase of shares		(1)	—
<b>Net cash used in financing activities</b>		<b>(14,945)</b>	<b>(11,308)</b>
<b>Net increase in cash and cash equivalents</b>		<b>2,678</b>	<b>9,015</b>
Cash and cash equivalents at beginning of year		18,546	9,541
Foreign exchange differences on cash and cash equivalents		(1,227)	(10)
Decrease in cash and cash equivalents due to RA Gilbert disposal		(6)	—
<b>Cash and cash equivalents at end of year</b>		<b>19,991</b>	<b>18,546</b>

# Summarised consolidated statement of changes in equity

for the year ended 31 December 2020

	Share capital Rm	Share premium Rm	Retained earnings Rm	Foreign currency translation reserve (FCTR) Rm	Remeasurements of equity investments irrevocably designated at FVTOCI Rm	Non-controlling interests Rm	Total Rm
<b>Total equity at 1 January 2019</b>	27	22,746	21,428	2,644	216	231	47,292
Profit for the year			18,497			72	18,569
Other comprehensive income for the year				(192)	279		87
Total comprehensive income for the year			18,497	(192)	279	72	18,656
Deferred taxation charged directly to equity			33		(54)		(21)
Cash distributions to non-controlling interests						(111)	(111)
Shares acquired in terms of the BSP – treated as treasury shares	(–)*	(232)					(232)
Shares vested in terms of the BSP	– *	177	(177)				–
Equity-settled share-based compensation			188				188
Shares forfeited to cover tax expense on vesting			(7)				(7)
Dividends paid			(4,921)				(4,921)
Retirement benefit			(2)				(2)
<b>Balance at 31 December 2019</b>	27	22,691	35,039	2,452	441	192	60,842
Profit for the year			30,342			61	30,403
Other comprehensive income for the year				235	998		1,233
Total comprehensive income for the year			30,342	235	998	61	31,636
Deferred taxation charged directly to equity			(3)				(3)
Dividends paid <sup>1</sup>			(13,779)				(13,779)
Retirement benefit			17				17
Cash distributions to non-controlling interests						(69)	(69)
Shares acquired in terms of the BSP and ESOP – treated as treasury shares	(–)*	(310)					(310)
Shares vested in terms of the BSP	– *	223	(223)				–
Equity-settled share-based compensation			211				211
Transfer of reserve on disposal of investments			117		(117)		–
Shares repurchased	(1)						(1)
Shares forfeited to cover tax expense on vesting			(10)				(10)
<b>Balance at 31 December 2020</b>	26	22,604	51,711	2,687	1,322	184	78,534

\* Less than R500,000.

	Per share	Rm
<sup>1</sup> Dividends paid		13,779
Final 2019	R41.60	11,059
Interim 2020	R10.23	2,720

# Notes to the summarised consolidated financial statements

for the year ended 31 December 2020

## 1. BASIS OF PREPARATION AND PRESENTATION

The summarised consolidated financial statements are presented in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS), the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, as well as the requirements of the Companies Act of South Africa and the JSE Limited's Listings Requirements for abridged reports.

The summarised consolidated financial statements also contain, at a minimum, the information required by International Accounting Standard 34 *Interim Financial Reporting*. The accounting policies applied in the preparation of the consolidated financial statements from which the summarised consolidated financial statements were derived are in terms of IFRS and consistent with those applied in the financial statements for the year ended 31 December 2020.

The directors take full responsibility for the preparation of this abridged report and that the summarised financial information has been correctly extracted from the underlying audited consolidated annual financial statements, where applicable for the year ended 31 December 2020.

While this report, in itself, is not audited, the consolidated annual financial statements from which the results are derived were audited by PricewaterhouseCoopers Inc., who expressed an unmodified opinion thereon. The full audit opinion, including any key audit matters, is available at [www.angloamericanplatinum.com/investors/annual-reporting/2020](http://www.angloamericanplatinum.com/investors/annual-reporting/2020). The audit report does not necessarily report on all the information contained in this report. Shareholders are therefore advised that, in order to obtain a full understanding of the nature of the auditors' engagement and, more specifically, the nature of the information that has been audited, they should obtain a copy of the auditors' report together with the accompanying audited consolidated annual financial statements, both of which are available for inspection at the company's registered office.

The preparation of the Group's audited results and the summarised consolidated financial statements for the year ended 31 December 2020 were supervised by the finance director, Mr CW Miller CA(SA).

---

## Audited annual financial statements continued

Notes to the summarised consolidated financial statements continued

		Net sales revenue		Adjusted EBITDA	
		2020 Rm	2019 Rm	2020 Rm	2019 Rm
<b>2. SEGMENTAL INFORMATION</b>					
<b>2.1 Segment revenue and results</b>					
<b>Operations</b>					
Mogalakwena Mine		28,317	25,845	17,447	14,375
Amandelbult Mine		18,248	17,424	7,809	5,132
Mototolo Platinum Mine		5,348	4,506	2,740	1,956
Unki Platinum Mine		4,963	4,403	2,290	1,520
Modikwa Platinum Mine <sup>1</sup>		3,156	2,988	1,807	1,080
Kroondal Platinum Mine <sup>1</sup>		6,267	5,824	3,869	2,499
Other mined		—	—	273	(462)
<b>Total – mined</b>		<b>66,299</b>	<b>60,989</b>	<b>36,235</b>	<b>26,099</b>
Tolling and purchase of concentrate		29,620	30,708	6,960	4,392
Trading <sup>2</sup>		41,871	7,854	622	247
Market development and promotional expenditure		—	—	(871)	(788)
Foreign currency gains/losses <sup>3</sup>		—	—	(684)	—
COVID-19 costs		—	—	(528)	—
Restructuring costs		—	—	(151)	—
		<b>137,790</b>	<b>99,551</b>	<b>41,583</b>	<b>29,950</b>
Depreciation				(4,456)	(4,441)
Marketing development and promotional expenditure				871	788
Other income and expenses				702	409
Share of (profit)/loss from equity accounted entities				(340)	108
Foreign currency gains/losses				684	—
COVID-19 costs				528	—
Restructuring				151	—
<b>Gross profit</b>				<b>39,723</b>	<b>26,814</b>

<sup>1</sup> The group's share (excluding purchase of concentrate).

<sup>2</sup> Includes purchases and leasing of third-party refined metal.

<sup>3</sup> Non-mining related foreign exchange gains/ losses.

Information reported to the Executive Committee, referred to as Platinum Management Committee, of the Group for purposes of resource allocation and assessment of segment performance is done on a mine-by-mine basis.

Although revenue and costs are allocated to mines on a rational basis for internal reporting and segment reporting, the mines do not independently generate revenue. The marketing and sales of precious metals does not differentiate between the source of the refined metal owing to the homogenous and fungible nature of the product which is refined to predetermined industry certified standards. Sales are not differentiated on the basis of the source of the mined group ore.

The Group's mining, smelting and refining operations are all located in South Africa with the exception of Unki Platinum Mine and smelter, which is located in Zimbabwe.



	2020 Rm	2019 Rm
<b>3. COST OF SALES</b>		
<b>Cash operating costs</b>	<b>33,421</b>	33,612
<b>On-mine<sup>1</sup></b>	<b>25,160</b>	25,624
Labour	10,146	9,554
Stores	8,243	8,533
Utilities	2,490	2,404
Contracting	1,349	1,307
Sundry	2,932	3,826
<b>Smelting</b>	<b>4,451</b>	4,159
Labour	869	769
Stores	939	871
Utilities	1,665	1,745
Sundry	978	774
<b>Treatment and refining</b>	<b>3,810</b>	3,829
Labour	1,194	1,127
Stores	860	1,103
Utilities	412	454
Contracting	128	102
Sundry	1,216	1,044
<b>Purchase of metals and leasing activities<sup>2</sup></b>	<b>77,564</b>	30,384
<b>Depreciation</b>	<b>4,390</b>	4,441
On-mine	2,969	3,051
Smelting	747	685
Treatment and refining	674	705
<b>Increase in metal inventories</b>	<b>(22,481)</b>	(910)
<b>(Increase)/decrease in ore stockpiles</b>	<b>(482)</b>	137
<b>Other costs<sup>3</sup></b>	<b>5,655</b>	5,073
<b>Corporate related costs</b>	<b>1,123</b>	1,021
Corporate costs	717	564
Corporate costs – Anglo American <sup>4</sup>	181	133
Share-based payments	84	116
Research	123	109
Community social investment	8	73
Exploration	10	26
<b>Operational related costs</b>	<b>1,902</b>	1,918
Transport of metals	772	836
Technical and sustainability – Anglo American <sup>4</sup>	499	506
Community social investment	228	175
Share-based payments	170	141
Studies	119	121
Research – Anglo American <sup>4</sup>	85	83
Exploration	23	39
Other	6	17
<b>Royalties and carbon tax</b>	<b>2,630</b>	2,134
	<b>98,067</b>	72,738

<sup>1</sup> On-mine costs comprise mining and concentrating costs.

<sup>2</sup> Consists of purchased metals in concentrate, secondary metals, refined metals and other metals.

<sup>3</sup> Excluded from costs of inventories expensed during the period.

<sup>4</sup> Services provided by Anglo American plc and its subsidiaries.

	2020 Rm	2019 Rm
<b>4. OTHER INCOME AND EXPENDITURE</b>		
Other income comprises the following principal categories:		
Foreign exchange gain on contract liability <sup>1</sup>	1,415	–
Insurance proceeds	354	22
Royalties received	139	87
Profit on sale of Southridge Mineral Rights	70	–
Profit on disposal of plant, equipment and conversion rights	65	–
Leasing income	8	–
	<b>2,051</b>	109
Other expenditure comprises the following principal categories:		
Realised and unrealised foreign exchange loss	<b>(2,404)</b>	(156)
Foreign exchange loss on cash and cash equivalents relating to the customer prepayment <sup>1</sup>	<b>(963)</b>	(477)
Foreign exchange gain on contract liability <sup>1</sup>	–	466
Other foreign exchange losses	<b>(1,441)</b>	(145)
Covid-19 costs	<b>(528)</b>	–
Project maintenance costs <sup>2</sup>	<b>(224)</b>	(153)
Restructuring and other related costs	<b>(151)</b>	(42)
Legal settlement	<b>(140)</b>	–
Impairment of investments in associates	<b>(54)</b>	–
Loss on disposal of investments	<b>(5)</b>	–
Loss on disposal of plant, equipment and conversion rights	–	(2)
Other	<b>(167)</b>	(144)
	<b>(3,673)</b>	(497)
<p><sup>1</sup> This cash was designated as a hedging instrument against the contract liability in 2019. Hedge accounting ceased on 1 January 2020. As hedge accounting ceased, the foreign exchange gain on the contract liability is no longer offset against the foreign exchange loss on the hedging instrument, cash and cash equivalents relating to the customer prepayment.</p> <p><sup>2</sup> Project maintenance costs comprise costs incurred to maintain land held for future projects and costs to keep projects on care and maintenance. It also includes the costs of the operations put onto care and maintenance once the decision was made.</p>		
<b>5. PROFIT BEFORE TAXATION</b>		
Profit before taxation is arrived at after taking account of:		
Increase in provision for stores obsolescence	50	28
Auditors' remuneration – current year audit fees	17	17
Net profit on disposal of property, plant and equipment	<b>(28)</b>	(3)
Profit on exchange of equipment	<b>(56)</b>	–
Fair value changes on hedge accounting	–	(11)
<b>6. TAXATION</b>	%	%
A reconciliation of the standard rate of South African normal taxation compared with that charged in the statement of comprehensive income is set out in the following table:		
South African normal tax rate	28.0	28.0
Disallowable items that are individually immaterial	0.6	0.3
Impairment of financial assets	0.1	0.1
Prior year underprovision/(overprovision)	0.1	(0.2)
Impairment of investments in associates	–	(0.1)
Deferred consideration fair value remeasurements	<b>(2.3)</b>	(0.6)
Difference in tax rates of subsidiaries	<b>(0.6)</b>	(1.0)
Effect of after-tax share of (profits)/losses from equity accounted entities	<b>(0.2)</b>	0.1
Disallowable provisions	<b>(0.1)</b>	(0.2)
Other	–	0.2
<b>Effective taxation rate</b>	<b>25.6</b>	26.6

	2020 Rm	2019 Rm
<b>7. RECONCILIATION BETWEEN PROFIT AND HEADLINE EARNINGS</b>		
<b>Profit attributable to shareholders</b>	<b>30,342</b>	18,497
Adjustments		
Impairment and scrapping of property, plant and equipment	476	173
Tax effect thereon	(133)	(48)
Insurance proceeds on loss of assets	(354)	(22)
Tax effect thereon	99	6
Profit on sale of Southridge Mineral Rights	(70)	—
Tax effect thereon	4	—
Profit on exchange of equipment	(56)	—
Loss on sale of RA Gilbert	7	—
Tax effect thereon	(3)	—
Impairment of investments in associates	54	—
Tax effect thereon	—	—
Net profit on disposal of property, plant and equipment	(28)	(3)
Tax effect thereon	8	—
<b>Headline earnings</b>	<b>30,346</b>	18,603
Attributable headline earnings per ordinary share (cents)		
Headline	11,554	7,087
Diluted	11,521	7,061

**Audited annual financial statements continued**

Notes to the summarised consolidated financial statements continued

**8. PROPERTY, PLANT AND EQUIPMENT**

The carrying amount of property, plant and equipment can be reconciled as follows:

	Carrying amount at beginning of year Rm	Additions Rm	Reclassi- fications/ transfers Rm	Impairments, disposals and scrapping Rm	Depre- ciation Rm	Foreign currency translation differences Rm	Carrying amount at end of year Rm	Cost Rm	Accum- ulated depre- ciation Rm
<b>2020</b>									
<b>Owned and leased assets</b>									
Mining development and infrastructure – owned	23,407	3,619	14	–	(1,062)	117	26,095	37,198	(11,103)
Mining development and infrastructure	22,513	3,516	73	–	(1,019)	117	25,200	35,894	(10,694)
Exploration and evaluation assets	894	103	(59)	–	(43)	–	895	1,304	(409)
Plant and equipment – owned	15,309	2,929	(15)	(280)	(2,707)	114	15,350	43,500	(28,150)
Land and buildings – owned	3,674	55	1	(22)	(185)	61	3,584	6,196	(2,612)
Right of use assets	462	140	–	–	(166)	–	436	745	(309)
Plant and equipment	357	66	–	–	(115)	–	308	544	(236)
Land and buildings	105	74	–	–	(51)	–	128	201	(73)
Motor vehicles	429	225	–	(2)	(226)	16	442	2,393	(1,951)
Furniture, fittings and equipment	122	48	–	–	(53)	–	117	466	(349)
	43,403	7,016	–	(304)	(4,399)	308	46,024	90,498	(44,474)
Decommissioning asset	101	71	–	–	(57)	–	115	275	(160)
<b>Total</b>	<b>43,504</b>	<b>7,087</b>	<b>–</b>	<b>(304)</b>	<b>(4,456)</b>	<b>308</b>	<b>46,139</b>	<b>90,773</b>	<b>(44,634)</b>
<b>2019</b>									
<b>Owned and leased assets</b>									
Mining development and infrastructure – owned	21,795	3,306	(460)	–	(1,265)	31	23,407	33,215	(9,808)
Mining development and infrastructure	20,832	3,239	(460)	104	(1,233)	31	22,513	31,555	(9,042)
Exploration and evaluation assets	963	67	–	(104)	(32)	–	894	1,660	(766)
Plant and equipment – owned	13,742	4,068	135	(10)	(2,526)	(100)	15,309	42,374	(27,065)
Land and buildings – owned	3,578	250	51	(20)	(197)	12	3,674	6,107	(2,433)
Right of use assets	–	485	92	–	(115)	–	462	606	(144)
Plant and equipment	–	358	92	–	(93)	–	357	479	(122)
Land and buildings	–	127	–	–	(22)	–	105	127	(22)
Motor vehicles	304	194	182	(7)	(246)	2	429	2,293	(1,864)
Furniture, fittings and equipment	134	42	–	4	(60)	2	122	424	(302)
	39,553	8,345	–	(33)	(4,409)	(53)	43,403	85,019	(41,616)
Decommissioning asset	155	(7)	–	–	(45)	(2)	101	194	(93)
<b>Total</b>	<b>39,708</b>	<b>8,338</b>	<b>–</b>	<b>(33)</b>	<b>(4,454)</b>	<b>(55)</b>	<b>43,504</b>	<b>85,213</b>	<b>(41,709)</b>

	2020 Rm	2019 Rm
<b>9. OTHER FINANCIAL ASSETS</b>		
<b>Non-current financial assets</b>		
Loans carried at amortised cost		
Other	–	100
	–	100
<b>Equity investments irrevocably designated at FVTOCI</b>		
Investment in Ballard Power Systems Inc.	1,433	480
Investment in Wesizwe Platinum Limited	106	108
Investment in SA SME Fund	38	40
Investment in Anglo Plc shares	13	17
Investment in Rand Mutual Holdings Limited	96	–
	1,686	644
<b>Other financial assets mandatorily measured at fair value through profit or loss</b>		
Deferred consideration on sale of Rustenburg Mine	4,838	1,566
Deferred consideration on sale of Union Mine	913	–
Deferred consideration on sale of Pandora	247	181
Deferred consideration on sale of Southridge Mineral Rights	25	–
Loan to ARM Mining Consortium Limited	7	68
	6,030	1,814
<b>Total other financial assets– non-current</b>	<b>7,716</b>	<b>2,558</b>
<b>Current financial assets</b>		
Loan at amortised cost		
Metal borrowing	2,056	–
	2,056	–
<b>Other financial assets mandatorily measured at fair value through profit or loss</b>		
Fair value of derivatives	168	19
Deferred consideration on sale of Rustenburg Mine – short-term portion	2,117	673
Deferred consideration on sale of Union Mine – short-term portion	851	–
Deferred consideration on sale of Southridge Mineral Rights – short-term portion	15	–
Deferred consideration on sale of BRPM – short-term portion	–	1,840
	3,151	2,532
<b>Total other financial assets – current</b>	<b>5,207</b>	<b>2,532</b>
<b>10. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES</b>		
<b>A. Associates</b>		
<b>Unlisted</b>		
Peglerae Hospital Proprietary Limited		
Carrying value of investment	57	57
Bokoni Platinum Holdings Proprietary Limited (Bokoni Holdco) <sup>1</sup>		
Carrying value of investment	–	–
Furuya Eco-Front Technology Co., Ltd <sup>1</sup>		
Carrying value of investment	–	–
Lion Battery Technologies Inc. <sup>1</sup>		
Carrying value of investment	–	–
Primus Power <sup>1</sup>		
Carrying value of investment	–	–
Suzhou Yibai Environmental Protection Technologies Co., Ltd <sup>1</sup>		
Carrying value of investment	–	–
	57	57

<sup>1</sup> Equity investments and further advances were impaired during the current and prior years.

## 10. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

### B. Joint ventures

#### Unlisted investment: AP Ventures (APV)

On 17 July 2018 AAP announced that its wholly owned subsidiary, Anglo Platinum Marketing Limited (APML), had subscribed for interests in two UK-based venture capital funds (the Funds), with a total aggregate commitment equivalent to USD100 million. AAP's commitment to the Funds is matched by a USD100 million commitment from South Africa's Public Investment Corporation SOC Limited (PIC). APML and the PIC comprise the Limited Partners (LPs).

APV comprises two funds, APV Fund I and APV Fund II. Fund I is closed to other investors with APML and PIC holding equal ownership interest of 49.5% each and 1% held by General Partners, who have power and authority over APV. APV is a legally separate entity from the Limited Partners. The two Limited Partners invested R328 million each into Fund I on 21 September 2018.

APV is independently managed by the General Partners. The General Partners (GPs) are responsible for the day-to-day investment, disinvestments, financing and distribution decisions.

The GPs are required to hold at all times the 1% of the capital contributed by the LPs. The removal of the GPs require 75% of committed capital by Limited Partners to approve the decision. The LPs can remove the GPs without cause (no-fault removal). This demonstrates that the Limited Partners require unanimous consent to remove the General Partners and therefore the investment in Fund I is that of a joint venture and is equity accounted by APML from 1 October 2018.

APV has a 31 March year end, measures its investments at fair value through profit or loss and therefore internal valuations as at 30 November 2020 were used for equity accounting purposes.

The movement for the year in the Group's investment in joint ventures was as follows:

	2020 Rm	2019 Rm
Opening balance	355	343
Share of profit/(loss) from joint ventures (after taxation)	415	(52)
Investment in AP Ventures	90	59
Foreign exchange translation (loss)/gain in FCTR	(9)	5
Closing balance	851	355
<b>Total balance for associates and joint ventures</b>	<b>908</b>	413

### C. Joint operations

The group has classified all the joint arrangements to which it is a party to as joint operations, except for AP Ventures, as they are unincorporated and the group has rights to the assets and obligations for the liabilities of the arrangements. The classification was made in line with the requirements of IFRS 11 Joint Arrangements.

These joint operations have additional separate legal entities. The group is of the opinion that the substance of these joint operations must be given prominence over their legal form. In most cases, the separate legal entities have been formed to hold legal title to mineral and surface rights as well as to legally employ employees working at the joint operation. The substance is that these companies are mere extensions of the main joint operation to which they relate and consequently should be accounted for in the same manner, namely as a joint operation.

#### Modikwa Platinum Mine

The group and ARM Mining Consortium Limited (ARMMC) established a 50:50 joint operation, known as the Modikwa Platinum Mine Joint Venture (Modikwa). Modikwa operates a mine and a processing plant on the Eastern Limb of the Bushveld Complex, which is managed by Modikwa.

#### Kroondal Platinum Mine

The group and Kroondal Operations (South Africa) Proprietary Limited (Kroondal), a subsidiary of Sibanye Platinum Limited (Sibanye), have pooled certain mineral rights and infrastructure via a pooling-and-sharing agreement. The parties share 50:50 in the profits or losses from the jointly operated mine and processing plant located on the Western Limb of the Bushveld Complex, which is managed by Kroondal.



	2020 Rm	2019 Rm
<b>11. INVENTORIES</b>		
Refined metals	5,305	4,466
At cost	3,198	3,778
At net realisable values	1,554	688
At fair value	553	—
Work-in-process	35,952	14,310
At cost	22,937	12,685
At net realisable values	13,015	1,625
Total metal inventories	41,257	18,776
Ore stockpiles	2,602	2,119
Stores and materials at cost less obsolescence provision	2,658	2,557
Less: Non-current inventories (ore stockpiles)	46,517 (1,147)	23,453 (1,006)
	45,370	22,446

There are no inventories pledged as security to secure any borrowings of the Group.

	2020 Facility amount Rm	2020 Utilised amount Rm	2019 Facility amount Rm	2019 Utilised amount Rm
<b>12. INTEREST-BEARING BORROWINGS</b>				
The Group has the following borrowing facilities:				
<b>Committed facilities</b>	20,936	256	20,540	323
ABSA Bank Limited	1,600	—	1,600	—
Anglo American SA Finance Limited	9,100	—	9,100	—
BNP Paribas	1,000	—	1,000	—
FirstRand Bank Limited	2,657	—	2,657	—
Nedbank Limited	3,579	179	3,623	223
Rand Merchant Bank	800	77	360	100
Standard Bank of South Africa Limited	2,200	—	2,200	—
<b>Uncommitted facilities</b>	6,468	—	6,403	—
Anglo American SA Finance Limited	5,000	—	5,000	—
Bank of Nova Scotia	587	—	561	—
Nedbank London	881	—	842	—
<b>Total interest bearing borrowings</b>	27,404	256	26,943	323
Current interest-bearing borrowings		47		42
Non-current interest-bearing borrowings		209		281
		256		323
Weighted average borrowing rate (%)		6.42		9.67

#### Borrowing powers

The borrowing powers in terms of the memorandum of incorporation of the holding company and its subsidiaries are unlimited.

Committed facilities are defined as the bank's and Anglo American SA Finance's obligation to provide funding until maturity of the facility, by which time the renewal of the facility is negotiated.

An amount of R979 million (2019: R17,240 million) of the facilities is committed for one to five years; R1,000 million (2019: R1,000 million) is committed for a rolling period of 364 days; R2,800 million (2019: R2,300 million) is committed for a rolling period of 18 months; R2,200 million (2019: Rnil) is committed for a rolling period of 24 months and R13,957 million (2019: Rnil) is committed for a rolling period of 36 months. The Company has adequate committed facilities to meet its future funding requirements.

Uncommitted facilities are callable on demand.

### 13. RELATED PARTY TRANSACTIONS

The Company and its subsidiaries, in the ordinary course of business, enter into various sale, purchase, service and lease transactions with Anglo American South Africa Investments Proprietary Limited (parent company) and the ultimate holding company (Anglo American plc), their subsidiaries, joint arrangements and associates, as well as transactions with the Group's associates. Certain deposits and borrowings are also placed with subsidiaries of the holding company. The Group participates in the Anglo American plc insurance programme. Material related party transactions with subsidiaries and associates of Anglo American plc and the Group's associates (as set out in note 10) and not disclosed elsewhere in the notes to the financial statements are as follows:

	2020 Rm	2019 Rm
Deposits (including interest receivable) <sup>1</sup>	17,672	16,783
Purchase of goods and services from Anglo American plc	1,611	1,445
Technical and sustainability	499	506
Information management	232	185
Corporate costs	182	133
Marketing administration costs <sup>2</sup>	129	127
Shared services	124	97
Supply chain	119	91
Shipping costs <sup>2</sup>	110	110
Research	85	83
Office costs	41	38
Base metals sales commission <sup>2</sup>	40	7
Routine analysis (sample testing)	31	55
Enterprise development	19	13
Insurance paid for the year <sup>1</sup>	508	431
Sale of metals to fellow subsidiaries <sup>2</sup>	395	731
Amounts receivable from fellow subsidiaries <sup>2</sup>	351	113
Insurance received for the year <sup>1</sup>	351	40
Finance income for the year <sup>1</sup>	284	253
Amounts owed to fellow subsidiaries <sup>2</sup>	282	162
Compensation paid to key management personnel	152	123
Commitment fees paid for the year <sup>1</sup>	70	37
Commitment fees owed to related parties <sup>1</sup>	43	32
Finance cost for the year <sup>1</sup>	11	376

#### Trade payables

Trade payables are settled on commercial terms.

#### Deposits

Deposits earn interest at market-related rates and are repayable on maturity.

#### Interest-bearing borrowings

Interest-bearing borrowings bear interest at market-related rates and are repayable on maturity.

<sup>1</sup> Fellow subsidiaries.

<sup>2</sup> Prior period has been adjusted for transactions that were previously not included.

	2020 Rm	2019 Rm
<b>14. COMMITMENTS AND CONTINGENT LIABILITIES</b>		
<b>Commitments</b>		
<b>Property, plant and equipment</b>		
Contracted for	4,044	2,207
Not yet contracted for	5,771	2,785
Authorised by the directors	9,815	4,992
Project capital	3,533	1,572
– Within one year	2,748	773
– Thereafter	785	799
Stay-in-business capital	6,282	3,420
– Within one year	4,584	2,166
– Thereafter	1,698	1,254

The group funded R82 million in respect of the care and maintenance of Bokoni Mine in 2020. In addition, the group committed to provide loan funding for Plateau's attributable 51% of the care and maintenance cost up to 30 June 2021 and a maximum of R195 million through a secured loan agreement. As at 31 December 2020 an amount of R85 million has been drawn down against the secured loan agreement.

#### Contingent liabilities

Letters of comfort have been issued to financial institutions to cover banking facilities. There are no encumbrances of group assets.

The Group has, in the case of some of its mines, provided the Department of Mineral Resources with guarantees that cover the difference between closure cost and amounts held in the environmental trusts. At 31 December 2020, these guarantees amounted to R3,978 million (2019: R 2,973 million).

## 15. FINANCIAL INSTRUMENTS

	Amortised cost Rm	FVTPL <sup>3</sup> Rm	FVTOCI Rm	Total Rm	Fair value Rm
<b>2020</b>					
<b>Financial assets</b>					
Investments held by environmental trusts	227	602	–	829	829
Other financial assets	2,056	9,181	1,686	12,923	12,923
Trade and other receivables	2,339	–	–	2,339	2,339
Cash and cash equivalents	19,991	–	–	19,991	19,991
	24,613	9,783	1,686	36,082	36,082
<b>2019</b>					
<b>Financial assets</b>					
Investments held by environmental trusts <sup>1</sup>	219	579	–	798	798
Other financial assets <sup>2</sup>	100	4,346	644	5,090	5,090
Trade and other receivables	1,685	–	–	1,685	1,685
Cash and cash equivalents	18,546	–	–	18,546	18,546
	20,550	4,925	644	26,119	26,119

<sup>1</sup> The investments have been split between amortised cost and FVTPL based on the nature of the underlying investments.

<sup>2</sup> The loan to ARMMC of R68 million has been reclassified from amortised cost to FVTPL as it was previously incorrectly classified as at amortised cost.

<sup>3</sup> Fair value through profit or loss.

## 15. FINANCIAL INSTRUMENTS

	Amortised cost Rm	FVTPL Rm	Total Rm	Fair value Rm
<b>2020</b>				
<b>Financial liabilities</b>				
Non-current interest-bearing borrowings	(209)	—	(209)	(209)
Non-current lease liabilities	(377)	—	(377)	(377)
Current interest-bearing borrowings	(47)	—	(47)	(47)
Current lease liabilities	(210)	—	(210)	(210)
Trade and other payables	(23,040)	(220)	(23,260)	(23,260)
Other financial liabilities	—	(5,479)	(5,479)	(5,479)
	<b>(23,883)</b>	<b>(5,699)</b>	<b>(29,582)</b>	<b>(29,582)</b>
<b>2019</b>				
<b>Financial liabilities</b>				
Non-current interest-bearing borrowings	(281)	—	(281)	(281)
Non-current lease liabilities	(404)	—	(404)	(404)
Current interest-bearing borrowings	(42)	—	(42)	(42)
Current lease liabilities	(164)	—	(164)	(164)
Trade and other payables <sup>1</sup>	(16,017)	(229)	(16,246)	(16,246)
Other financial liabilities	—	(1,533)	(1,533)	(1,533)
	<b>(16,908)</b>	<b>(1,762)</b>	<b>(18,670)</b>	<b>(18,670)</b>

<sup>1</sup> The Purchase of concentrate liability and embedded derivative relating to purchase of concentrate were previously incorrectly presented as Purchase of concentrate liability measured at FVTPL. This liability has been separated into the liability at delivery date, measured at amortised cost, and an embedded derivative relating to movements in pricing between the delivery month and quotational month.

### Fair value disclosures

The following is an analysis of the financial instruments that are measured subsequent to initial recognition at fair value. They are grouped into Levels 1 to 3 based on the extent to which the fair value is observable.

The levels are classified as follows:

- Level 1 – fair value is based on quoted prices in active markets for identical financial assets or liabilities
- Level 2 – fair value is determined using directly observable inputs other than Level 1 inputs
- Level 3 – fair value is determined on inputs not based on observable market data

	Fair value measurement			
	31 December 2020 Rm	Level 1 Rm	Level 2 Rm	Level 3 Rm
<b>Financial assets at fair value through profit or loss</b>				
Investments held by environmental trusts	602	—	602	—
Other financial assets	9,181	—	168	9,013
<b>Equity investments irrevocably designated at FVTOCI</b>				
Other financial assets	1,686	119	—	1,567
<b>Non-financial assets at fair value through profit or loss</b>				
Inventory at fair value	553	553	—	—
<b>Total</b>	<b>12,022</b>	<b>672</b>	<b>770</b>	<b>10,580</b>
<b>Financial liabilities at fair value through profit and loss</b>				
Trade and other payables <sup>1</sup>	(220)	—	(220)	—
Other financial liabilities	(5,479)	—	(237)	(5,242)
<b>Total</b>	<b>(5,699)</b>	<b>—</b>	<b>(457)</b>	<b>(5,242)</b>

<sup>1</sup> Represents payables under purchase of concentrate agreements.

## 15. FINANCIAL INSTRUMENTS

	31 December 2019 Rm	Fair value measurement		
		Level 1 Rm	Level 2 Rm	Level 3 Rm
<b>Financial assets at fair value through profit or loss</b>				
Investments held by environmental trusts <sup>2</sup>	579	—	579	—
Other financial assets <sup>3</sup>	4,346	—	19	4,327
<b>Equity investments irrevocably designated at FVTOCI</b>				
Other financial assets	644	125	—	519
<b>Total</b>	<b>5,569</b>	<b>125</b>	<b>598</b>	<b>4,846</b>
<b>Financial liabilities at fair value through profit or loss</b>				
Trade and other payables <sup>1</sup>	(229)	—	(229)	—
Other current financial liabilities	(1,533)	—	(17)	(1,516)
<b>Total</b>	<b>(1,762)</b>	<b>—</b>	<b>(246)</b>	<b>(1,516)</b>

<sup>1</sup> Represents the embedded derivative under purchase of concentrate agreements.

<sup>2</sup> This amount has been retrospectively reclassified from level 1 to level 2 in the fair value hierarchy. As the trust mainly invests in unit trust, level 2 classification is considered more appropriate.

<sup>3</sup> The loan to ARMMC of R68 million has been reclassified from amortised cost to FVTPL as it was previously incorrectly classified as at amortised cost.

There were no transfers between the levels during the year.

### Valuation techniques used to derive Level 2 fair values

Level 2 fair values for other financial liabilities relate specifically to forward foreign exchange contracts and fixed price commodity contracts.

The valuation of forward foreign exchange contracts is a function of the ZAR:USD exchange rate at balance sheet date and the forward exchange rate that was fixed as per the forward foreign exchange rate contract. Fixed price commodity contracts are valued with reference to relevant quoted commodity prices at period end.

Level 2 fair values for trade and other payables relate specifically to the embedded derivative arising on the purchase of concentrate trade creditors. The settlement of these purchase of concentrate trade creditors takes place on average three to four months after the purchase has taken place. The fair value of the embedded derivative is a function of the expected ZAR:USD exchange rate and the metal prices at the time of settlement. The Level 2 fair value of liabilities for the return of metal is determined by multiplying the quantities of metal under open leases by the relevant commodity prices and ZAR:USD exchange rates.

### Level 3 fair value measurement of financial assets and financial liabilities at fair value

The Level 3 fair value of other financial assets comprises investment in unlisted companies Ballard Power Systems Inc, SA SME Fund and Rand Mutual Holdings Limited. These investments are irrevocably designated as at fair value through other comprehensive income per IFRS 9 Financial Instruments and the deferred consideration on the disposal of the Rustenburg Mine, Union Mine, Southridge Mineral Rights and Pandora which are classified as financial assets at fair value through profit or loss. The fair values of investments at fair value through other comprehensive income are based on unobservable market data, and estimated with reference to recent third-party transactions in the instruments of the company. The fair value of deferred consideration is based on the underlying discounted cash flows expected.

The Level 3 fair value of other financial liabilities comprises the components of the deferred consideration on the acquisition of control in Mototolo Platinum Mine business, which is classified as financial liabilities at fair value through profit or loss. The fair value is based on the underlying discounted cash flows expected.

## 15. FINANCIAL INSTRUMENTS

### Reconciliation of Level 3 fair value measurements of financial assets and financial liabilities at fair value

	Other financial assets		Other financial liabilities	
	2020 Rm	2019 Rm	2020 Rm	2019 Rm
Opening balance <sup>1</sup>	4,846	3,931	(1,516)	(938)
Remeasurements of deferred considerations through profit or loss <sup>2</sup>	8,031	918	(4,323)	(762)
Total gains included in other comprehensive income	1,261	279	—	—
Deferred consideration on sale of Southridge Mineral Rights	70	—	—	—
Foreign exchange translation	(101)	42	—	—
Payment (received)/made	(3,455)	(348)	598	184
Transfer to retained earning on disposal of investments at FVTOCI	(117)	—	—	—
Remeasurement of loan to ARM Mining Consortium Limited	46	24	—	—
Closing balance	10,581	4,846	(5,241)	(1,516)

<sup>1</sup> The loan to ARMMC of R68 million has been reclassified from amortised cost to FVTPL as it was previously incorrectly classified as at amortised cost.

<sup>2</sup> These are included in fair value remeasurements of other financial assets in the statement of comprehensive income.

#### Level 3 fair value sensitivities

Assumed expected cash flows, discount rates and market prices of peer groups have a significant impact on the amounts recognised in the statement of comprehensive income. Changes in the underlying key inputs and assumptions would have the following impact:

	Financial assets	
	2020 Rm	2019 Rm
<b>Rustenburg Mine deferred consideration</b>		
<b>10% change in exchange rates</b>		
Reduction to profit or loss	1,043	221
Increase to profit or loss	1,043	862
<b>10% change in market price of peer groups</b>		
Reduction to profit or loss	1,043	221
Increase to profit or loss	1,043	862
<b>0.5% change in discount rates</b>		
Reduction to profit or loss	43	28
Increase to profit or loss	43	28
<b>Pandora deferred consideration</b>		
<b>0.5% change in discount rates</b>		
Reduction to profit or loss	3	3
Increase to profit or loss	3	3
<b>Investment in equity instruments</b>		
<b>10% change in market price of peer groups</b>		
Reduction to OCI	143	49
Increase to OCI	143	49
<b>Union Mine deferred consideration</b>		
<b>10% change in exchange rates</b>		
Reduction to profit or loss	671	—
Increase to profit or loss	750	—
<b>10% change in PGM prices</b>		
Reduction to profit or loss	671	—
Increase to profit or loss	750	—
<b>0.5% change in discount rates</b>		
Reduction to profit or loss	13	—
Increase to profit or loss	13	—
<b>Southridge Mineral Rights deferred consideration</b>		
<b>0.5% change in discount rates</b>		
Reduction to profit or loss	—*	—
Increase to profit or loss	—*	—

\* Change below R500,000.



## 15. FINANCIAL INSTRUMENTS

	Financial liability	
	2020 Rm	2019 Rm
Mototolo Platinum Mine deferred consideration		
10% change in PGM prices		
Reduction to profit or loss	661	461
Increase to profit or loss	661	461
0.5% change in discount rates		
Reduction to profit or loss	29	11
Increase to profit or loss	28	11
10% change in exchange rate		
Reduction to profit or loss	661	461
Increase to profit or loss	661	461

## 16. IMPAIRMENT OF ASSETS AND INVESTMENTS

### Equity investments in Bokoni Holdco and associated loans

AAP holds a 49% shareholding in Bokoni Holdco, which is equity accounted as an associate. The remaining 51% is held by Atlatsa Resources.

On 21 July 2017 Atlatsa Resources announced the placement of Bokoni Platinum Mine on care and maintenance, which was effected on 1 October 2017. AAP committed to support Bokoni while on care and maintenance until the end of December 2020. A total of R167 million was advanced during the year ended 31 December 2020.

All funding advanced has been impaired to the extent that it comprises a loan to Plateau for its 51% share of the funding requirements. The 49% effective shareholder contribution to Bokoni was capitalised to the investment. Equity-accounted losses were applied thereto.

#### Bokoni

R82 million (49%) of the care and maintenance funding was capitalised to the investment in Bokoni and equity-accounted losses to the same value were applied against this amount. The equity-accounted losses impact headline earnings.

#### Atlatsa

R85 million (51%) of the care and maintenance funding for 2020 was capitalised as a loan to Atlatsa. The full value hereof was impaired.

#### Anglo Converter Plant

ACP Phase A at Waterval Smelter was damaged in an explosion within the converter on 10 February 2020. The Group announced on 6 March the temporary shutdown of its entire ACP plant and the need to declare force majeure.

Assets affected by the explosion in phase A of R264 million were scrapped in 2020.

An insurance claim of R351 million was received and recognised as other income in 2020.

## 17. CHANGES IN ACCOUNTING ESTIMATES

### Change in estimate of quantities of inventory

#### Inventory

During the year, the Group changed its estimate of the quantities of inventory based on the outcome of a physical count of in-process metals. The Group runs a theoretical metal inventory system based on inputs, the results of previous counts and outputs. Due to the nature of in-process inventories being contained in weirs, pipes and other vessels, physical counts only take place once per annum, except in the Precious Metal Refinery, where the physical count is usually conducted every three years. The Precious Metals Refinery physical count was conducted in 2019.

This change in estimate had the effect of decreasing the value of inventory disclosed in the financial statements by R782 million (31 December 2019: increasing of R961 million). This results in the recognition of an after-tax loss of R566 million (31 December 2019: after-tax gain of R692 million).

## 18. POST-BALANCE SHEET EVENTS

### Dividend declared

A final dividend of R9.4 billion (R35.35 per share) for the year ended 31 December 2020 was declared after year end, payable on Monday, 15 March 2021 to shareholders recorded in the register at the close of business on Friday, 12 March 2021.

	2020 Rm	2019 Rm
<b>19. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS</b>		
Profit before taxation	40,858	25,305
Adjustments for:		
Depreciation of property, plant and equipment	4,456	4,454
Gains on remeasurement of other financial assets and liabilities	(3,780)	(248)
Foreign translation losses/(gains)	961	(77)
Finance income	(508)	(342)
Impairment and scrapping of property, plant and equipment	476	173
Share of (profit)/loss from equity accounted entities	(340)	108
Finance cost	286	378
Net equity-settled share-based payments charge to reserves	215	257
Time value of money adjustment to environmental obligations	162	194
Impairment of financial assets	98	80
Profit on sale of Southridge Mineral Rights	(70)	—
Profit on exchange of equipment	(56)	—
Impairment of investment in associates	54	—
Dividends received	(47)	—
Provision for expected credit loss	43	—
Profit on disposal of property, plant and equipment	(28)	(3)
Cash payment on vesting of cash-settled share based payments	(10)	(71)
Other remeasurements	(5)	(90)
Growth in environmental trusts	(5)	(7)
Loss on disposal of investments	5	—
Fair value adjustment on other financial assets and liabilities	4	(4)
Other movements	2	—
	42,771	30,107
<b>Movement in non-cash items</b>	(312)	(208)
Decrease in provision for environmental obligations	(313)	(210)
Increase in employees' service benefit obligations	1	2
<b>Working capital changes</b>	(11,028)	2,317
Increase in metal inventories	(22,481)	(911)
Increase in other liabilities	8,966	3,872
Increase/(decrease) in trade and other payables	7,097	(361)
Increase in financial assets	(2,204)	—
Increase in other assets	(1,520)	(135)
Increase in trade and other receivables	(518)	(275)
(Increase)/decrease in ore stockpiles	(483)	137
Increase in other financial liabilities	221	—
Increase in stores and materials	(137)	(50)
Increase in provisions	30	—
Increase in share-based payment provision	1	40
<b>Cash generated from operations</b>	31,431	32,216

# Administration

## Directors

### Executive directors

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

### Non-executive directors

M Cutifani (Australian)  
NB Mbazima (Zambian)  
AM O'Neill (Australian)  
ST Pearce (Australian)

## Company secretary

Elizna Viljoen  
elizna.viljoen@angloamerican.com

Telephone +27 (0) 11 638 3425  
Facsimile +27 (0) 11 373 5111

## Financial, administrative, technical advisers

Anglo Corporate Services South Africa Proprietary Limited

## Corporate and divisional office, registered office and business and postal addresses of the company secretary and administrative advisers

55 Marshall Street, Johannesburg, 2001  
PO Box 62179, Marshalltown, 2107

Telephone +27 (0) 11 373 6111  
Facsimile +27 (0) 11 373 5111  
+27 (0) 11 834 2379

## Sponsor

Merrill Lynch South Africa Proprietary Limited The Place, 1 Sandton Drive, Sandton, 2196 PO Box 651987, Benmore 2010

Telephone +27 (0) 11 305 5822

## Registrar

Computershare Investor Services Proprietary Limited Rosebank Towers, 15 Biermann Avenue  
Rosebank 2196  
PO Box 61051  
Marshalltown, 2107

Telephone +27 (0) 11 370 5000  
Facsimile +27 (0) 11 688 5200

## Auditor

PricewaterhouseCoopers Inc.  
PwC Towers  
4 Lisbon Lane  
Waterfall City  
2090

## Investor relations

Emma Chapman  
emma.chapman@angloamerican.com

Telephone +27 (0) 11 373 6239

## Lead competent person

Gordon Smith  
gordon.smith@angloamerican.com

Telephone +27 (0) 11 373 6334

## Fraud line – yourvoice

Anonymous whistleblower facility

087 232 5426 (South Africa)

[www.yourvoice.angloamerican.com](http://www.yourvoice.angloamerican.com)

## Human resources-related queries



**Job opportunities:** [www.angloamericanplatinum.com/careers/job-opportunities](http://www.angloamericanplatinum.com/careers/job-opportunities)

**Bursaries, email:** [bursaries@angloplat.com](mailto:bursaries@angloplat.com)



**Career information:** [www.angloamericanplatinum.com/careers](http://www.angloamericanplatinum.com/careers)

## **Anglo American Platinum Limited**

Incorporated in the Republic of South Africa

Date of incorporation: 13 July 1946

Registration number: 1946/022452/06

JSE code: AMS – ISIN: ZAE000013181

**[www.angloamericanplatinum.com](http://www.angloamericanplatinum.com)**

A member of the Anglo American plc group

**[www.angloamerican.com](http://www.angloamerican.com)**



Find us on Facebook



Follow us on Twitter